

## **City of Rochester**

### **Retirement Board**

#### **Regular Meeting Minutes**

**Date:** November 12, 2025

**Time:** 8:30 a.m.

**Location:** 400 Sixth Street, Conference Room

#### **1. Call to Order**

Mayor **Nancy Salvia** called the meeting to order at **8:38 a.m.**

#### **2. Roll Call**

##### **Present:**

- Nancy Salvia, Mayor (Chair)
- Christian Hauser, Council Member
- Nik Banda, City Manager
- Colin Pettit, DPW Member
- David Berletich, Citizen Member
- Merlin Taylor, Police Member

##### **Absent:**

- Sherry Kush, General Member (arrived later)
- Holly Meyers, Retiree Member

##### **Also Present:**

- Jessica Fitzgerald, Morgan Stanley
- Anthony Moggio, Finance Director / Treasurer (non-voting)

Ms. Kush arrived after roll call and was noted as present for the remainder of the meeting.

### 3. Approval of Minutes – August 20, 2025 Meeting

Motion by **Nik Banda**, seconded by **Merlin Taylor**, to approve the minutes of the August 20, 2025 meeting as presented.

#### Vote:

- Ayes: All
- Nays: None

**Motion carried.**

### 4. Presentation from Morgan Stanley

Ms. **Jessica Fitzgerald** of Morgan Stanley provided a comprehensive market update and review of the City's OPEB Trust, Pension 115 Trust, and Cemetery Trust.

Key discussion points included:

- Strong third-quarter market performance across all asset classes.
- Continued earnings growth and expectations for future market upside.
- Federal Reserve interest rate cuts and their impact on equities and fixed income.
- Market concentration risk in large technology and AI-related stocks.
- High market valuations and the importance of prudent, diversified investment strategies.
- Performance of City trust funds relative to benchmarks and peer groups.
- Confirmation that all trusts remain within policy guidelines, with no violations.

Ms. Fitzgerald reported:

- **OPEB Trust:** Overfunded relative to actuarial requirements; meeting or exceeding all financial objectives.
- **Pension 115 Trust:** Slightly underfunded but performing strongly and within expectations.
- **Cemetery Trust:** Governed by Public Act 13, requiring rebalancing to remain under the 60% equity threshold.

## 5. Investment Policy Discussion

The Board discussed the importance of regularly reviewing Investment Policy Statements (IPS), particularly as the purposes and cash flow needs of the OPEB and Pension trusts differ.

Consensus items:

- The IPS should be reviewed annually by the Board.
- Future meeting packets should include an allocation-to-policy comparison.
- A more detailed IPS review will be scheduled for a future meeting.

Ms. Fitzgerald confirmed that while some benchmarks may warrant adjustment, **no trust is currently out of policy compliance.**

## 6. Recommended Rebalancing Actions

### OPEB Trust

Motion by **Nik Banda**, seconded by **Christian Hauser**, to approve the recommended OPEB Trust rebalancing as presented by Morgan Stanley.

**Vote:**

- Ayes: All
- Nays: None

**Motion carried.**

### Pension 115 Trust

Motion by **Nik Banda**, seconded by **Colin Pettit**, to approve the recommended Pension 115 Trust rebalancing to support upcoming MERS payments.

**Vote:**

- Ayes: All
- Nays: None

**Motion carried.**

### Cemetery Trust

Ms. Fitzgerald advised that rebalancing was required to comply with Public Act 13 equity limits.

Motion by **Nik Banda**, seconded by **Colin Pettit**, to approve the recommended Cemetery Trust rebalancing.

**Vote:**

- Ayes: All
- Nays: None

**Motion carried.**

## **7. Meeting Schedule – 2026**

The Board reviewed and agreed to the proposed 2026 meeting schedule:

- February 11, 2026 – 8:30 a.m.
- May 13, 2026 – 8:30 a.m.
- August 12, 2026 – 8:30 a.m.
- November 11, 2026 – 8:30 a.m.

No objections were raised.

## **8. Attorney Opinion Update**

Mr. **Anthony Moggio** provided an update regarding legal review of the OPEB Trust and retiree health care contributions.

## **9. Adjournment**

Motion to adjourn by **Merlin Taylor**, supported by **Nik Banda**.

The meeting was adjourned at **approximately 9:06 a.m.**