

**POLICE AND FIREMEN'S RETIREMENT FUND  
CITY OF RICHMOND HEIGHTS,  
MISSOURI**

**REGULAR MEETING, April 14, 2014**

A meeting of the Board of Trustees of the Police and Firemen's Retirement Fund was held on Monday, April 14, 2014, commencing at 7:10 P.M in the first floor Conference Room at City Hall, 1330 S. Big Bend Boulevard. Present were Chairman Tim Day, City Manager Amy Hamilton, Steve Holmes, Mike Jones, and Steve Kimker. Gerry Rohr and Deb Chanasue were necessarily absent. Scott Colbert, Doug Koester and John Bascio with Commerce Trust were also in attendance. The meeting was recorded by Sara Fox.

**CITIZEN COMMENTS**

None.

**NEW BUSINESS**

**Commerce Bank Trust Company Fund Presentation**

In order to expedite Messer's Colber, Koester and Bascio attendance at the meeting the Commerce Trust presentation was heard first.

Scott Colbert and Doug Koester of Commerce Trust Company presented the Board with the Pension Fund Portfolio. The Fund is currently at \$14.1 Million.

Mr. Colbert presented his thoughts on the portfolio performance, noting the Fund's position as of March 31, 2014 shows a first quarter progress. Mr. Colbert discussed the Portfolio's allocation performance and the outlook for future returns. Mr. Colbert stated they try to position the portfolio to receive the best return and maneuver around the market conditions. Discussing the economic outlook; it appears the U.S. economy looks like it is regaining its solid footing, with GDP to average about 3% this year. The labor market continues to show progress, with interest rates keeping low as long as inflation remains contained.

Mr. Colbert stated housing is improving, confidence is rising, and the financial foundation here in the U.S. is sound.

Mr. Holmes recommended the Plan get into emerging markets.

Mr. Day asked what percentage would be suggested.

Mr. Colbert suggested adding more in the emerging markets; 4%, with Mr. Holmes commenting perhaps it should be higher.

(Let the record show the Commerce Trust Company Fixed Income Investment Management Report will be attached as record of the April 14, 2014 meeting).

### APPROVAL OF MINUTES

**February 10, 2014**

Ms. Hamilton requested that the sentence “Would LAGERS be able to work with this if it were enacted” on page 4 be deleted from the minutes. Ms. Hamilton stated that she could not recall the exact context that this statement was referring to and it was not clear as written in the minutes. With no objections the sentence was stricken.

Mr. Jones moved, Ms. Hamilton seconded, a motion of approval of the minutes as amended of the February 10, 2014 meeting. Carried unanimously.

### ACCOUNTS PAYABLE

Pat Villmer – Transcribing Retainer	\$	50.00
McMahon, Berger – Board Atty J.Richardson Fee	\$	1,468.75
City of Richmond Heights – Office Depot Reimb	\$	10.72

Ms. Hamilton moved, Mr. Kimker seconded, for the approval of the Accounts Payable. Carried unanimously.

### FINANCIAL STATEMENTS

Commerce Trust Quarterly Report at March 31, 2014  
Quaker funds Quarterly Report at March 31, 2014  
Black Rock Funds Quarterly Report at March 31, 2014  
Silchester International January 2014 Group Trust Report  
Silchester International February 2014 Valuation Statement  
Silchester International February 2014 Group Trust Report  
Silchester International March 2014 Valuation Statement  
Vanguard January 2014 Total Return Chart  
Vanguard February 2014 Statement  
Vanguard February 2014 Total Return Chart  
Vanguard March 2014 Statement

Ms. Hamilton moved, Mr. Kimker seconded, a motion that the financial statements as submitted, be received and filed. Carried unanimously.

### Board Member Deb Chanasue and Mike Jones Resignations

Mr. Day announced to the Board that Ms. Chanasue resigned her position on the Board. He explained that Ms. Chanasue’s work schedule has increased causing some time constraints. The Mayor and Council will consider nominations to replace Ms. Chanasue.

Mr. Day announced that tonight's meeting would be Council Member Mike Jones' last meeting as a Pension Board Member. Mr. Day presented Mr. Jones with a plaque from the Board and thanked him for his many years of service to the Pension Board.

Mr. Holmes provided the Board with a brief update of the quarterly Total Fund Assessment report. Mr. Holmes stated as of the calendar year the Fund is up 1.9%, for the one year- 15.9%, and noted the first quarter appears strong. Mr. Holmes stated he will give a more comprehensive report at a later date. Mr. Holmes stated the small cap growth rates are slowed.

The Board discussed the possible change in investment allocations. Ms. Fox stated the Board can make the allocation changes on its own as long as it is within the parameters.

Mr. Holmes recommended AJO Emerging Markets and would send an email to the Board to give more information.

Mr. Holmes moved, Mr. Jones seconded, a motion to move all of Black Rock Funds (\$4.3 million approximately) to AJO Emerging Markets. Carried unanimously.

## **OLD BUSINESS**

### **Survivor Benefits Discussion**

The Board discussed the survivor benefits issue, noting the employees had not been given options/figures which might aid in their deciding what their feelings are on the subject. Mr. Kimker stated we did not have any set figures to present to them to consider and learn what the impact on their pension might be. Ms. Hamilton stated that she thought the Board was only going to consider this if there was a negative Plan impact.

The Board discussed getting information from LAGERS that would assist in learning what any impact might be to the retiree's pension and consequential survivor benefits. Ms. Fox stated she would contact LAGERS and once received, send out the information to the Board.

## **NEW BUSINESS**

### **MOMAPERS Conference Registration**

Mr. Day noted that the MOMAPERS Conference would be July 9, 10, & 11. He asked if any Board Members were interested in attending.

Mr. Kimker indicated he might be interested in attending. He will check his schedule for availability.

**Police Officer Mike Thompson  
Application for Regular Benefits**

Police Officer Mike Thompson will retire his position with the City of Richmond Heights Police Department on May 25, 2014. Mr. Thompson's benefits will begin on May 26<sup>th</sup>, his first day of retirement. His monthly benefits will be \$3,390.37.

Mr. Kimker moved, Mr. Jones seconded that Mr. Thompson's application be received and filed. Carried unanimously.

### **Pension Fiduciary Insurance Policy**

The Pension Fiduciary Insurance Policy agenda topic is a follow-up from the annual insurance renewal that the Pension Board approved for payment at the January 13<sup>th</sup> Pension Meeting.

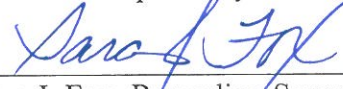
Mr. Day stated that he thought the coverage should be increased from \$1,000,000 to \$2,000,000. He asked that the Board receive a quote for the increased premium when this policy comes up for renewal.

Mr. Jones asked how much was the premium for \$1,000,000 coverage. Ms. Hamilton stated the premium was \$4,612.00.

### **ADJOURNMENT**

With no further business to come before the meeting, at approximately 8:25 p.m., Ms. Hamilton moved, Mr. Holmes seconded, a motion that the meeting be adjourned. Carried unanimously.

Respectfully submitted,



Sara J. Fox, Recording Secretary



Patricia S. Villmer, Transcribing Secretary