

CITY EMPLOYEE PENSION BOARD

November 15, 2022

Members Present:

Asham, Haug, Jantzer, Lakefield, McWilliams, Schlecht, Ross

Members Absent:

Klug, Parton, Streyle

The Pension Board Committee was called to order by Alderman Jantzer at 11:11 am.

Approval of Minutes

Jantzer moved the City Pension Board approve the minutes of the June 26, 2019 City Employee Pension Board as submitted. The motion was seconded by Haug and carried by the following roll call vote: ayes: Asham, Haug, Jantzer, Lakefield, McWilliams, Schlecht, Ross; nays: none.

Jantzer moved the City Pension Board approve Items 2-5.

Request for City of Minot Pension Fund

Kenneth Backen \$22,357.21	Darrell Bauer \$49,658.52	Jay Clark \$64,584.41
Lana Erickson \$66,855.32	Mitchell Flanagan \$87,298.46	Jordan Froehlich \$63,927.44
Danny Funke \$44,201.06	Gretchen Guetter \$9,399.79	Tamra Hodge \$9,156.86
Robert Issel \$48,853.69	Jerry Johnson \$70,058.50	Erik Laudenschlager \$91,408.06
Robert Lewis \$63,421.79	Allison Malkowski \$35,816.59	David Miller \$51,948.32
Steven Nagel \$31,937.15	David Oian \$87,486.13	John Potts \$56,948.60
Linda Sand \$62,876.99	Craig Sandusky \$66,190.78	Guy Stromme \$51,948.32
Mitchell Thompson \$36,497.33	Chad Watterud \$54,144.65	

Request for Survivor Benefits

Jeffery Bloms \$1,983.22	Robert Frantsvog \$3,871.98	Jerald Fuchs \$1,649.59
John Gerle \$1,987.95	Melvin Hausauer \$1,083.37	Richard Hendershot \$691.85
Leo Keelan \$2,175.73	Kenneth Knight \$1,131.79	Robert Mehl \$2,341.56
John Meier \$676.05	Murrel Price \$1,445.47	Elwood Smith \$1,893.62
DuWayne Ward \$2,349.62	Keith White \$3,363.03	

Request for City of Minot Pension Retirement Benefits

Peggy Anderson \$3,705.82	Scott Collins \$7,405.42	Carol Cook \$3,282.38	Randy Dosch \$4,188.98
Rick Duncan \$1,835.63	Landi Funke \$3,257.39	David Goodman \$5,301.83	Charles Guseman \$3,268.64
Peter Hoffert \$3,083.31	Allen Johnson \$1,919.82	Brian Johnson \$5,098.38	Tom Jones \$4,684.41
Pete Kaliher \$4,236.96	Paul Kirschenmann \$2,895.59	Charles Laboy \$4,113.39	Marilyn Levadney \$1,394.98
Brian Mathson \$4,467.29	Judy Mathson \$1,134.32	Barbara McPeak \$4,846.64	Larry Meyer \$4,360.67
Penny Meyer \$2,246.77	Scott Miller \$5,290.16	Jason Olson \$8,268.25	Gary Rasmussen \$5,571.01
Wesley Rasmussen \$1,744.18	Scott Redding \$5,648.80	Lonnie Sather \$6,502.59	Stephen Sessions \$2,539.06
Kevin Ternes \$6,768.51	Mark Vollmer \$5,058.02	Brian Warren \$2,196.59	Stephen Whitesell \$5,548.12
John Winter \$1,118.28			

Request for Deferred Vested Pension

Chad Faken \$3,801.22	Daryl Fry \$2,828.70	Arden Glick \$2,844.39
Susan Greenheck \$3,530.30	Shannon Lackey \$4,402.40	Krista Mattice \$1,571.50
Donna Schonberger \$1,050.40	Tami Stroklund \$1,317.85	Michael Taylor \$4,049.84
Kevin Wilk \$2,520.59		

The motion was seconded by Schlecht and carried by the following roll call vote: ayes: Asham, Haug, Jantzer, Lakefield, McWilliams, Schlecht, Ross; nays: none.

Bremer Performance Presentation

Brice Welch and Josh Howard presented the Employee Pension Board with the financial information from Bremer Bank. Josh discussed how the City of Minot Pension is invested as 65% Equity Investments and 35% Fixed Income. As of September 30, 2022, the balance of the fund was \$72.3 million. From January 1, 2022 through September 30, 2022 there was a return of a -23.64. A highlight they wanted to mention that October there was about an 8% shift upwards making our new balance roughly \$78 million.

Fixed Income yields tend to be low returns but are getting better. They mentioned the stock and bond mix offers diversification. In the City of Minot Portfolio Holdings there is about \$25.6 million invested with a -\$3.42 million unrealized loss. The unrealized loss is in there to show the client that if these were to be traded as of now they would be sold with a loss of \$3.42 million.

Jantzer asked Bremer to discuss equity in terms of a possible upcoming recession. Josh mentioned that markets are reacting to single point data and they are going to continue to bounce around. Consumer spending is continuing but he still believes there will be a recession at some point in the next 9-12 months but it might be milder of one.

Gallagher Presentation

Larry McNamara presented to the Employee Pension Board. He discussed the participant data and how the membership was down which is to be expected. There are currently 28 terminated vested members, which are hard to track. These members can be cleared up with a lump sum payment. There are 16 terminated non-vested members which are due a refund.

Larry also confirmed the asset reconciliation for 2022 to be the \$78 million balance. He discussed the city contribution rate right now being 47.26% and the employee contribution rate being 14.74%. This will allow it to be fully funded in 22 years. He also mentioned the most liability is with retired employees and the total liability is \$153,257,909, which increased about \$4 million in one year.

Larry also discussed some key assumptions which include a 7.5% interest rate per year and salary increase rates. There is discussions that need to happen about the assumptions. He also mentioned the average 10 year return is 9.1% or 7.5% after administrative expenses.

Other Business

There being no further business, the meeting was adjourned at 12:01 pm.