



Employee Retirement Board of Trustees  
February 4, 2021 5:00 PM  
Meeting Held Virtually Via Zoom

Meeting was called to order at 5:02 pm by Chair Ted Isaacs. In attendance were Mike Vredenburg, Shannon Hadley, Josaphine Ezenwa, Barb Sondag, Mike Wayt, and Alan Robbins.

Also in attendance: Brian Goding and Tom Latzke from Marquette Associates, Mayor Ruth Springer, and Darren Mann, Finance Director.

### **Marquette Financial Update**

Goding presented the Fourth Quarter 2020 Performance Report

#### I. Quarterly Report

- A. Total Fund outperformed last quarter, is slightly trailing most periods and ranked in the Middle
- B. Fixed Income is outperforming most periods and ranked high
  - 1. Principal Core and Core Plus are both outperforming, Core is ranked in the middle and Core Plus is mostly ranked low against the Core Plus Universe
  - 2. Principal High Yield and Preferred Securities are under performing and ranked low
- C. US Equities are slightly under performing (fees) the R3000 and ranked high - Everything is indexed and the Vanguard funds are matching the indices and mostly ranked high
- D. Non US Equity is outperforming and ranked in the middle - everything is indexed
- E. Real Estate, Principal is outperforming and ranked high

#### II. Benefit Index has a \$1.2 Million cushion

#### III. Asset Allocation: \$24,009,271.91

- A. Presented suggested changes to the allocation and possible commitment to Partners Group - Changes would increase cushion and provide further diversification
- B. Trustees elected to make no changes at this time
- C. Trustees asked for an asset allocation study to look at potential portfolios including:
  - 1. Adding PE
  - 2. Reducing RE
  - 3. Changing composition of Fixed Income strategies
  - 4. Changing Equity allocation

#### IV. Presented Partners Group and suggested 6.0% allocation

- A. Trustees wanted to adhere to \$25 Million total fund asset minimum and wait until Total Fund assets reach \$25 Million
- B. Trustees asked to see returns vs. Cambridge Associates All PE Universe
- C. Need to provide some education - confusion as to hedge funds vs. PE

#### V. Goding presented a fee increase request

- A. Goding presented a fee increase of \$4,000 per year for the next three calendar years. Goding explained that this is the first fee increase in over 15 years.

**Motion by Isaac, second by Robbins to recommend forwarding contract as proposed by Goding to the Olivette City Council for approval with emphasis that it be subject to legal review by the City Attorney. Motion passed unanimously.**

**At 6:07pm Robbins made a motion to adjourn. Second by Hadley.**