

CALL TO ORDER

Co-Chair John Baker called the meeting to order at 9:37 A.M. Those in attendance were:

Retirement Trustees: John Baker, David Heater, and Rick Wright.

Absent: Braulio Escobar.

Columbia Trust representatives: Kali Jensen and Andrew Hagerty.

City Staff: City Manager Spencer Nebel, Finance Director Mike Murzynsky, Human Resources Director Barbara James, Council Liaison Mark Saelens, City Attorney Steve Rich and Financial Specialist Kay Keady.

APPROVAL OF MINUTES - July 26, 2018

MOTION was made by Wright, seconded by Heater, to approve the minutes of the July 26, 2018 meeting. The motion carried unanimously in a voice vote.

DISCUSSION AND ACTION ITEMS

Murzynsky reviewed the Actuarial Report. City has increased funding from 91% to 93%. The wage study and added staff investment return was 7.4% It was higher than the assumed 6.75%.

Murzynsky will ask department heads, at their next meeting, for suggestions for a staff member for the position open on the Retirement Trustee Committee.

Nebel's review of Trustees was positive regarding funding practices.

Schedule for the annual employee meeting was reviewed and it was to use the 2017 meeting format. Murzynsky will give the opening address.

INVESTMENT MARKET / LIQUIDITY REVIEW

Hagerty reviewed the last quarter performance through September 30, 2018.

Hagerty identified multiple markers for domestic and global market:

- Economy continues to expand;
 - a. Tax helped business strength
- Fed interest rates continue to increase;
 - a. Having effect on housing activity, wage growth has not kept up
- Geopolitical risk continues to be prevalent and bears monitoring;
- Feds not buying bonds at this time, strategy on the defensive;
- Risk for market due to mid-term elections;
- Trade issues tariffs with China could dampen benefits, equity markets up and emerging markets down.

PERFORMANCE REVIEW OF QUARTERLY REPORTS

- **Defined Benefit Consolidated**
 2.11% up for the quarter
 6.33% up for the fiscal year
 6.18% up for the five years
 4.58% up since inception
- **Defined Contribution Trust**
 2.20% up for the quarter
 5.72% up for the fiscal year
 6.28% up for the five years
 4.64% up since inception
- **Defined Benefit Trust**
 -3.48% down for the quarter
- **Defined Benefit Capital Growth**
 2.97% up for the quarter
- **Defined Benefit Benchmark**
 0.41% up for the quarter.

HR REPORT

James reported there are four retirements scheduled for September, October and November 2018. Jensen requested any lump sum payout number sent to her.

ESTABLISHED NEXT MEETING

The next meeting will be January 24, 2019 at 10:00 A.M.

ADJOURNMENT

Having no further business, the meeting adjourned at 10:36 A.M.