

**MINUTES OF THE REGULAR RETIREMENT BOARD MEETING
HELD DECEMBER 10, 2021**

The meeting was called to order at 8:21 A.M.

PRESENT: Matthew Bartalino
Christopher Conti
Bruce Johnson
Therese Longe
Thomas Markus
John VanGorder
Jeffrey Whipple

ABSENT: Pierre Boutros
John VanGorder

ALSO PRESENT: Mark Gerber, Finance Director/Treasurer

ALSO PRESENT
VIA ZOOM; Thelma Golden, Treasury Consultant; Frank Pisano, Library Board;
Dori Drayton and Jeremy Chambers Captrust; Mark Buis and Rich
Koch, Gabriel Roeder

27-2021

Motion by Markus:
Second by Bartalino:

To approve the Consent Agenda:

To approve the Retirement Board minutes of September 10, 2021;
To approve the Birmingham Employees Retirement System Bills/Retirement Roll of
2,054,971.40 for the period from September 1, 2021 through December 31, 2021;
To approve the Pension Administration Expenses of \$93,982.99 for the period from
September 1, 2021 to December 31, 2021;
To grant final approval of the retirement of Katherine Long from the Police Department;
To grant final approval of the retirement of Robert Fournier from the Department of
Public Services;
To receive the Summary of Assets for the period ending October 31, 2021 with a total
market value of \$117,817,593.

ROLL CALL VOTE:

Bartalino: Aye
Boutros: Absent

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Conti: Aye
Johnson: Aye
Longe: Aye
Markus: Aye
Whipple: Aye

28-2021

Dori Drayton and Jeremy Chambers, Captrust, reviewed their investment consultant report that was included in the agenda and displayed on the screen. Investment changes approved by the Retirement Board are in process. They will work with the Retirement Investment Committee to develop a new investment policy with hopes that it will be presented to the Board at the March meeting. They are continuing to do their due diligence with regard to the REIT and hedge funds. They will provide recommendations to the Retirement Investment Committee as soon as their analysis is complete.

29-2021

Chris Conti and Mark Gerber thanked the personnel from Captrust for the fine job they have been doing and the administrative assistance they have provided.

30-2021

Mark Buis and Rich Koch, Gabriel Roeder, reviewed the 77th Annual Actuarial Valuation that was provided under separate cover and displayed on the screen.

Mark Buis explained that the purpose of the valuation is to determine the employer contribution rate for the next fiscal year. He stated that the COVID-19 pandemic has likely had some impact on the fund's experience. Gabriel Roeder will continue to monitor the impact of the pandemic to the Retirement System. The next experience study will be conducted next fall at which time actuarial assumptions will be reviewed.

Rich Koch reported that contribution requirements decreased from the prior year due primarily to favorable investment performance. He explained that investment gains and losses are spread over a four-year period. In response to a question from Tom Markus, he explained that a 4-5 year smoothing method is pretty much an industry standard that most plans use. Gabriel Roeder will study the smoothing methods during the experience study and make recommendations, but the actual smoothing method is approved by the Retirement Board.

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31-2021

Motion by Bartalino:

Second by Johnson:

To receive the 77th Annual Actuarial Valuation of the Birmingham Employees Retirement System for the fiscal year ended June 30, 2021; to concur in the recommendation contained in the actuarial valuation to transfer \$2,172,335 from the Reserve for Employer Contributions to the Reserve for Retired Benefit Payments as of July 1, 2021.

ROLL CALL VOTE:

Bartalino: Aye
Boutros: Absent
Conti: Aye
Johnson: Aye
Longe: Aye
Markus: Aye
Whipple: Aye

32-2021

Mark Gerber presented the 2022-2023 Pension Administration budget and highlighted the significant changes including the reduction in administration costs, increase in audit costs, elimination of investment management fees, increase in actuary fees, and an increase in fiduciary insurance premiums.

Motion by Whipple:

Second by Longe:

To approve the 2022-2023 Pension Administration budget as submitted.

ROLL CALL VOTE:

Bartalino: Aye
Boutros: Absent
Conti: Aye
Johnson: Aye
Longe: Aye
Markus: Aye
Whipple: Aye

33-2021

Motion by Bartalino:
Second by Whipple:

To concur in the recommendation contained in the 77th Annual Actuarial Valuation to authorize Gabriel Roeder to complete a formal experience study for the Retirement System after the June 30, 2022 actuarial valuation.

ROLL CALL VOTE:

Bartalino: Aye
Boutros: Absent
Conti: Aye
Johnson: Aye
Longe: Aye
Markus: Aye

34-2021

Motion by Markus:
Second by Johnson:

To approve the fiduciary liability insurance policy from Cincinnati Insurance Companies for the period from January 2, 2022 through January 2, 2023 with a \$3,000,000 limit of liability and a \$10,000 deductible with a premium of \$13,045 for the Retirement Fund.

ROLL CALL VOTE:

Bartalino: Aye
Boutros: Absent
Conti: Aye
Johnson: Aye
Longe: Aye
Markus: Aye
Whipple: Aye

35-2021

Chris Conti announced the passing of former employees Darlene Poprafsky and Felix Charlier and the passing of Joyce Cunniff, wife of former employee Louis Cunniff.

36-2021

Frank Pisano favors transparency and stated that he thinks the city's new website is fantastic. He thinks the assumed rate of return is too high and recommends that it should be lowered.

The meeting was adjourned at 9:21 A.M.

Respectfully submitted,

Thelma Golden
Treasury Consultant