

**RECORD OF PROCEEDINGS
MINUTES
of the
Board of Water Commissioners**

Denver Water Administration Building
1600 West 12th Avenue
Denver, CO
Board Room, First Floor

Video Conference: <http://zoom.us/join>, Meeting ID: 882 3417 6376, Password: 600590
or Dial-in: (669) 900-6833, Meeting ID: 882 3417 6376

Wednesday, February 22, 2023

Trustee/Plan Sponsor Meeting

A meeting of the Board of Water Commissioners, serving in their capacity as Trustees of the Employees' Retirement Plan Trust Fund and Plan Sponsor of the Employees' Retirement Plan, and as Plan Sponsor of the Supplemental Retirement Savings Plan of the Board of Water Commissioners of the City and County of Denver and the Denver Water 457 Deferred Compensation Plan, was held on Wednesday, February 22, 2023, commencing at 9:45 a.m., in the Board Room, Room 106, 1600 West 12th Avenue, Denver, Colorado and via Zoom Video Conference: <http://zoom.us/join>, Meeting ID: 882 3417 6376, Password: 600590 or Dial-in: (669) 900-6833, Meeting ID: 882 3417 6376. Members of the Board present were:

Dominique Gómez, First Vice President
Stephanie Donner, Vice President
Tyrone J. Gant, Vice President
Gary M. Reiff, Vice President

Board employees and others present during portions of the Meeting were:

J.S. Lochhead, CEO/Manager	M. Gilmor, Engineer Sr.
J.A. Anderson, Chief of Staff	G. Gonzales, Business Operations Sr. Support
A. Bricmont, Chief Financial Officer	A. Hill, Government Relations Liaison
J. Brody, General Counsel	A. Joseph, Attorney Sr.
B.D. Good, Chief Administrative Officer	J. Lorton, Director Accounting
D. Gorgemans, Chief Internal Auditor	J. Martin, Project Engineer
R. Mahoney, Chief Engineering Officer	

R. Marsicek, Chief Water Resource Strategy Officer
T.J. Roode, Chief Operations and Maintenance Officer
E. Abbott, IT Application Manager
B. Akins, Finance Sr. Analyst
J. Bandy, Planning Manager
L. Bissey, Paralegal
J. Bogner, Finance Sr.
R. Carlyle, Engineering Specialist
A. Cavallaro, Paralegal Sr.
S. Chesney, Director Public Affairs
J. Daly, Finance Sr.
M. Davies, Engineer
N. Elder, Planning Manager
L. Ellingson, Engineer Sr.
C. Fikan, Finance Associate Analyst
P. Freeman, Business Operations Manager

D. Martinelli, Finance Associate Analyst
P. McCormick, Project Engineer
K. Oligney, Director IT Infrastructure
S. Overby, Business Operations Support
L. Quintana, Administrative Sr. Assistant
A. Rettig, Finance Supervisor
K. Riegle, Attorney Sr.
B. Scott, IT Manager
U. Sharma, Treasurer
S. Slettedahl, GIS Sr. Analyst
J. Walter, Finance Analyst
P. Williams, Executive Assistant
J. Wittler, Attorney
L. Albanese, Financial Investment News
J. Crockett, Jacobs
B. Henry, City of Thornton
G. Hood, Jacobs
R. Hungerbuhler, Segal Marco Advisors

Commissioner Gómez called the Meeting to order at 9:45 a.m.

Upon motion regularly made, seconded and unanimously carried by the members of the Board then present, unless otherwise noted, the Trustees and/or Plan Sponsor acted upon the following Action Items:

ACTION ITEMS

1. ITEM I-1: MINUTES FROM DECEMBER 7, 2022

Meeting as Trustees, the Board approved the Minutes of the Meeting of December 7, 2022.

2. ITEM I-2: DB PLAN INVESTMENT POLICY STATEMENT (IPS)

Meeting as Trustees, the Board adopted the updated Investment Policy Statement (IPS) for the Denver Water Employees' Retirement Plan (Defined Benefit Plan), dated February 22, 2023, a copy of which is attached to and incorporated in these Minutes as Exhibit A.

Ms. Bricmont explained that the IPS summarizes Defined Benefit Plan objectives, outlines duties and responsibilities of the investment consultant and investment managers, and provides general guidance for monitoring and evaluation of investment managers. Three areas of improvement were added to the IPS, which include expanding the Fund's investment objectives; expanding manager performance evaluation standards; and modifying long-term asset allocation ranges in line with recent asset allocation changes.

INFORMATION ITEMS

3. ITEM II-1: 4Q 2022 PERFORMANCE REPORT FOR 401(K) PLAN AND 457 PLAN – CAPTRUST

Meeting as Plan Sponsor, the Board received the Fourth Quarter 2022 Performance Report for the 401(k) and 457 Plans, a copy of which is attached to and incorporated in these Minutes as Exhibit B.

Ms. Sharma highlighted portions of the Fourth Quarter 2022 Performance Report for the 401(k) and 457 Plans prepared by Captrust. She also discussed quarterly retirement program actions taken and changes to the DC Plans as summarized in the Supplemental Retirement Savings Plan & 457 DC Plan Summary.

4. ITEM II-2: DB PLAN – 4Q 2022 PERFORMANCE REPORT

Meeting as Trustees and Plan Sponsor, the Board received Segal Marco Advisors' Fourth Quarter 2022 Performance Report, a copy of which is attached to and incorporated in these Minutes as Exhibit C.

Mr. Hungerbuhler of Segal Marco Advisors highlighted the fourth quarter 2022 pension plan performance and actions taken related to the retirement plan, in addition to providing a capital market update. He indicated that world equity markets were in positive territory, and U.S. equities rose, while moderating inflation and hopes that global rate hikes would slow, fueled stock investor optimism. U.S. fixed income was positive and non-U.S. fixed income was also higher. Hedge funds posted a gain and emerging markets performed best in the quarter. He noted that real estate investing could be challenging the first half of the year.

He stated that Assets totaled \$443.7 million as of December 2022, up \$14.8 million from the third quarter but down \$62.5 million over the most recent year. The Total Fund returned 4.52%, net of fees, in the fourth quarter, falling 37 basis points

behind the Policy Index (4.89%). Fixed Income Composite modestly outperformed the Bloomberg US Aggregate Index in the fourth quarter and widely outperformed over for the calendar year 2022. Alternatives, including real estate, hedge funds, and private equity closed the year with mixed results in the fourth quarter but outperformed more traditional asset classes in 2022.

5. ITEM II-3: 4Q 2022 SUMMARY RETIREMENT PROGRAM REPORT FOR DB PLAN, 401(K) PLAN AND 457 PLAN

Meeting as Trustees and Plan Sponsor, the Board received the Fourth Quarter 2022 Retirement Program Report for the DB plan, 401(k) and 457 Plans and the quarterly Due Diligence Report, a copy of which is attached to and incorporated in these Minutes as Exhibit D.

No further business appearing, the Board voted unanimously to adjourn into an Executive Session at approximately 10:05 a.m.

DocuSigned by:
Jim Lochhead
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Secretary

DocuSigned by:
Dominique Gomez
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President