MINUTES OF THE REGULAR MEETING
City of Aurora General Employees’ Retirement Board
Held Thursday, June 15, 2023
12100 East Iliff Avenue, Suite 108
Aurora, CO 80014

1) 8:00 AM - Meeting Called to Order

Roll Call

<table>
<thead>
<tr>
<th>Role</th>
<th>Name</th>
<th>Status</th>
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<tbody>
<tr>
<td>Chairperson</td>
<td>David McConico</td>
<td>Present</td>
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<tr>
<td>Legislative Members</td>
<td>Cliff Haight</td>
<td>Present</td>
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<td></td>
<td>Andrew Jamison</td>
<td>Present</td>
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<td></td>
<td>Michelle Reding</td>
<td>Present</td>
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<td></td>
<td>Sue Sandstrom</td>
<td>Excused</td>
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<td></td>
<td>Tom Tobiassen</td>
<td>Present</td>
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<td></td>
<td>Trevor Vaughn</td>
<td>Excused</td>
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<tr>
<td>Nonvoting Members</td>
<td>Sheree Van Buren (for the City Manager)</td>
<td>Excused</td>
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<td></td>
<td>Jackie Ehmann (for Finance)</td>
<td>Present</td>
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<td></td>
<td>Renee Pettinato Mosley (Human Resources)</td>
<td>Present</td>
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<td></td>
<td>Hans Hernandez (City Attorney)</td>
<td>Present</td>
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<tr>
<td>Staff</td>
<td>Steven Shanks</td>
<td>Present</td>
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<td></td>
<td>Aaron Kahn</td>
<td>Present</td>
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The Board Meeting held on Thursday, June 15, 2023, was a hybrid meeting conducted via WebEx and in person at the GERP office.

1) Approval of the Minutes

Andrew Jamison made, and Michelle seconded, a motion to approve the minutes of the Regular Meeting held on May 18, 2023. The motion passed unanimously with Andrew Jamison, David McConico, Michelle Reding, and Tom Tobiassen for. Cliff Haight abstained.

Cliff Haight made, and Andrew Jamison seconded a motion to approve the minutes of the Investment Manager’s Meeting held on May 25, 2023. The motion passed unanimously with Cliff Haight, Andrew Jamison, David McConico, and Tom Tobiassen for. Michelle Reding abstained.

3) Treasurer’s Report

Steve Shanks reviewed the financial statements for March and April and investment performance for March. April investment performance will be available to the Board online soon. As of June 9, 2023, the fund was valued at approximately $589 million.
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Tom Tobiassen made, and Cliff Haight seconded, a motion to allocate the distribution from Molpus as presented by Steve Shanks. The motion passed unanimously with Cliff Haight, Andrew Jamison, David McConico, Michelle Reding, and Tom Tobiassen for.

4) **Review of Lump Sum Distributions for February**

Thirteen participants received lump sum payments totaling $158,162.49.

5) **Approval of Retirement Benefits**


6) **Old Business**

There was no old business.

**Public Comments**

There were no public comments.

7) **New Business**

A) **HarbourVest Update and Private Infrastructure Overview**  
John Cooney, Mike Dean, Justin Lane, and Sarah Zilzer of HarbourVest

John Cooney thanked the Board and introduced HarbourVest’s team. Mike Dean presented information about Private Infrastructure. Approximately 400 managers invest in the private infrastructure market. Sectors like renewable energy and data centers, which had been small and risky, are now more well established and are providing high quality investment opportunities. Private infrastructure has low correlation with traditional investments and tends to perform well even in volatile markets.

Justin Lane reviewed HarbourVest Infrastructure Income Partnership (HIIP). HIIP invests in more stable mature assets including renewable and conventional power, utilities, transportation, communications, and infrastructure. HIIP is diversified by industry, revenue type, and geography.

Sarah Zilzer reviewed GERP’s current investments in HarbourVest. She noted that private equity is cooling off and that many funds are overallocated to the private equity market, so demand has decreased. Private equity managers are coming back to the market less frequently, which has allowed HarbourVest the time to fully research and perform better due diligence on the underlying investments. The total internal rate of return on the GERP investments in HarbourVest is 12.4% as of December 31, 2022.
The HarbourVest team thanked the Board for the opportunity to present educational information regarding private infrastructure.

B) Callan Discussion
   Alex Browning and Jan Mende of Callan

Jan Mende of Callan has covered the private infrastructure since 2012. She noted that HarbourVest began raising money for private infrastructure in 2019 and that the fund became available in 2022. Other larger funds have a longer track record and more investments in private infrastructure than HarbourVest.

Alex Browning noted that private infrastructure tends to be more leveraged than private real estate and that near term refinancing may create some difficulties for the infrastructure markets. Private infrastructure has exposure risks associated with government regular and labor costs. Responding to David McConico, Jan Mende stated that HarbourVest has a return expectation of 8-10%. Cliff Haight wondered about the liquidity of private equity. Alex Browning noted that Callan would model investment liquidity to make sure the investment would be a good match for GERP.

David McConico noted that private companies have started to invest in space exploration and satellite deployment. Jan Mende stated that infrastructure investors continue to expand the opportunity set, but that these more technical investments are not yet in the market.

8) Report on Due Diligence, Education and Travel

Cliff Haight attended the NCPERS conference in New Orleans. He attended talks that discussed bond rates, and REITS. In addition, he discussed the Actuarial Standards Board’s Low Default Obligation Measure with an actuary, who suggested that this measure is likely to cause confusion moving forward.

David McConico attended a meeting with Heitman in Chicago. Heitman has seen gains in income, but losses in appreciation. Real estate investment is changing due to how disruptive COVID has been to the office segment. Heitman noted that some office buildings are being converted to multifamily housing.

10) Staff Report

Steve Shanks read a thank you note from Laura Steege. She’s excited and nervous about retirement and looks forward to moving to Florida. Becky Schiller has been doing well in her new role and staff is happy to have a new perspective on our procedures and organization.

Steve Shanks is working on the Annual Comprehensive Financial Report and Aaron Kahn is finishing up sending statements to deferred vested participants and a handful of active participants in special circumstances.

Tom Tobiassen made, and Andrew Jamison seconded, a motion to adjourn. The motion passed unanimously, with Cliff Haight, Andrew Jamison, David McConico, Michelle Reding, and Tom Tobiassen for.

Meeting Adjourned at 10:00 am
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Minutes Submitted by Aaron Kahn

Minutes Approved

David McConico July 20, 2023
Chairperson of the Board Date