FIREFIGHTERS' RETIREMENT PLAN
MINUTES
BOARD OF TRUSTEES MEETING
THURSDAY, JULY 28, 2016
1:30 PM
1114 MARKET STREET, ST. LOUIS, MO 63101
CARNAHAN COURTHOUSE
ROOM 746

Regular Meeting pursuant to call.

St. Louis, Missouri; July 28, 2016.

Trustees met at 1:30 p.m.

Meeting Held In: Room 746, Carnahan Building.

Present: John Costello, Chairman; Beverly Fitzsimmons, James Sondermann, Bridget Halquist, Paul Payne, Trustees; and Richard Frank, Secretary.

Also present: Also present were Barry Bryant, Dahab and Associates; Janice Fairless and Andy Leeser, Firefighters' Retirement Plan; Michael Garvin and Mallori Allen, City Counselor's Office.

Excused: Jeff Glorioso and Mike Pollihan Trustees.

Chairman Costello called the meeting to order at 1:34 pm.

Minutes of the May 26 and June 30 meeting were laid over until a future meeting. A quorum was not available from those attending today's meeting.

Chairman Costello then asked Mrs. Fairless to present the Pension allowance (Attachment 1). At this time one retirement benefit was presented for Captain Dangos. Captain Dangos retired straight out of DROP and was on DROP on 2/1/2013. He is also asking for a refund of sick leave accrual and contributions. Discussion followed with the Chairman asking staff to correct Captain Dangos' first name to Timothy.

> Trustee Payne moved to approve the Pension allowance, Sick Leave benefit and refund of contributions for Fire Captain Dangos with the first name correctly reflected as Timothy. Motion seconded by Trustee Fitzsimmons and carried by a 5-0 vote of all Trustees present.

The Chairman then called on Mrs. Fairless to discuss approval of the Revised Pension Allowances due to data clean-up and IT conversion. Mrs. Fairless stated the clean-up should be complete by next Board Meeting, we have checked the new system and the majority of pension benefits match our calculations. The only ones not in agreement are unique situations. We are still working on programming to handle special situations including unpaid breaks in service and extended FMLA leave. Mrs. Fairless reminded the Trustees system testing has been going on for the past year which means the Plan will be responsible for the annual maintenance fee of $34,000 in August.

Chairman Costello recognized Barry Bryant from Dahab who presented the preliminary quarterly update (Attachment 2). The final OFI numbers are not available but the Plan appears to be at 0.7% for the quarter and 5.3% year to date.

> Trustees Payne moved to accept the preliminary report as presented. Motion seconded by Trustee Fitzsimmons and carried by a 5-0 vote of all Trustees present.

Chairman Costello asked Counselor Allen for an update on the Principal Contract. Counselor Allen states they are very close. She submitted a draft to Principal and is waiting on a clarification of a couple of items. In the meantime, Mrs. Fairless would like permission to open the shadow account at Northern Trust (no fees are associated with this), and asked for clarification on funding this account. Discussion followed. Two motions followed:

> Trustee Payne moved to approve opening the shadow account at Northern Trust for the Principal Real Estate holdings. Motion seconded by Trustee Sondermann and carried by a 5-0 vote of all Trustees present.

> Trustee Payne moved to approve the Principal Contract once legal has approved the language in the contract. Motion seconded by Trustee Fitzsimmons and carried by a 5-0 vote of all Trustees present.

Mr. Bryant asked the Board if they wanted to discuss changing the allocation while the contract is being finalized and until our money is called for by our Real Estate manager. After brief discussion is was determined Mr. Roth had advised the plan and the BOT had previously agreed to keep the current allocation until the funds were called.

> Trustee Sondermann moved to have staff move $3,000,000 to the Principal account, with $2.5 million to come from the OFI account, and $0.5 million from the Vanguard 500 Index fund, once the contract is approved and the funds are called by Principal. Motion seconded by Trustee Payne and carried by a 5-0 vote of all Trustees present.

Chairman Costello then asked Mrs. Fairless to present the GASB reports. Mrs. Fairless explained the reports were created in January. However, the actuaries had never finalized their numbers as they were waiting on numbers from the accountant. The accountants did not create a separate report but included the GASB information with the Audit as an addendum. The Audit was previously approved. Cheiron has matched the numbers with the audit and submitted a final draft (Attachment 3). A request from the Comptroller for our GASB report prompted the need for this action

> Trustee Payne moved to approve the GASB report as presented. Motion seconded by Trustee Fitzsimmons and carried by a 5-0 vote of all Trustees present.

Chairman Costello then called on Counselor Allen to present the resolution regarding 10 year vesting (Attachment 4). As stated in the Ordinance, all participants with at least ten years of service may receive a pension at age 62 if they do not get a refund of their contributions upon termination.

> Trustee Fitzsimmons moved to approve the Resolution on 10 year vesting. Motion seconded by Trustee Halquist and carried by a 5-0 vote of all Trustees present.

Next, Chairman Costello called on Mrs. Fairless to present an update on the one-time DROP election. To date we still have 19 outstanding election forms. We have bad phone numbers on a couple of the participants, but the remainder have all received calls or e-mails regarding completion of the forms. Many people simply set it aside. Several participants thought they had already made their DROP election confusing the FRS selections with the FRP DROP. Several have committed to returning the form; however, it has not been received by the office. There is concern some people may miss the August 1st deadline.

> Trustee Sondermann moved to extend the deadline until September 1, 2016 and by doing so amending the resolution which stated August 1, 2016. The Motion was seconded by Trustee Fitzsimmons and carried by a 5-0 vote of all Trustees present.

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 Payne moved to go into closed session. Motion seconded by Trustee Fitzsimmons and carried by a 5-0 roll call vote of all members present.

Closed session minutes are confidential and recorded separately.

Return from closed session at 3:00 p.m.

Chairman Costello opened up discussion on the request from Firefighter Bates' daughter, Javonna Lamb, for survivor benefits. At the time of her Father's death, Ms. Lamb had graduated nursing school and was working. She is returning to graduate school to get a master's degree in nursing administration. She has submitted her class schedule (Attachment 5) and will be taking 9 hours in a master's program which is considered full-time for a master's program. Discussion followed.

> Trustee Sondermann moved to deny benefits to Javonna Lamb based on the gap in education. Motion seconded by Trustee Payne and carried by a 5-0 vote of all Trustees present.

Chairman Costello called for any further business.

Secretary Frank asked Mrs. Fairless to share a recent experience she had with the OFI reports. Mrs. Fairless recently received a bill from OFI. She reviewed the FRP billing tab and noticed 14 other tabs which were 14 other customer's complete billing information including account numbers, names, account balances and deposits for the quarter. Mrs. Fairless immediately pointed this out to OFI and the regional vice president responded. They have pulled back the report and changed our account number at our insistence.

Chairman Costello called for any additional business.

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

> Trustee Payne moved to adjourn the meeting. The motion was seconded by Trustee Sondermann and carried by a 5-0 vote of all Trustees present.

Meeting adjourned at 3:06 p.m.

Richard R. Frank, Secretary

8/26/16
Date