

FIREFIGHTERS' RETIREMENT PLAN
MINUTES
BOARD OF TRUSTEES MEETING
THURSDAY, DECEMBER 17, 2015
1:30 PM
1114 MARKET STREET, ST. LOUIS, MO 63101
CARNAHAN COURTHOUSE, ROOM 746

Regular Meeting pursuant to call.

St. Louis, Missouri; December 17, 2015

Trustees met at 1:30 p.m.

Meeting Held In: Room 746, Carnahan Building

Present: John Costello, Chairman; Paul Payne, Bridget Halquist, Beverly Fitzsimmons, Michael Pollihan and Jeffery Glorioso, Trustees; and Richard Frank, Secretary.

Excused: James Sondermann, Trustee

Also present were Steve Roth, Dahab and Associates; Janice Fairless and Andy Leeser, Firefighters' Retirement Plan; Mallori Allen, City Counselor's Office.

Chairman Costello called the meeting to order at 1:33 p.m.

Beverly Fitzsimmons joined the Board as the newest Trustee. She is the newly appointed Acting Deputy Comptroller and has been officially sworn in.

Chairman Costello presented the minutes of the regular meeting of November 19, 2015.

Trustee Payne moved to approve the minutes of November 19, 2015, as presented. Motion seconded by Trustee Glorioso and carried by a 4-0-2 vote with Trustees Halquist and Fitzsimmons abstaining.

The Chairman then asked Mrs. Fairless to present the DROP allowance. One DROP allowance was presented for Firefighter George Anderson. (Attachment 1)

Trustee Payne moved to approve the DROP allowance as presented. Motion seconded by Trustee Glorioso and carried by a vote of 6-0.

Chairman Costello asked Mrs. Fairless to present the Pension allowance. Mrs. Fairless presented one pension allowance which included a refund of DROP including the Sick Leave Refund and refund of Contributions for Firefighter George Anderson. (Attachment 2)

Trustee Payne moved to approve the Pension allowance including Sick leave benefit and Refund of Contributions as presented. Motion seconded by Trustee Glorioso and carried by a vote of 6-0.

Chairman Costello called on Mr. Roth from Dahab to present the Preliminary Performance and Market Values for November 30, 2015.(Attachment 3) Mr. Roth discussed the current state of the economy. The Feds finally raised interest rates and the market reacted. What this means is the prime rate was 3.25% and now will be 3.5% so consumers will see that in raised rates on credit cards tied to the Prime and Mortgage rates. This should help Real Estate, hurt fixed income, and hurt utilities. Equity is fully valued but a big flip is not expected. Mr. Roth pointed out how each of the funds investments are doing compared to the shadow index by which their performance is measured. Great Lakes our SMID manager did a good job of protecting well in the recent downside, but did not capture as well on the upside. Garcia was just slightly -.1% below the benchmark, and the Vanguard FTSE All World was down over 2.8% in the long term. In the first quarter a new asset allocation will be presented.

Trustee Payne moved to accept the investment report as presented. Motion seconded by Trustee Glorioso and carried by a vote of 6-0.

Chairman Costello called on Mr. Frank who presented the 2015 Annual Financial Report of the Secretary as prepared by Mr. Leeser. (Attachment 4) Mr. Leeser pointed out the report does include a detailed schedule of investments. He also pointed out some receivables including the \$1.07 million sick leave settlement payment from the FRS which was received in October (after the fiscal year ended).

Trustee Payne moved to accept the 2015 Annual Financial Report of the Secretary (unaudited) as presented. Motion seconded by Trustee Glorioso and carried by a vote of 6-0.

The Chairman then called on the Secretary who presented the Fiscal Budget Report for the Fiscal Year Ending September 30, 2015. (Attachment 5) The Plan reports expenses came in \$46,940 under budget. There were a few non-budgeted expenses including:

- The City Administrative fee of \$21,191-(IT, City Legal, Multigraph, lease, utilities)
- Furniture was over \$5,000 primarily due to the new carpeting
- Investment Manager fees of \$10,921

The area with the biggest savings was employee salaries which was under \$31,417 in salaries and \$9,786 in associated FICA/Med/Life expenses.

Trustee Glorioso moved to accept the Fiscal Budget Report for the Fiscal Year ending September 30, 2015 as presented. Motion seconded by Trustee Payne and carried by a vote of 6-0.

Chairman Costello called on Mrs. Fairless for an update on the FRS Review of the Service Transfer/Buy Requests. At this time there is nothing new to report.

The Chairman then called for an update on the Vocational Rehabilitation Consultant RFP. Mrs. Fairless shared the RFP went out on Monday, December 14, 2015, and will close on January 15, 2016 at 4 pm.

Chairman Costello called for a motion to go into closed session pursuant to Section 610.021 RsMo (Roll Call Vote) to discuss legal matters and matters of physical and mental health of members.

Trustee Pollihan moved to go into closed session. Motion seconded by Trustee Glorioso and carried by a 6-0 roll call vote of all Trustees present.

Closed session minutes are confidential and recorded separately.

Return from closed session at 2:20 p.m.

Chairman Costello called for any other business.

Trustee Glorioso asked the staff for an update on the number of members who have completed beneficiary forms. Only another handful has come in since the end of the lawsuit. Mrs. Fairless estimated around 100 members have turned in beneficiary forms. The Trustees want to make sure new beneficiary forms go out with the Contribution letters this year. Mrs. Fairless has been in touch with Chief Jenkerson seeking his support of this effort.

The Trustees inquired as to the status on the Foreign Equity manager-OFI contract. The contract is very lengthy and Counselor Allen has been reviewing. Counselor Harper (with ERS) and Dahab have also assisted Counselor Allen with the review. Counselor Allen will notify the BOT when legal has approved the contract.

There being no further business, Chairman Costello called for a motion to adjourn.

Trustee Payne moved to adjourn the meeting. The motion was seconded by Trustee Costello and carried by a 6-0 vote of all Trustees present.

Meeting adjourned at 2:30 p.m.

Richard R. Frank
Richard R. Frank, Secretary

01/29/16
Date