Minutes of the August 20, 2015
Regular Meeting of the Board of Trustees
of the Joplin Policemen's and Firemen's Pension Plan

1. CALL TO ORDER

Due to the absence of Mayor Michael Siebert, the regular meeting of the Board of Trustees of the Joplin Policemen's and Firemen's Pension Plan was called to order by Finance Director Leslie Haase. A unanimous vote of the board determined that City Attorney Peter Edwards would act as chairman.

Roll Call

Present: John Alford, Jared Delzell, Adam Grimes, Bob Loudermilk, new member Mike McGavran, Larry Swinehart, Finance Director, Leslie Haase and City Attorney Peter Edwards.
Absent:
Motion by Adam Grimes, Second by Bob Loudermilk to excuse Mayor Seibert. Motion passed 6-0.

2. APPROVAL OF MINUTES

Motion by Adam Grimes, Second by Jared Delzell to approve the minutes of July 21, 2015. Motion passed 6-0.

3. UNFINISHED BUSINESS

Discussion of Required Plan Restatement: Leslie stated there are 2 issues that need further discussion. 1) Should the board take Alan Kandel's advice and seek another IRS determination? 2) Restate the plan? Motion by John, Second by Adam to accept the advice of Alan Kandel to send a determination letter.

To restate the Plan, a vote of the membership must take place. Leslie stated she would get the necessary correspondence in order to hold an election from September 4 through October 2. She will work up the documentation and send it to the Pension Board for their review before sending it to the membership.

Discussion of DROP Study: (Deferred Retired Options Program). It was decided more time and discussion is needed on this issue before taking action. Add to September's agenda.
At this point Leslie introduced the new board member, Mike McGavran. Leslie explained that the IRS requires that the Pension Plan needs to be restated from time to time to stay in compliance with IRS regulations. It's time to restate it and in order to change the Plan, the membership holds an election for four weeks and if changes are approved, it will need to go to the City Council in ordinance form for their approval in order to be effective.

4. NEW BUSINESS

Financials: Leslie stated the pension plan started the month of July with a balance of $36,485,786 with a gain of $180,281 for an ending balance of 36,666,068.

Quarterly Report by Bogdahn Group: Peter Brown with Bogdahn presented the Quarterly Report. Motion by Jared, Second by Larry, that subject to legal review, the board approved Peter Brown's recommendation of committing four millions dollars to the American Realty Core Fund to be sourced from the Alternatives Portfolio; to liquidate the PIMCO all asset and the I-Shares Natural Resources. Motion passed 6-0.

Reduce Assumed Rate of Return: Leslie informed Peter Brown that at last month's meeting, the Plan's actuary, Brad Armstrong, suggested reducing the assumed rate of return for the Plan from 7% to 4-6%. Peter concurred that, across the board, pensions are reducing their rate of assumption. Leslie stated she would like permission from the Board to ask Brad Armstrong to do an impact study on reducing the rate of assumption, over time, and using 6% and 7%. Motion by John, Second by Adam to approve Leslie's request.

Invoice-Husch Blackwell: Motion by Larry, Second by Jared, to pay the Husch Blackwell invoice amount of $3,090.50 for professional services regarding the restatement of the plan, from 6/23/15 -6/30/15. Motion passed 6-0.

Joplin Globe issue: Discussion was held regarding how to address inaccuracies about the P&F pension fund that are printed in the Joplin Globe. Peter Edwards suggested sending an email to the board members, including Peter and Leslie, stating what the inaccuracy is and then Peter or Leslie can send a statement on behalf of the Board addressing the issue.

Retirements and Termination: Donald Heritage retired from the Fire Department on August 6, 2015 after 22 years and 4 months of service. His monthly retirement benefit amount is $2,930.40 and the remaining lump sum amount is $161, 486.45. Motion by John, second by Adam to release these amounts to Mr. Heritage. Motion passed 6-0.

Set date of next meeting: Thursday, September 17, 2015, at 9:30 a.m.

Vote to go into closed session, which shall pertain to legal action, causes of action, or litigation including a public governmental body and any confidential or privileged communications between a governmental body or its representatives and its attorneys as set forth in Section 610.021(1) RSMo, as amended, 2014. This meeting, record, and vote to be closed to the extent provided by law. The Pension Board shall adjourn at the end of the session. Motion by John, Second by Adam to go into closed session. Motion passed 6-0.

Adjourn: The regular meeting was adjourned at 10:40 a.m.

Respectfully submitted,
Barbara Gollhofer
Barbara Gollhofer, Secretary