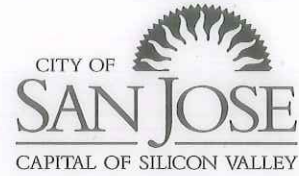


Memorandum



**TO: Board of Administration for the Federated
City Employees' Retirement System**

FROM: Donna Busse

SUBJECT: Board Meeting Frequency

DATE: February 11, 2019

APPROVED:

Roberto L. Pera

DATE: 2/12/2019

RECOMMENDATION

Discussion and action on cancelling an additional Board meeting during the calendar year.

BACKGROUND

The Board adopted a revised Board Performance Assessment Policy in October 2017. The purpose of this policy is to provide a framework and process to allow the Board to periodically review its own performance and practices, and engage in self-analysis. The self-assessment is to occur after the end of even year fiscal years.

Governance consultant, Tom Iannucci from Cortex Applied Research, conducted the survey and follow-up phone calls of Trustees from July to September 2018. One of the improvement opportunities identified through this process was exploring the feasibility of reducing the frequency of meetings.

At the January 21, 2018 Board meeting, the Board requested that staff bring back for discussion the possibility of cancelling another board meeting during the year.

ANALYSIS

Currently the Board meets 11 months out of the year, they do not have a meeting scheduled in the month of July. At all Board meetings, the following approval items generally on the agenda:

1. Approval of Retirements
2. Approval of Return of Contributions
3. Approval of Board and certain staff travel
4. Approval of Investment items

Below is a table of what is typically covered in specific months:

<u>MONTH</u>	<u>AGENDA ITEMS</u>
January	OPEB Final Valuation Results & 5 Year Projection
February	Disability Hearing COLA for 415 "Grandfather" calculations Joint Audit Committee Meeting follows Fed Board Meeting
March	Administrative Budget Fiduciary Insurance Capital Market Assumptions 3Q Private Markets Report 4Q Pension and HCT Performance Reports
April	Contribution Rate Resolutions
May	Disability Hearing Joint Audit Committee Meeting follows Fed Board Meeting
June	Financial Audit Plan (From May Audit Meeting) 4Q Private Markets Report 1Q Pension and HCT Performance Reports
August	Disability Hearing Annual Investment Fee Report Joint Audit Committee Meeting follows Fed Board Meeting
September	2Q Pension and HCT Performance Reports
October	Joint Audit Committee Meeting follows Fed Board Meeting
November	Preliminary Pension Valuation & Economic Assumptions Disability Hearing Financial Audit Report & CAFR (from October Audit Committee)
December	Final Pension Valuation Report OPEB Assumptions PAFR 2Q Private Markets Report 3Q Pension and HCT Performance Reports

Based on the above schedule of agenda items, either September or October would be a month in which the Board could not meet. October does not have any pressing items, but the Audit Committee that follows the Board meeting is a critical meeting for review of the Financial Audit and CAFR and it is a Joint meeting with Police and Fire. Members of the Audit Committee would need to meet around that date, even if the October Board meeting was not held. The September Board meeting has the second quarter performance reports for the Pension and Healthcare Trusts. These are the fiscal year-end reports so they are important. However, the CIO could give an oral update at the August meeting and the Investment Committee will have the consultant report at their September meeting.

CONCLUSION

It would be feasible to cancel either the September or October Board meeting. Staff would have to adjust the timing of placing applicants on the agenda for retirement but that is not usually an issue as the payment schedule of the retiree's first check allows enough time for an applicant to be approved before payment even if a Board meeting is canceled. For the other approvals that happen monthly these are already managed for the canceled July meeting. Staff recommends cancelling the September meeting since the Audit Committee would need to meet in October regardless of whether or not the Board meets in that month in order to meet the CAFR deadlines for the City.



Donna Busse
Deputy Director