

# **FIREFIGHTERS' RETIREMENT PLAN**

## **MINUTES**

### **BOARD OF TRUSTEES MEETING**

**THURSDAY, AUGUST 28, 2014**

**1:30 PM**

**1114 MARKET STREET, ST. LOUIS, MO 63101**

**CARNAHAN COURTHOUSE, ROOM 746**

Regular Meeting pursuant to call.

St. Louis, Missouri; August Twenty-Eighth, Two Thousand and Fourteen

Trustees met at 1:30 p.m.

Meeting Held In: Room 746, Carnahan Building

Present: Ron Smith, Chairman; Paul Payne, Michael Pollihan, John Costello, John Zakibe, Patrick Brown, Trustees; and Richard R. Frank, Secretary.

Also present were Michael Garvin and Mallori Allen, City Counselor's Office; Denise Droege and Richard Olliges, Employees Retirement System; Janice Fairless, Andy Leeser Firefighters' Retirement Plan; Sue Degunia, Firemen's Retirement System; and Captain Steve Migneco, City of St. Louis Fire Department.

Excused: Jeffrey Glorioso, Trustee

Chairman Smith called the meeting to order at 1:39 pm.

Chairman Smith presented the minutes of the July 31, 2014 meeting.

Trustee Payne moved to approve the minutes as presented. Motion seconded by Trustee Pollihan and carried by a 4-0-1 vote of all Trustees present, with Trustee Costello abstaining.

Chairman Smith recognized Mrs. Fairless who presented seven refund allowances. Firefighters Hildebrand, Kriete, Buhnerkempe, Solomon, and Lucas terminated service. Firefighters Siddell and Chirco retired and are entitled to a refund of contributions.

Trustee Costello moved to approve the refunds of contributions as presented (Attachment 1). Motion Seconded by Trustee Pollihan and carried by a 5-0 vote of all Trustees present.

Chairman Smith recognized Mrs. Fairless who presented two pension allowances, one for Firefighter Chirco and one for Firefighter Siddell.

Trustee Costello moved to approve the pension allowances as presented (Attachment 2). Motion seconded by Trustee Pollihan and carried by a 5-0 vote of all Trustees present.

Chairman Smith recognized Mrs. Fairless and Mrs. Droege who asked that the revised benefit calculations be laid over to the next meeting.

Trustee Pollihan moved to lay over approval of the revised benefit calculations. Motion seconded by Trustee Zakibe and approved by a 5-0 vote of all Trustees present.

Trustee Brown, not previously in attendance, joined the meeting at this point in time.

Chairman Smith recognized Mrs. Fairless who updated the Board on the Firemen's Retirement System (FRS) settlement of the 2013 City contribution. On August 1, 2014, the FRS wired \$6,882,749 to the FRP's Northern Trust Account. That same day the money was moved from the cash account to the 60/40 equity/fixed income ratio recommended by the investment consultant, Dahab. Brief discussion followed on the threshold where we would need to add money managers. As the fund approaches ten million dollars this is a valid point. Mr. Frank noted Dahab will be at the next meeting and the matter can be discussed then.

Chairman Smith recognized Mrs. Droege who reminded the Board of its obligation to determine the cost-of-living adjustment (COLA) for fiscal year 2015. In order to mirror FRS, she suggested the Board determine COLA's based on the increase in the CPI over a June to June timeframe rounded to the nearest tenth of a percent, noting that ERS rounds to the nearest tenth of a percent as well. Based on the aforementioned timeframe and rounding method, the COLA is 2.1%.

Trustee Pollihan moved to approve a COLA of 2.1% for eligible retirees and DROP participants effective October 1, 2014. Motion seconded by Trustee Payne and carried by a 6-0 vote of all Trustees present.

Chairman Smith recognized Mr. Frank who presented a proposed Budget for fiscal year ending September 30, 2015. He explained that the proposed budget includes one additional staff member, a Benefits Clerk. This added position will assist the H.R. Specialist with a variety of day-to-day activities and assist in providing coverage in the office at all times. Trustee Payne asked if this would be a per performance position. Mr. Frank indicated this would be a full-time position noting that per performance employees are limited in the number of hours a year they can work. Mr. Frank noted that the salary shown on the proposed budget is only for nine months as it is anticipated the Benefits Clerk won't be hired before January 2015.

Trustee Zakibe moved to approve the addition of a Benefits Clerk to the FRP staff. Motion seconded by Trustee Pollihan and carried by a 6-0 vote of all Trustees present.

There being no further discussion on the budget. Chairman Smith called for a motion.

Trustee Brown moved to approve the Budget as presented (Attachment 3). Motion seconded by Trustee Costello and carried by a 6-0 vote of all Trustees present.

Chairman Smith recognized Mrs. Fairless who explained that she has received two requests from Trustees to attend not only the CAPII Series in Boston, but the full IFEBP Conference in Boston October 11-15. Discussion followed on the "official pre-approved list". The pre-approved list Mrs. Fairless had contained only the CAPI and CAPII series and not the full conference.

Chairman Smith moved to approve Trustees attendance at the IFEBP Conference in Boston the week of October 11. Motion seconded by Trustee Brown and carried by a 6-0 vote of all Trustees present.

Mrs. Fairless also provided the Trustees a copy of the conference agenda for the 2014 Public Safety Employees Pension & Benefits Conference to be held October 26-29<sup>th</sup> in New Orleans (Attachment 4) which is on the pre-approved list of conferences.

Chairman Smith recognized Counselor Allen to open discussion on the pension portability issue. Counselor Allen recommends having Ice Miller draft an IRS-compliant policy on pension portability.

Trustee Pollihan moved to request Ice Miller draft a pension portability policy that is IRS compliant. Motion seconded by Trustee Brown and carried by a 6-0 vote of all Trustees present.

Chairman Smith recognized Counselor Allen who presented a revised Resolution on the Educational Policy and training of Trustees. Counselor Allen indicated this revised resolution is compliant with House Bill 1882.

Trustee Zakibe moved to adopt the Resolution on Educational Policy as presented (Attachment 5). Motion seconded by Trustee Payne and carried by a 6-0 vote of all Trustees present.

Chairman Smith recognized Mrs. Fairless who presented a brief update on the FRP branding. Mrs. Fairless stated she contacted the City Multigraph office and they are able to create a logo for the FRP, with the charge for this service being \$25 per hour.

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 Brown moved to go into closed session. Motion seconded by Trustee Zakibe 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 2:25 pm.

Chairman Smith then called for other business. Mrs. Droege pointed out the next item on the agenda is to establish a date for the September meeting. She explained that FRP staff will be attending a training session in Chicago at Northern Trust and will be out of the office on the last Thursday of September. By consensus the Board agreed to meet on Tuesday, September 23, at 1:30 pm.

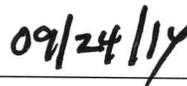
Chairman Smith called for any additional business. Secretary Frank reported the heart/lung tests are very close to being included with new employee physicals for Firefighters. This will be helpful for future disability claims. Secretary Frank also shared that as part of a new bonus program, Firefighters will receive a \$500 bonus for taking an annual physical. The Board thanked Secretary Frank for the update.

There being no further business the meeting adjourned at 2:35 pm.

ATTEST:



Secretary



Date