

**Minutes
Employee's Retirement System Board of Trustees
November 4, 2009
Quarterly Meeting**

Call to Order: Chair Dave Nadolski called the meeting of the Employee's Retirement System Board of Trustees to order at 8:40 a.m. at City Hall.

Board Members Present: Cathy Bianchi
Matt Burns
Judy Buseman
Peggy Dant
Dave Nadolski
Mark Sivertson

Board Members Absent: Shawna Goldammer

Staff Members Present: Bill O'Toole, Director of Human Resources
Gene Rowenhorst, Director of Finance
Thomas Huber, Assistant Director of Finance
Gail Eiesland, Chief Assistant City Attorney
Angie Uthe, Compensation & Benefits Manager
Kathy Pottebaum, Benefits Technician

Others present: Howard Pohl, Becker, Burke & Associates

The Employee's Retirement System Board of Trustees and the Firefighter's Pension Fund Board of Trustees met in joint session.

A motion was made Buseman seconded by Dant to approve the August 12, 2009 meeting minutes. Motion carried unanimously.

Howard Pohl presented the Board with the 2009 third quarter performance report. The market value of the Plan increased from \$195.2 million to \$224.7 million. The funds had a rate of return of 15.2% in the third quarter compared to the 12.3% median of the Becker, Burke Plan universe. The annual return was 3.7% compared to the median of 2.1%. Results for the past five years of 5.7% were above the 4.2% median. The Total Plan had 50% of its quarter end assets with domestic equity managers, 21% with international, 27% in domestic bonds, and 3% in real estate. The total plan had top decile performance relative to all plans in the quarter and was above average for the year. It was top decile for five years and for ten years. Risk, as measured by the fluctuation of quarterly returns was top quartile.

Tom Huber and Howard Pohl reviewed the Investment and Manager Allocation Report. Tom reviewed the modifications to the STW Statement of Investment Policies and Objectives which incorporated the changes approved at the previous board meeting, as well as, clarification and cleanup changes recommended by STW.

A motion was made by Sivertson, seconded by Buseman, to adopt the STW investment policy as presented. Motion passed unanimously.

Gail Eiesland informed the board that the Ordinance revision changes will be on the November 16, 2009 City Council Agenda. Sherri Rotert with Boyce, Greenfield, Pashby & Welk will attend the Council meeting to discuss the proposed changes regarding investment of assets.

Discussion was held on the board meeting schedule for 2010. We will meet on February 10, May 12, August 4 and November 10.

A motion was made by Burns, seconded by Sivertson to enter into executive session to discuss legal matters. Motion carried unanimously.

A motion was made by Dant, seconded by Buseman, to exit executive session.

A motion was made by Sivertson, seconded by Burns, to adjourn the meeting. Motion passed unanimously.

The Board adjourned at 10:15 a.m.

Respectfully submitted,

Angie Uthe
Recording Officer