

**FIREFIGHTERS' RETIREMENT PLAN (FRP)**

MINUTES

BOARD OF TRUSTEES MEETING

TUESDAY, SEPTEMBER 23, 2014

1:30 PM

1114 MARKET STREET, ST. LOUIS, MO 63101

CARNAHAN COURTHOUSE, ROOM 746

Regular Meeting pursuant to call.

St. Louis, Missouri; September Twenty-Third, 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 Barry Bryant, Dahab and Associates; Denise Droege and Richard Olliges, Employees Retirement System; Janice Fairless, Andy Leeser Firefighters' Retirement Plan; Sue Degunia, Firemen's Retirement System.

Excused: Jeffrey Glorioso, Trustee

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

Chairman Smith presented the minutes of the August 28, 2014 meeting.

Trustee Zakibe 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 two refund allowances. Firefighter Halbert and Battalion Chief Cribbs both have retired and are entitled to a refund of contributions.

Trustee Payne 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 Halbert and one for Battalion Chief Cribbs.

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

Chairman Smith recognized Mrs. Fairless who presented six DROP allowances, Captain Ricks, Battalion Chief Steffens, Captain Mark Chrun, Captain Fondren, Battalion Chief Simmons, and Private Simms.

Trustee Zakibe moved to approve the DROP benefits as presented (Attachment 3). Motion seconded by Trustee Payne 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 presented the revised benefit calculations. Mrs. Fairless explained there are three sets of revised calculations- Contributions, DROP, and Retirement benefits (Attachments 4a, 4b, 4c)

First presented was the revised refund of contributions for Firefighters Lamacchia and Chirco (Attachment 4a). The refunds were reduced due to the fact the FRS retained the contributions for members in DROP from 2/1/2013 thru 6/30/2013, and have refunded those directly to the members. This prevents a dual payment of benefits.

Trustee Zakibe moved to approve the revised Refunds of Contributions as presented (Attachment 4a). Motion seconded by Trustee Costello and approved by a 6-0 vote of all Trustees present.

Next Mrs. Fairless presented the revised DROP allowance for Firefighter Dorsey. She added Captain Dorsey's DROP went from \$0 to \$34.62 (Attachment 4b).

Trustee Zakibe moved to approve the revised DROP allowance. Motion seconded by Trustee Costello and approved by a 6-0 vote of all Trustees present.

Next Mrs. Fairless presented the revised Retirement benefits for Firefighters Joel Allred, John Altmann, Sergio Chirco, David Crawford, Domenquez Jones, Leo

Kuehner, Richard Ludwig, Robert Maguire, Ronald Moody, Donald Rutherford, Scott Speigel, Addington Stewart, Lloyd Tate, Jar, Dorsey Thompson, and Leonard Wiesehan (Attachment 4c). All revised benefits increased the benefit with the exception of Firefighter Allred. In Allred's instance, the initial benefit decreased \$0.95; resulting in an overpayment of \$14.18 from the initial date of retirement through September 2014. Discussion followed it was agreed the FRP has no choice but to collect the overpayment from Firefighter Allred.

Trustee Pollihan moved to authorize the Secretary to contact Firefighter Allred to arrange collection of the overpayment. Motion seconded by Trustee Payne and approved by a 6-0 vote of all Trustees present.

Trustee Zakibe moved to approve the revised Pension benefits retroactive to the retirement start date for each member as presented (Attachment 4c). Motion seconded by Trustee Costello and approved by a 6-0 vote of all Trustees present.

Chairman Smith recognized Barry Bryant with Dahab investing who presented a "Preliminary Performance and Market Values as of August 31, 2014". The portfolio's market value is currently at \$9.9 million. Strategy was discussed including active management; a core-plus strategy which would diversify away from bond risk; selecting a bond manager; selecting an asset allocation manager; or putting money into index funds. As the fund grows one of the next investments to consider is Real Estate. As the fund will rapidly approach \$20 million with the City's contribution of \$8.9 million in September, Dahab recommends selection of a bond manager. Dahab has a RFP process in place and can play as active a role in selection of the manager as the Board would like. They can submit the RFP and bring as many qualified candidates to the Board of Trustees as requested. Discussion followed on whether the selection of a bond manager requires following the E&A procedures.

Trustee Brown moved to authorize the Secretary to seek an official legal opinion on whether or not the selection of a bond manager must go through E&A procedures. Motion seconded by Trustee Payne and approved by a 6-0 vote of all Trustees present.

Chairman Smith recognized Mrs. Droege and Mrs. Fairless regarding the FRS Data Request and Fee Request. Mrs. Droege and Mrs. Fairless met with the FRS requesting data needed for the IT Services Provider necessary to determine pension benefits for members. Frozen benefit data has been requested and the FRS believes they will need to ask their vendor to create a special report to provide the information. Other information required may require additional work on the part of FRS staff requiring the staff to bill us for their time. No firm prices have been provided for this work. Sue Degunia from the FRS said they have no prices yet, but she did have two reports requested with her today and provided those to the staff. The staff agreed to get an estimate from the FRS for the outstanding information needed and present that to the BOT at the next meeting.

Chairman Smith recognized Mrs. Fairless who shared some information regarding the bank treasury agreement with Commerce Bank. Commerce and our legal department have been discussing the wording and our Legal department has some outstanding concerns. The treasury agreement is needed to provide direct deposit of members benefit checks. Trustee Payne suggested further discussion on this item continue at the next meeting when the legal team is in attendance.

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 2:36 pm.

Chairman Smith called for other business. Trustee Costello asked if any member have ever attended the NCPERS October Conference in New Orleans. Trustee Zakibe has attended this conference and recommends it for Trustees. Its focus is entirely on Public Pension Systems.

Trustee Costello then asked if minutes could be disseminated to the membership via the communications officer, Chief Walsh. After discussion it was agreed, the approved minutes would be posted on the FRP web site. Once posted Chief Walsh would receive an e-mail with instructions on where the minutes can be found.

Chairman Smith called for any additional business. Trustee Pollihan shared the "Retirees Association" would also like a copy of the minutes. Many of the retirees do not use computers regularly, so a printed copy sent to the Retirees Association would be appreciated. This is similar to the way the FRS disseminates minutes to the Retiree base. The Trustees agreed to send a monthly copy of the minutes to the Retiree's Association. Ms. Degunia offered to provide the address so Mrs. Fairless can send these out on a regular basis.

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

Trustee Zakibe moved to adjourn the meeting. Motion seconded by Trustee Costello and the Trustees approved by a 6-0 vote to adjourn the meeting.

Meeting adjourned at 2:45 pm.

ATTEST:

Richard A. Fu  
Secretary

11/14/14  
Date