

**FIREFIGHTERS' PENSION BOARD
MEETING
JUNE 17, 2021**

MEMBERS PRESENT: Bill Albers, Chairman
David Baird, John Briggs,
Jerod Jones, Justin Gerow

OTHERS PRESENT: Kristin Simeone, Finance Director
Kerry Richardville, AndCo Consultants
Braelen Scott, Foster and Foster
Holden Gibbs

CALL TO ORDER/ANNOUNCEMENTS

- Mr. Albers called the meeting to order at 8:30 a.m.
- A. Roll Call
- B. Next Scheduled Meeting
 - 1. September 16, 2021
- C. Election of Chairman and Vice Chairman
 - Mr. Albers announced elections were needed for Chairman and Vice Chairman.
 - Mr. Briggs NOMINATED Mr. Albers for Chairman.
 - As there were no other nominations, Mr. Albers was appointed Chairman by acclamation.
 - Recording Secretary Pues opened the floor for nominations for Vice Chairman.
 - Mr. Briggs NOMINATED Mr. Baird for Vice Chairman.
 - As there were no other nominations, Mr. Baird was appointed Vice Chairman by acclamation.
 - Mr. Albers then announced a letter was received from the State regarding the Board approving the 2020 annual report for the Firefighters' Retirement System.

CITIZEN COMMENTS ON AGENDA ITEMS ONLY

- None.

APPROVAL OF MINUTES

- A. March 18, 2021
 - Mr. Baird MOVED, Mr. Gerow SECONDED approval of the March 18, 2021, minutes.
MOTION CARRIED UNANIMOUSLY.

REPORTS

- A. March 31, 2021 Quarterly Report
 - Ms. Kerry Richardville, AndCo Consulting (ACC), drew attention to ACC's Investment Performance Review for the period ending March 31, 2021, as delineated in the agenda material, noting market performance for the quarter ended well as additional vaccines

and support from the federal government had been distributed. She indicated there were signs the market was in recovery mode, reviewing the results for domestic and international markets from a quarterly and one-year basis (page 2). She stated value stocks led results for the second consecutive quarter, explaining sectors such as energy and financials contributed to same (page 3). She then reviewed the top 10 index weights and quarterly performance for the Russell 1000 and Russell 2000 (page 5) as well as asset allocations by segment (page 10), noting the Fund finished the quarter with \$20,637,240. She recalled additional funds were allocated to real estate at the March 18, 2021, meeting, noting the call for same would register by July 1, 2021. She summarized Total Fund Performance denoted on page 15 as follows: quarter, 2.69% (64th percentile); fiscal year to date (FYTD), 15.77% (17th percentile); 1 year, 45.27% (4th percentile); 3 year, 13.40% (2nd percentile); 5 year, 13.34% (2nd percentile). She provided a detailed overview of the individual investment managers' performances as compared to the benchmark (pages 15-16), confirming members were in favor of Eaton Vance Atlanta Capital providing an update at an upcoming meeting regarding their forecasts for the next several quarters.

B. May 31, 2021 Flash Report

- Ms. Richardville announced the FYTD performance for the period ending May 31, 2021, was 20.81%, speaking positively on same.
- Mr. Baird opined investments in fixed income should be reconsidered.
- Ms. Richardville spoke in favor of minimizing same; however, she was not comfortable with lowering investments below 15%.
- Discussion ensued regarding the security of fixed income investments compared to equity investments, with Mr. Gerow requesting short-term investment options return to the Board.
- Ms. Richardville listed money managers with short-term investment strategies, confirming the service fees would be examined as well.

C. Discussion on Value Added-Real Estate

- Ms. Richardville drew attention to the Introduction to Private Real Estate presentation, denoted in the agenda material, noting same related to the discussion of value-added real estate at the March 18, 2021, meeting. She briefly reviewed pages 4, 9, 14 and 15 of the presentation, explaining value-added real estate was a closed-end structure which would commit capital for 7 to 10 years. She indicated most managers were accessed at \$1 million, concluding funds would need to be redeemed from Intercontinental if members desired to explore managers.

- Mr. Baird indicated Intercontinental was satisfactory and there was no reason to move elsewhere.
- Ms. Richardville agreed, opining they were well positioned.
- Mr. Albers expressed concern regarding the length of the 7 to 10 year commitment.
- A brief discussion ensued regarding the benefits of Intercontinental.
- Mr. Baird then recalled the suggestion for Eaton Vance Atlanta Capital to provide an update at an upcoming meeting, recommending implementation of a policy for each money manager to provide an update on a regular basis.
- Ms. Richardville spoke in favor of arranging same, verifying there were a total of eight managers with the potential to hear from two managers annually.
- Consensus of members was to arrange same.
- Ms. Richardville noted members could decide who they desired to hear from next after the update from Eaton Vance Atlanta Capital at the September 16, 2021, meeting. She concluded there were no other concerns or recommendations at this time, speaking positively on the Fund's status.

NEW BUSINESS

- A. Foster and Foster, Braeleen Scott
 - 1. Portal Demonstration
 - Ms. Braeleen Scott, Foster and Foster, drew members' attention to Foster and Foster's online administrative portal, noting the program could be implemented for the membership if desired. She demonstrated the use and features of the program, pointing out benefit calculations could be run instantaneously. She indicated currently an estimate of a member's retirement benefits could take over a month to receive and cost \$200, explaining the program would remove that cost to the membership. She verified the drop balance would be included and members could run a variety of scenarios, concluding the program was a great planning tool for members.
 - Mr. Baird questioned the cost of the program.
 - Ms. Scott responded the implementation fee was \$3,125 and the annual fee was \$6,250, noting there would be 10% discount on the annual fee if the General Employees' Pension Board (GEPB) and the Police Officers' Pension Board (POPB) were to buy into the program as well.
 - Mr. Gerow expressed surprise that a program such as this was not already accessible.
 - Mr. Jones spoke in favor of the program as there were many members that were in the 5 to 10 year retirement timeframe.
 - Discussion ensued regarding the cost-benefit of the program, with Mr. Baird inquiring as to how often the program would be used by members.

- Mr. Briggs opined same would be used often.
- Mr. Holden Gibbs indicated many members would use the program as a tool for retirement and financial planning, questioning whether the drop account factored in the percentages the Fund was making.
- Ms. Scott replied affirmatively.
- Ms. Kristin Simeone, Finance Director, noted the Information Technology Department would need to be involved with the setup if the program was implemented.
- Mr. Albers expressed concern with the costs of the program to the Fund.
- Ms. Scott stated members were welcomed to compare pricing with alternative programs, noting the price appeared to be much lower than others. She indicated Foster and Foster could track statistics on the membership's usage and same could be included on the Board's agenda annually, adding the Board could end the service at any time if needed.
- Mr. Baird suggested the Board try the program and verify whether the GEPB and POPB would join.
- Mr. Gerow opined the cost was not significant from a software standpoint.
- Discussion continued regarding the benefits of the program in relation to the Fund.
- Ms. Scott verified a workshop for members would be included with the implementation fee.
- Mr. Albers spoke in favor of trying the program.
- Mr. Baird noted the program could be discussed with the membership to ensure they approved along with the other city pension boards.
- Mr. Jones opined the Fire Department would be in favor of the program.
- Mr. Briggs confirmed the discussion would be continued to the September 16, 2021, meeting.
- Ms. Scott added she would provide a presentation for members.
- Mr. Gerow verified customer service would be available for members who might have issues with the software.

UNFINISHED BUSINESS

- No items.

STAFF COMMENTS

- None.

COMMITTEE/BOARD COMMENTS

- None.

CITIZENS' COMMENTS

- None.

ADJOURNMENT

- Meeting Adjourned: 9:33 a.m.

Bill Albers, Chairman

Leah Pues, Recording Secretary