

POLICE & FIRE PENSION BOARD MEETING

DATE: March 21, 2022

City Hall, Commission Chambers

TIME: 1:30 P.M.

AGENDA

Present: Stan Chubinski, Tammy Giannunzio, Ed Guzzo, Jake Martin and Chris Rabbitt.

Also Present: Linda Morrision, Revenue Services Manager; Jeremy Tollas, CAPTRUST

Chair Chubinski asked for approval of the agenda. **Motion Martin**, seconded Giannunzio to approve the agenda. On a voice vote, motion **carried**.

Presented minutes of the regular meeting held February 28, 2022. **Motion Guzzo**, seconded Martin to approve the regular meeting minutes from February 28, 2022. On a voice vote, motion **carried**.

Bank Summary of Assets & Expense Reports

As of 02/28/2022, the market value of the portfolio was \$178,173,311.77 a loss of \$3,938,057.54 from the 01/31/2022 balance.

For the month of February, the following expenses were deducted:

<u>Expense Type</u>	<u>Payee</u>	<u>Amount</u>	<u>Frequency</u>	<u>Additional Details</u>
Investment Fees	Loomis Sayles & Co	44,974.56	Quarterly	10/1 -12/31/21
Total Investment Fees		44,974.56		

Quarterly Bank Statement Summary

	<u>Prior Quarter</u>	<u>1/31/2022</u>	<u>2/28/2022</u>	<u>Current Quarter</u>
Beginning balance, at market	184,210,344.27	190,362,921.30	182,111,369.31	190,362,921.30
Additions				
Investment income:				
Interest and dividends:				
Cash received	4,570,837.96	103,153.45	118,509.97	221,663.42
Beginning accrual	(667,938.64)	(262,006.05)	(256,092.99)	(518,099.04)
Ending accrual	722,231.40	256,092.99	253,236.55	509,329.54
Net appreciation	2,880,964.75	(8,053,118.98)	(3,638,515.48)	(11,691,634.46)
Investment expenses	<u>(44,948.38)</u>	<u>-</u>	<u>(44,974.56)</u>	<u>(44,974.56)</u>
	7,461,147.09	(7,955,878.59)	(3,567,836.51)	(11,523,715.10)
Contributions:				

Employer	1,578,218.14	526,203.50	526,203.50	1,052,407.00
Employee	<u>399,283.90</u>	<u>205,042.64</u>	<u>137,831.95</u>	<u>342,874.59</u>
	1,977,502.04	731,246.14	664,035.45	1,395,281.59
	9,438,649.13	(7,224,632.45)	(2,903,801.06)	(10,128,433.51)
Deductions:				
Benefit Payments	(3,244,681.73)	(1,013,613.58)	(1,013,167.28)	(2,026,780.86)
Redeposits - Offset to Benefits Pd.	5,999.58	-	725.78	725.78
Contribution refunds	-	-	(21,830.64)	(21,830.64)
Administrative expenses	(50,980.18)	(13,979.75)	-	(13,979.75)
Member reimbursements	-	-	-	-
Insurance premiums	-	-	-	-
	<u>(3,289,662.33)</u>	<u>(1,027,593.33)</u>	<u>(1,034,272.14)</u>	<u>(2,061,865.47)</u>
Assets received	1,003.39	574.74	15.66	590.40
Other cash receipts	2,014.69	99.05	-	99.05
Other Income	-	-	-	-
Other non-cash	-	-	-	-
Assets Distributed	(777.85)	-	-	-
Redeposits - Not Benefit Pmts.	1,350.00	-	-	-
Miscellaneous Disbursements	-	-	-	-
Other Disbursements	-	-	-	-
Transfers	-	-	-	-
	<u>3,590.23</u>	<u>673.79</u>	<u>15.66</u>	<u>689.45</u>
Ending balance, at market	<u><u>190,362,921.30</u></u>	<u><u>182,111,369.31</u></u>	<u><u>178,173,311.77</u></u>	<u><u>178,173,311.77</u></u>

Investments

Debt securities:

U.S. Government obligations	22,314,388.70	20,516,324.00	20,107,315.75	20,107,315.75
Collateralized MTG Obligations	6,687,115.74	6,516,232.13	6,429,635.61	6,429,635.61
Asset Backed	2,760,568.02	2,698,684.69	2,764,452.43	2,764,452.43
Corporate obligations	13,609,738.85	13,760,293.25	14,071,107.94	14,071,107.94
Foreign Bonds and Notes	3,249,076.45	3,422,967.90	3,238,529.25	3,238,529.25
Mortgage Backed Securities	2,497,260.57	2,400,748.87	4,750,132.11	4,750,132.11
Private Placements	392,864.80	129,603.00	128,468.00	128,468.00
Open End MF - Fixed Inc Tax	20,308,189.37	20,159,039.53	20,028,011.47	20,028,011.47

Equity securities:

Open End MF - Equity	109,598,190.73	102,931,932.64	100,194,751.78	100,194,751.78
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Comerica Short-term fund	3,347,125.07	2,460,173.07	4,613,610.62	4,613,610.62
US Treasury Bills	5,334,753.20	6,905,678.35	4,794,774.20	4,794,774.20
Cash	1,643.75	767.09	1,687.50	1,687.50
Due From Broker	-	177,657.05	305,292.30	305,292.30
Due To Broker	-	(224,825.25)	(3,507,693.74)	(3,507,693.74)
Accrual	262,006.05	256,092.99	253,236.55	253,236.55
	<u>190,362,921.30</u>	<u>182,111,369.31</u>	<u>178,173,311.77</u>	<u>178,173,311.77</u>

Motion Giannunzio, seconded Guzzo to accept the financial report and quarterly bank summary submitted. On a voice vote, motion **carried**.

Board/Administrator Reports:

- Chubinski - none
- Giannunzio - none
- Guzzo - none
- Hovarter
 - Jeremy Belknap, former Police Officer, withdrew his contributions totaling \$2,910.91. This total consisted of \$2,910.91 in pre-tax contributions and \$0 in interest. A payment was issued to Mr. Belknap on 02/28/22.
 - Jessica Lindquist, former Firefighter, terminated 03/02/22. A letter regarding her options for withdrawal was emailed 03/10/22.
 - Patrick Herson, former Police Officer, terminated 01/01/22. A letter regarding his options for withdrawal was emailed 03/10/22.
 - Scott Silverman, former Police Officer, retired on a non-duty disability June 15, 2017. He will be turning 55 on April 6, 2022. The board adopted a resolution on 11/20/17 approving his gross monthly benefit payable at age 55. His gross monthly benefit will change to \$3,613.35 which reflects a pro-rated portion for April (25 days) from \$1,970.92, subject to tax withholdings and any other elective deductions. His regular gross monthly benefit payments of \$3,941.85 will begin on 06/01/22.
- Martin - none
- Rabbitt - none

Old Business

- Actuarial Experience Study
Linda Morrison checked with the Purchasing Department to see if we had to do a request for proposal and was informed that no formal RFP was needed. Linda will try to have options for service and vendors at the next meeting.

New Business

CAPTRUST – Asset Manager Portfolio Update: Tollas provided February & March investment reports:

US Large Cap Stocks down 2.99%

International Developed Stocks down 1.77%

Emerging Market Stocks down 2.99%

The market has been rocky because of inflation fears and the escalating Russia-Ukraine conflict.

Market value YTD was \$178,173,311.77.

Asset allocation summary - No need for rebalancing

- Divest in all investments related to Russia
Our investment in Russia funds is .02% of our overall portfolio.
If we wanted to divest we would have to sell all the American Funds EuroPac Growth funds and Hartford International Opps funds. Best to stay the course for now and monitor the investments.

Public Comment

Next regular meeting: Wednesday, April 20, 2022 @ 10:00 a.m.

Meeting adjourned at 2:00 p.m.

Respectfully submitted,
Tracy Hovarter, Recording Secretary

Board Member signature

Board Member signature