

Police Officers' Retirement Fund

Shawn Thompson, Chairman

Pat Bradley, Secretary

Bryan Ball, Trustee

Stephanie Taylor, Trustee

Rodney Randle, Trustee

**MINUTES OF MEETING
POLICE PENSION BOARD
MAY 10, 2023**

The trustees of the Police Pension Plan met this date.

Members Present:

Shawn Thompson
Pat Bradley
Bryan Ball
Rodney Randle

Members Absent:

Stephanie Taylor

Others Present:

Earl Denney, Integrity Fixed Management
Ericka Burnett, City Clerk
Chris Johnston, Network Engineer
Tyler Grumbles, AndCo Consulting
Gary Leuchtman, Attorney
Lauren Pride, Attorney
Michelle Madril, Payroll & Retirement Manager
Amy Lovoy, Fund Administrator
Alexandra Daily, Assistant to the Finance Director

The meeting was called to order by Chairman Thompson at 9:03 a.m. Chairman Thompson stated there was a quorum present.

Ericka Burnett, City Clerk, was in attendance and swore in Bryan Ball.

Mr. Bradley made a motion to approve the minutes of the April 12, 2023 meeting. Mr. Randle seconded the motion and it passed unanimously.

Mr. Earl Denney with Integrity Fixed Income Management, LLC addressed the Board and reviewed the quarterly performance of the Core Portfolio and the TIPS Portfolio. He stated the total

account return for the Core Portfolio for the quarter ending March 31, 2023 was 2.25%, negative 1.77% for the trailing year ending on March 31, negative 0.13% for the trailing three years ending on March 31 and 3.60% since inception. The total value of the Core Portfolio was \$26,510,852.18. Mr. Denney stated the total account return of the TIPS Portfolio for the quarter ending March 31, 2023 was 3.54%, , negative 6.58 for the trailing year ending on March 31, 1.55% for the trailing three years ending on March 31 and 3.15% since inception. The total value of the TIPS Portfolio was \$5,533,117.74. All returns are net of fees. The report from Integrity Fixed Income Management is on file.

Mr. Tyler Grumbles with AndCo Consulting provided a report on quarterly performance. He stated the total value of the Fund was \$120,185,993 as of March 31, 2023 and the return for the quarter ending March 31, 2023 was 4.27%. Mr. Grumbles added that the Portfolio's total return for the one-year period ending on March 31, 2023 was negative 5.48%, the three-year return for period ending on March 31, 2023 was 11.89% and the five-year return for the period ending on March 31, 2023 was 6.52%. All returns are net of fees. The report from AndCo Consulting is on file.

Mr. Grumbles recommended putting in for a full redemption from J.P. Morgan and to enter the queue to receive funds invested by the Police Pension Board.

After some discussion, Mr. Randle made a motion to put in for a full redemption from J.P. Morgan and to enter the queue to receive funds invested by the Police Pension Board. Mr. Ball seconded the motion and it passed unanimously.

Mr. Grumbles made another recommendation to have the J.P. Morgan distributions paid out directly to the Police Pension Board instead of being reinvested within J.P. Morgan.

After some discussion, Mr. Randle made a motion to have J.P. Morgan distributions paid out directly to the Police Pension Board instead of being reinvested within J.P. Morgan. Mr. Bradley seconded the motion and it passed unanimously.

Mr. Grumbles also provided and reviewed a report on Asset Allocation Analysis with the Police Pension Board. He made a recommendation to reduce the Police Pension's TIPS portfolio from 5% down to 0% and to consolidate that into the bond portfolio managed by Integrity Fixed Income Management.

After some discussion, Mr. Ball made a motion to reduce the Police Pension's TIPS portfolio from 5% down to 0% and to consolidate that into the bond portfolio managed by Integrity. Mr. Randle seconded the motion and it passed unanimously.

Mr. Gary Leuchtman updated the Police Pension Board on the FIGS litigation that is being handled by Robbins, Geller, Rudman & Dowd, LLP. He noted that Robbins, Geller, Rudman & Dowd, LLP filed an amended complaint on April 10, 2023. Mr. Leuchtman stated that the opposing team will file

a motion to dismiss by May 25, 2023. He stated this is a normal procedural move by the defendant. Mr. Leuchtman noted that Robbins, Geller, Rudman & Dowd, LLP are still very confident that this is a viable case.

Mr. Leuchtman also provided some facts regarding the Employee Retirement Income Security Act of 1974 (ERISA) to the Police Pension Board. He stated that ERISA regulates employee pension and welfare benefit plans in the private sector of the economy. Mr. Leuchtman stated that governmental plans are not subject to all portions of ERISA specifically Title 1 or Title 4. He also noted because there is no ERISA preemption with respect to governmental pension plans that governmental plans are not per se subject to QDROs.

Mr. Bradley made a motion to approve the following invoices:

- DePrince, Race & Zollo in the amount of \$29,285.00
- Integrity Fixed Income Management, LLC in the amounts of \$16,404.51 and \$2,036.86

Mr. Ball seconded the motion and it passed unanimously.

Mr. Bradley made a motion to approve the following Notices of Pension:

John Austin, III
Type of Pension: DROP
Effective Date: April 17, 2023
Monthly Pension: \$6,322.00
Annual Pension: \$75,864.00

Wayne Pearce Baker
Type of Pension: DROP
Effective Date: April 3, 2023
Monthly Pension: \$5,363.14
Annual Pension: \$64,357.68

Anthony Garza
Type of Pension: DROP
Effective Date: April 3, 2023
Monthly Pension: \$3,648.20
Annual Pension: \$43,778.40

Maria C. Landy
Type of Pension: DROP
Effective Date: March 20, 2023
Monthly Pension: \$4,972.76
Annual Pension: \$59,673.12

Osborne Teeters, III
Type of Pension: Normal
Effective Date: May 1, 2023
Monthly Pension: \$3,551.98
Annual Pension: \$42,623.76

Mr. Ball seconded the motion and it passed unanimously.

The following information items were noted:

Minutes of the Meeting
Police Pension Board
May 10, 2023
Page Four

- Statement of changes to cash balances for February 2023, March 2023 and April 2023

There being no further business to come before the Board, the meeting was adjourned at 10:19 a.m.



Amy Lovoy
Fund Administrator