

**FIREFIGHTERS' RETIREMENT PLAN**  
MINUTES  
BOARD OF TRUSTEES MEETING  
THURSDAY, MARCH 26, 2015  
1:30 PM  
1114 MARKET STREET, ST. LOUIS, MO 63101  
CARNAHAN COURTHOUSE, ROOM 746

Regular Meeting pursuant to call.

St. Louis, Missouri; March 26, 2015

Trustees met at 1:30 p.m.

Meeting Held In: Room 746, Carnahan Building

Present: Ron Smith, Chairman; Michael Pollihan, John Costello, John Zakibe and Jeff Glorioso, Trustees.

Also present were Steve Roth, Dahab and Associates; Denise Droege and Richard Olliges, Employees Retirement System; Janice Fairless and Andy Leeser, Firefighters' Retirement Plan; Michael Garvin, Christine Hodzic and Mallori Allen, City Counselor's Office; Sue Degunia, Firemen's Retirement System and Fire Captain Adam Owen.

Excused: Patrick Brown and Paul Payne, Trustees; and Richard Frank, Secretary.

Chairman Smith called the meeting to order at 1:35 p.m.

Chairman Smith presented the minutes of the February 26, 2015 meeting (Attachment 1).

Trustee Glorioso moved to approve the minutes as presented. Motion seconded by Trustee Costello and carried by a 5-0 vote of all Trustees present.

Chairman Smith recognized Mrs. Fairless who presented one new pension allowance including a DROP refund with sick leave benefit deposited for approval for Battalion Chief Shy (Attachment 2). Mrs. Fairless noted Firefighter Hill also retired; however he retired straight out of DROP with no paid service in the FRP and no sick leave so he is only eligible for a contribution refund and is not entitled to an FRP pension benefit.

Trustee Costello moved to approve the pension allowance and sick leave payment as presented. Motion seconded by Trustee Glorioso and carried by a 5-0 vote of all Trustees present.

Chairman Smith recognized Mrs. Fairless who presented two refunds of contributions, Firefighter Hill and Battalion Chief Shy. Both are retirees with over 20 years of service prior to 2/1/2013 (Attachment 3).

Trustee Glorioso moved to approve the refunds of contributions as presented. Motion seconded by Trustee Pollihan and carried by a 5-0 vote of all Trustees present.

Chairman Smith then recognized Counselor Allen and Mrs. Fairless who are requesting approval of the use of a vocational expert. This is needed for pending disabilities in the case where the Medical Board declares a person unable to perform the duties of a firefighter but able to perform other tasks. This allows a vocational counselor to assess what job skills the partially disabled firefighter has and what his potential earnings are in the open market, or if he is even able to perform any other job. While such assessments aren't necessary in every case, it is anticipated there will be an occasional need for this service. As time goes on if experience shows we have a greater need for vocational assessments, then we can go out to bid for such services. Mrs. Fairless added that she would like to try a new vocational counselor so if we ever need to put this out for bid we would have first hand knowledge of the quality of assessments various vendors supply. It was noted that the RFP process typically takes 2 to 4 months. Approving the use of a vocational expert now would allow the FRP to handle any immediate needs for these services.

Trustee Pollihan moved to allow staff to retain a vocational expert for any disability application that requires a vocational determination, in an amount not to exceed \$5,000. Motion seconded by Trustee Glorioso and carried by a 5-0 vote of all Trustees present.

Chairman Smith indicated the Audit Report would be laid over until the next meeting as the Auditors asked for more time to complete the report.

Chairman Smith recognized Counselor Allen to provide an update on the Investment Manager-Fixed Income contract. Counselor Allen indicated the contract is not finalized at this point in time and then pointed out that per the Investment Policy, Investment Manager Instructions are to be provided by the Investment Consultant. Mr. Roth said Dahab will work on that portion and provide Manager Instructions within a week. Counselor Allen added this being the Plan's first investment manager, great care is being taken to insure the contract is inclusive of all the necessary language. Mrs. Fairless then asked the Board to approve establishing an account at Northern Trust for the Fixed Income allocation. No money will be transferred to the account

until the Garcia/Hamilton contract is fully executed; however, this will insure the account is ready to go when needed (Attachment 4).

Trustee Pollihan moved to approve establishment of a new account with Northern Trust for fixed income manager Garcia/Hamilton. Motion seconded by Trustee Glorioso and carried by a 5-0 vote of all Trustees present

Chairman Smith then recognized Counselor Hodzic regarding the Service Leave Buy Back and Service Transfer Policy. Counselor Hodzic reported she is still working on finalizing the draft to present to the Board. Mrs. Fairless shared she has several members who have inquired and have indicated they would like to buy/transfer service.

Chairman Smith recognized Mrs. Fairless regarding the Northern Trust Account Access for Mr. Leeser, the FRP accountant (Attachment 5). Ms. Fairless explained this form is necessary so Mr. Leeser can move cash to the approved 60/40 asset allocation the Board has adopted. Currently, each pay period as contribution funds are received Ms. Fairless calls in the order to move the funds. Allowing Mr. Leeser access provides a backup and also falls under Mr. Leeser's job duties as accountant.

Trustee Zakibe moved to approve the Northern Trust Account Access authorization for Mr. Leeser as requested. Motion seconded by Trustee Costello and carried by a 5-0 vote of all trustees present.

Chairman Smith asked Mrs. Fairless to provide an update to the Board on training classes to educate firefighters about the Plan. Mrs. Fairless stated she contacted Chief Jenkerson who put her in touch with Chief Derek Phillips who will coordinate the training. Trustees Costello, Glorioso and Pollihan have offered to support Mrs. Fairless by joining her in the training sessions. Mrs. Fairless added she knows firefighters aren't thrilled with the new plan and she understands their frustration. She believes it is important to get the facts out to the firefighters as she has had several inquiries from firefighters who have misunderstandings on how the plan works.

Chairman Smith 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 Zakibe moved to go into closed session. Motion seconded by Trustee Glorioso and carried by a 5-0 roll call vote of all Trustees present.

Closed session minutes are confidential and recorded separately.

Return from closed session at 2:33 p.m.

Chairman Smith called for a recommendation with regard to the selection of finalists for SMID Investment Manager and discussion as to the date of the interviews. Following discussion it was the consensus of the Board to interview SMID manager candidates at the next regular Board meeting to be held on April 30 and to allot each candidate 30 minutes.

Trustee Glorioso moved to select Great Lakes, SouthernSun and Kennedy as the three finalists for SMID Investment Manager and to invite them to the April 30<sup>th</sup> Board meeting for presentations. Motion seconded by Trustee Costello and carried by a 5-0 vote of all Trustees present.

Chairman Smith called for other business.

Steve Roth from Dahab presented a preliminary performance and market value report dated 3/23/2015. Currently the Portfolio has a market value of \$21.48 million. Year-to-date the portfolio is up 3.2%, and up 1.9% since inception date (Attachment 6).

Mr. Roth then presented a proposed asset allocation for the Plan (Attachment 7). The allocation would still keep our initial 60/40 equity/fixed income mix with the equity portion split as follows: domestic large cap (18%), domestic SMID cap (12%), and International (30%). Core Fixed income would shift from Vanguard to our Investment manager Garcia Hamilton.

Trustee Zakibe moved to accept the asset allocation as presented. Motion seconded by Trustee Glorioso and carried by a 5-0 vote of all trustees present.

Chairman Smith called for any further business.

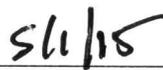
There being no further business Chairman Smith called for a motion to adjourn the meeting.

Trustee Zakibe moved to adjourn the meeting. The motion was seconded by Trustee Glorioso and approved 5-0 by all Trustees in attendance.

Meeting adjourned at 2:50 p.m.



Richard R. Frank, Secretary



Date