

Minutes
Employee's Retirement System Board of Trustees
May 1, 2024
Quarterly Meeting

Call to Order: Chair Amy Richardson called the meeting of the Employee's Retirement System Board of Trustees to order at 8:30 a.m. at City Hall.

Board Members Present: Nick Butler
Donn Hill
Ben Kyte
Angeline Lavin
Amy Richardson
Albert Schmidt
Mark Sivertson

Board Members Absent: None

Staff Members Present: Bill O'Toole, Director of Human Resources
Dave Pfeifle, City Attorney
Thomas Huber, Assistant Director of Finance
Angie Uthe, Assistant Director of Human Resources
Kathy Pottebaum, Payroll/Benefits Specialist
Sam Stanforth, Business Analyst

Others present: Firefighters' Pension Fund Board of Trustees members: Matt Adamson, Darin Cox, Ryan Cox, Donn Hill & Loren Koepsell
Peter Brown, Mariner Institutional
Louise Gates, GRS Consulting

The Employee's Retirement System Board of Trustees and the Firefighter's Pension Fund Board of Trustees met in joint session.

Chairperson Richardson provided an opportunity for any public to address the Board. No comments received.

A motion was made by Sivertson seconded by Schmidt to approve the February 22, 2024 meeting minutes. Motion carried unanimously.

Peter Brown presented the Board with the March 31, 2024 first quarter total fund performance and rank to the total plan universe as follows: Quarter 4.95% (34), 1 year 13.75% (42), 5 year 8.01% (34), and 10 year 7.55% (22). The market value of the Fund increased from \$582.0 million to \$600.9 million in the quarter.

Brown discussed US Core Plus Fixed Income Manager options.

Tom Huber reviewed recent investment transactions and the current Investment Allocations and Manager Structure.

A motion was made by Lavin, seconded by Sivertson, to move 5% of the investment portfolio from US and International Equity to Money Market while remaining within policy ranges to be followed with a review of US Core Plus Fixed Income options and investment policy targets at the next meeting. Motion carried unanimously.

Louise Gates presented the board with the December 31, 2023 Annual Actuarial Valuation. The report indicated that the plan had an actuarial funded ratio of 108.9% as of December 31, 2023. The results of the valuation identified the City's 2025 pension contribution of \$6,467,712 for General/Management members and \$4,305,733 for Police members for a total of \$10,773,445. Gates also commented that according to NCEPRS the average funding percentage for public retirement systems in 2023 was 77.8%, which is substantially lower when compared to the City's plan.

A motion was made by Lavin, seconded by Kyte, to accept the 2023 Actuarial Valuation Report. Motion carried unanimously.

Tom Huber presented the Board with the 2023 Annual Financial Statements which are prepared in accordance with Generally Accepted Accounting Principles (GAAP), are audited as part of the City's independent annual audit and published as part of the City's Comprehensive Annual Financial Report. The year-end statements showed an increase in net assets from \$531.7 million to \$582.8 million for the year ending December 31, 2023 and a market value funded ratio of 100.7%.

A motion was made by Schmidt, seconded by Lavin, to accept the 2023 Annual Financial Fund Statement. Motion carried unanimously.

Angie Uthe presented the board with the 2023 pension logs, which reports all retirements, stipends, refunds, deferred retirements, and deaths of plan members in the general and police divisions.

A motion was made by Sivertson, seconded by Kyte, to accept the 2023 pension logs for both divisions. Motion carried unanimously.

A motion was made by Kyte, seconded by Lavin, to adjourn the meeting. Motion passed unanimously.

The Board adjourned at 10:33 a.m.

Respectfully submitted,

Angie Uthe
Recording Officer