

August 17, 2021

The quarterly meeting of the Board of Trustees for the Aggregated Pension Trust Fund was called to order by Mr. O'Neill on the above date at 9:20am, attendance was taken, and a quorum was present.

Board Members present:

Seth O'Neill, President	James Gress, Police and Aggregate
Jeff Glazier, Secretary	John Stribula, Fire and Aggregate Board
Ibolya Balog, Aggregate and Police Board	Andrew Weiss, Aggregate Board
Tim Bruce, Fire and Aggregate Board	John Hill, Police and Aggregate

Board Members absent:

Curtis Xander, O&E and Aggregate Board
Joshua Siegel, Aggregate and Police Board

Others present:

Pat Wing, Marquette	Karen Zangara, Cheiron
Shawn Brett, Cheiron	

Approval of minutes:

A motion to approve the minutes of the May 18, 2021 meeting was made by Ms. Balog and was seconded by Mr. Hill. All present voted in the affirmative and the motion passed.

Proxies Approved by Written Vote: None

Marquette Associates:

Pat Wing reviewed the performance report and gave an update through July 31, 2021. Mr. Wing also presented the cash flow update.

Ms. Balog moved to rebalance the Police Fund by executing the following transactions:

1. SELL \$3,000,000 (three million dollars) of the Vanguard Total Stock Market Index (VITSX; 922908801).
2. When the above sale settles, BUY \$4,500,000 (four million five hundred thousand dollars) of the Vanguard Total Bond Market Index (VBTIX; 921937504)

Mr. Hill seconded the motion which passed unanimously on a roll call vote.

Mr. Weiss moved to rebalance the Fire Fund by executing the following transactions:

1. SELL \$2,000,000 (two million dollars) of the Vanguard Total Stock Market Index (VITSX; 922908801).
2. When the above sale settles, BUY \$3,500,000 (three million five hundred thousand dollars) of the Vanguard Total Bond Market Index (VBTIX; 921937504)

Ms. Balog seconded the motion which passed unanimously on a roll call vote.

Ms. Balog moved to rebalance the O&E fund by executing the following transactions:

1. SELL \$15,000 (fifteen thousand dollars) of the Vanguard Equity Income Fund (VEIRX; 921921300).
2. SELL \$15,000 (fifteen thousand dollars) of the Vanguard Mid-Cap Index Fund Institutional (ticker: VMCIX; cusip: 922908835).
3. SELL \$240,000 (two hundred forty thousand dollars) of Vanguard Total Stock Market Index (VITSX; 922908801)
4. SELL \$10,000 (ten thousand dollars) of the Dodge and Cox Global (DODWX; 256206202).
5. SELL \$35,000 (thirty-five thousand dollars) of the of American Funds International Growth and Income (RIGGX; 45956T816).

6. SELL \$30,000 (thirty thousand dollars) of the MFS Int'l Intrinsic Value Equity (MINJX; 552746349)

7 The cash is to be invested as follows: \$700,000 (seven hundred thousand dollars) for 2024 bond maturities, noting that the projected cash needs for 2024 are \$1,150,000 (one million one hundred fifty thousand dollars). \$345,000 (three hundred forty-five thousand dollars) for 2025 bond maturities, noting that the projected cash needs for 2025 are \$1,040,000 (one million forty thousand dollars).

Mr. Hill seconded the motion which passed on a roll call vote with all present voting in the affirmative except Mr. Stribula who voted no.

The Board discussed active bond managers.

Mr. Hill made a motion, seconded by Mr. Weiss, for the Police Fund to move \$4,500,000 (Four million five hundred thousand dollars) to Baird. Mr. Stribula noted that Board practice has been to interview managers before giving them funds.

Mr. Hill made a motion, seconded by Mr. Bruce, to table the main motion. The motion to table passed on a roll call vote with all present voting in the affirmative except Mr. O'Neill who voted no.

Mr. Wing will set up video interviews with three prospective active bond fund managers before the next quarterly meeting.

The Board discussed bringing Police and Fire Funds' real estate investments back to policy target. It is expected that some of the funds would be called by the end of December 2021 with the balance called in Spring 2022.

Mr. Hill moved to bring the Police Fund real estate investment back to target by moving \$5,500,000 (Five million five hundred thousand dollars) to Morgan Stanley. Mr. O'Neill seconded the motion which passed unanimously on a roll call vote.

Mr. Bruce moved to bring the Fire Fund real estate investment back to target by moving \$2,500,000 (Two million five hundred thousand dollars) to Morgan Stanley. Mr. Hill seconded the motion which passed unanimously on a roll call vote.

Cheiron:

Ms. Zangara presented on the preliminary 1/1/21 actuarial valuation results. Additionally, Ms. Zangara noted that the Police plan's retirement assumptions are not supported by the plan's experience. She presented two options to bring the plan's assumptions more in line with experience.

Mr. Hill moved that the board adopt the 20%/30%/15% retirement assumption that will increase the Fund's MMO by about \$1,000,000 (One million dollars). Mr. Gress seconded the motion which passed unanimously on a roll call vote.

Finally, Ms. Zangara presented a review of the Funds' discount rate and the cost of a 25-basis point reduction. The increase in the MMO of that reduction would be approximately \$1,550,000 (One million five hundred and fifty thousand dollars). Mr. O'Neill said he would discuss that change with the Administration and report back to the Board at the November meeting.

Old Business: None

New Business: None

Adjournment: Mr. Hill moved to adjourn. The motion was seconded by Ms. Balog and approved unanimously.

Submitted by:

Jeff Glazier,
Secretary

