



Pension Board
May 6, 2021 5pm
Join Via Zoom [link](#)

or

Via Zoom Call 312 626 6799

1. Roll Call

2. Approval Of Minutes

The Board will accept meeting minutes from February 6, 2020, March 20, 2020, March 24, 2020, March 27, 2020, March 31, 2021, May 7, 2020, August 6, 2020, November 5, 2020, November 23, 2020 and February 4, 2021

Documents:

PENSION TRUSTEE MINUTES - 02-06-2020.PDF
PENSION TRUSTEE MINUTES - 03-20-2020.PDF
PENSION TRUSTEE MINUTES - 03-24-2020.PDF
PENSION TRUSTEE MINUTES - 03-27-2020.PDF
PENSION TRUSTEE MINUTES - 03-31-2020.PDF
PENSION TRUSTEE MINUTES - 05-07-2020.PDF
PENSION TRUSTEE MINUTES - 08-06-2020.PDF
PENSION TRUSTEE MINUTES - 11-05-2020.PDF
PENSION TRUSTEE MINUTES - 11-23-2020.PDF
PENSION TRUSTEE MINUTES - 02-04-2021.PDF

3. Adjournment

AGENDA ITEMS WILL NOT NECESSARILY BE DISCUSSED IN ORDER. IF YOU HAVE ANY QUESTIONS, PLEASE CALL CITY HALL AT (314) 993-0444

Please click the link below to join the webinar: <https://us02web.zoom.us/j/89536184090>

Individuals wishing to speak at the meeting may do so via Zoom. Persons will be called upon to speak during Hearing from Citizens . Persons may speak or utilize the Chat or Q&A functions of Zoom.

Persons may also submit a written statement to Communications Manager Kiana Fleming at KFleming@OlivetteMo.com by 3pm the day of the meeting.

Posted this day, April 30, 2021
Barbara Sondag, City Manager



Employee Retirement Board of Trustees
February 6, 2020 5:00 PM
Council Chambers, 1140 Dielman

Meeting was called to order at 5:00pm by Chair Ted Isaacs. In attendance were Alan Robbins, Shannon Hadley, Barbara Sondag, Bill Miller, Josephine Ezenwa, and Mike Vredenburg.

Also in attendance: Ruth Springer Councilmember; Brian Goding, Marquette; and Darren Mann, Finance Director.

Approval of Minutes

The Board reviewed the minutes of November 7, 2019.

Hadley made a motion to approve the Minutes of November 7, 2019. Second by Vredenburg. The motion was approved unanimously.

Marquette Financial Update

Goding reviewed the Fourth Quarter Report through December 2019. Goding made the following points.

- A. Total Fund outperforming all periods, ranked high long-term but ranked low short-term due to international allocation
- B. Fixed income outperforming most periods and ranked high, all managers performing well except Principal High Yield
- C. US Equity slightly underperforming most periods and ranked in the middle due to mid and small cap weightings - everything indexed
- D. Non US Equity outperforming recently, mostly underperforming longer-term and ranked low due to EM exposure - everything indexed
- E. Real Estate, Principal outperforming all periods and ranked in the middle - why aren't rankings better?
- F. Compare Vanguard S&P 500 Index Fund and Principal S&P 500 Index Fund against the same Universe
- II. Asset Allocation in line, no recommendations - Benefit Index cushion \$755,529.33 due to low interest rates

City Council Member Update

Councilmember Springer updated the Board on a variety of topics concerning City government.

Other Business

At 5:40 pm Vredenburg made a motion to adjourn. Second by Hadley.



Employee Retirement Board of Trustees
March 20, 2020 3:00 PM
Meeting Via Zoom

Meeting was called to order at 4:05pm by Alan Robbins. In attendance were Shannon Hadley, Barbara Sondag, Josephine Ezenwa, and Mike Vredenburgh. Absent was ill Miller and Ted Isaac.

Also in attendance: Ruth Springer, Councilmember; Brian Goding, Marquette; and Darren Mann, Finance Director.

Approval of Minutes

No minutes were presented

Marquette Financial Update

Goding explained that due to financial uncertainty brought about by the COVID-19 Pandemic the Principal Benefit Index calculations indicated the City fell below the Cushion level by approximately \$167,000 on March 19. Goding recommended that that the Board authorize selling of \$1M of the Principal US Property Separate Account R6 and with the proceeds purchase \$1M of the Government Money Market Fund -R6.

Vredenburgh motioned to authorize selling of \$1M of the Principal US Property Separate Account R6 and with the proceeds purchase \$1M of the Government Money Market Fund -R6. Second by Hadley. Motion Passed Unanimously.

The Board then discussed that Marquette continue daily monitoring of the Index and to report back to the Board.

At 5:15 pm Vredenburgh made a motion to adjourn. Second by Hadley.



Employee Retirement Board of Trustees

March 24, 2020 4:00 PM

Meeting Via Zoom

Meeting was called to order at 4:00pm by Alan Robbins. In attendance were Shannon Hadley, Barbara Sondag, Bill Miller, and Mike Vredenburg. Absent was Ted Isaac and Josephine Ezenwa.

Also in attendance: Ruth Springer, Councilmember; Brian Goding, Marquette; and Darren Mann, Finance Director.

Approval of Minutes

No minutes were presented

Marquette Financial Update

Goding explained that the transfer approved at the March 20, 2020 meeting had not occurred on the 20th due to the fact Principal implemented a pre-existing contractual withdrawal limitation on the Principal US Property Separate Account. The requested transaction was placed in a queue and the request will be honored proportionately with other pending requests.

It appeared that the transactions did occur on March 23, 2020. At this time, the Benefit Index calculations showed a balance above the cushion.

The Board discussed Principal's limitations and requested that Goding reach out to Principal for clarification on the limitations and how they will handle the situation if the City falls below the cushion again.

At 4:15pm Sondag made a motion to adjourn. Second by Hadley.



Employee Retirement Board of Trustees

March 27, 2020 4:00 PM

Meeting Via Zoom

Meeting was called to order at 4:00pm by Alan Robbins. In attendance were Shannon Hadley, Barbara Sondag, Josephine Ezenwa, Bill Miller, and Mike Vredenburgh. Absent was Ted Isaac.

Also in attendance: Ruth Springer, Councilmember; Brian Goding, Marquette; and Darren Mann, Finance Director.

Approval of Minutes

No minutes were presented

Marquette Financial Update

Goding explained that the sale of \$1M from the Principal US Property Separate Account R6 and purchase of \$1M of the Government Money Market Fund -R6, that the City received confirmation of occurring on March 23, had NOT occurred. The Principal Representative told Goding that the transaction was made in error and had been reversed.

Goding stated that the Representative stated in an email that Principal would "Work with the plan sponsor to bring the plan assets about the Benefit Index Level and that there was no deadline by which annuities must be purchased. The Representative also confirmed that the transaction was still in the queue awaiting processing.

Goding also informed the Board that the Benefit Index Calculations were still above the cushion.

At 4:47 pm Vredenburgh made a motion to adjourn. Second by Hadley.



Employee Retirement Board of Trustees

March 31, 2020 4:00 PM

Meeting Via Zoom

Meeting was called to order at 4:00pm by Alan Robbins. In attendance were Shannon Hadley, Barbara Sondag, Josephine Ezenwa, Bill Miller, and Mike Vredenburgh. Absent was Ted Isaac.

Also in attendance: Ruth Springer, Councilmember; Brian Goding, Marquette; and Darren Mann, Finance Director.

Approval of Minutes

No minutes were presented

Marquette Financial Update

Goding informed the Board that the Benefit Index Calculations were still above the cushion. Goding went on to discuss the pending transaction within the Principal queue. Goding was informed by the Principal Representative that in the future the City could cancel the pending transaction. In addition, a partial withdrawal could occur prior to the full \$1M and if that did occur the City could cancel the remaining transfer.

Goding and the Board discussed that there did not seem to be a need for additional special meetings. The Board asked Goding to communicate the Benefit Index calculations daily with the City Manager. The City Manager would call a special meeting if necessary.

At 4:15 pm Vredenburgh made a motion to adjourn. Second by Hadley.



Employee Retirement Board of Trustees

May 7, 2020 5:00 PM

Meeting Via Zoom

Meeting was called to order at 5:05pm by Mike Vredenburg. In attendance were Barbara Sondag, Josephine Ezenwa, and Bill Miller. Absent was Alan Robbins, Ted Isaac, and Shannon Hadley.

Also in attendance: Ruth Springer, Councilmember; Brian Goding, Marquette; and Darren Mann, Finance Director.

Approval of Minutes

No minutes were presented

Marquette Financial Update

Goding reviewed the First Quarter Report for 2020. Goding made the following points.

I. Overall Review

- A. Total Fund underperforming most periods and ranked low most periods, outperforming 10 years and ranked high
- B. Fixed Income underperforming recent periods and ranked low, outperforming longer term and ranked high
 - 1. Principal Preferred and High Yield underperforming all periods and ranked low
 - 2. Principal Bond and Mortgage and Fixed Income slightly underperforming most periods and outperforming a few periods and ranked in the middle
- C. US Equity underperforming all periods and ranked low due to small and mid cap exposure - All equities indexed and matching indices with decent rankings, mostly top half
- D. Non US Equity underperforming all periods due to EM and Small Cap exposure and all Int'l equities indexed and matching index with decent rankings except for international small cap
- E. Real Estate, Principal outperforming all periods
- F. April Update - Total Fund and all asset classes outperformed in April

II. Asset Allocation in line, no recommendations

III. Benefit Index Cushion \$540,525.43 yesterday, \$519, 777 today

IV. Will continue to monitor BI and cushion and call meeting if we get close to violating benefit index

At 5:40pm Sondag made a motion to adjourn. Second by Ezenwa.



Employee Retirement Board of Trustees

August 6, 2020 5:00 PM

Meeting Via Zoom

Meeting was called to order at 5:05pm by Alan Robbins. In attendance were Barbara Sondag, Josephine Ezenwa, Shannon Hadley, Mike Vrendenburg. Absent was Ted Isaac.

Also in attendance: Ruth Springer, Councilmember; Brian Goding, Marquette; and Darren Mann, Finance Director.

Approval of Minutes

No minutes were presented

Marquette Financial Update

Goding reviewed the Second Quarter Report for 2020. Goding made the following points.

I. Overall Review

A. Total Fund outperformed 2nd quarter, is slightly underperforming all periods out to 7 years and mostly ranked low

B. Fixed Income outperformed last quarter, underperforming ytd and 3 years and outperforming longer-term and mostly ranked high

C. US Equity outperformed last quarter, is totally indexed and is underperforming all periods and ranked in the middle

D. Non US Equity outperformed last quarter, is underperforming longer periods and is ranked mostly below median

E. Real Estate, Principal is outperforming all periods

II. Asset Allocation in line, no recommendations

III. Benefit Index cushion is currently \$910,992 and was over \$1 Million as of yesterday

At 5:40pm Vrendenburg made a motion to adjourn. Second by Hadley



Employee Retirement Board of Trustees
Thursday November 5, 2020 5:00 PM
Meeting Held Virtually Via Zoom

Meeting was called to order at 5:02 pm by Chair Ted Isaacs. In attendance were Mike Vredenburg, Shannon Hadley and Alan Robbins. Absent - Barbara Sondag, Josephine Ezenwa

Also in attendance: Brian Goding and Tom Latzke from Marquette Associates, Mayor Ruth Springer, Mike Wayt, and Darren Mann, Finance Director.

Agenda change motion by chairman Isaacs, 2nd by Robbins. - Unanimous

Item 4 – Approve Minutes to Item 2

Item 2 – Marquette Financial Update Sept 2020 to item 4

Introduction of Sgt. Mike Wayt of the Olivette Police Department who was chosen by employees as employee appointed member. His position is subject to appointment by Olivette City Council.

Discussion of Marquette Contract

Discussion held of contracting with Marquette and Associates for same services and providers as contract with Fiduciary Consultants, Inc. No increase in fees.

Motion by Isaacs recommending forwarding contract as proposed by Goding to Olivette City Council for approval with emphasis that it be subject to legal review by City Attorney.

Second by Robbins.

Motion passed unanimously.

Marquette Financial Update as of September 30, 2020.

Goding and Latzke then reviewed the quarterly report for all funds (Principal and Vanguard) for the period ending September 30, 2020. The review included discussion of the overall market environment and overall fund performances.

Goding and Latzke reviewed the Benefit Index Calculation. The current cushion is \$500,000. No moves were suggested in relation to the Benefit Index.

At 5:27 pm Isaacs excused himself from the meeting and quorum expired.

Discussion continued on market conditions by Latzke.

Mayor Springer updated the Board on activities of the City Council and redevelopment.

At 5:43 pm Robbins made a motion to adjourn. Second by Vredenburg.



Employee Retirement Board of Trustees
November 23, 2020 4:30 PM
Meeting Held Virtually Via Zoom

Meeting was called to order at 5:02 pm by Chair Ted Isaacs. In attendance were Mike Vredenburg, Shannon Hadley, Barb Sondag, and Alan Robbins. Absent was Josephine Ezenwa.

Also in attendance: Brian Goding and Tom Latzke from Marquette Associates, Mayor Ruth Springer, Mike Wayt, and Darren Mann, Finance Director.

Marquette Financial Update

Goding discussed that approximately \$280,000 from US Property Separate Account R-6 was transferred to Liquid Assets Separate Account R-6 on November 9. This is a partial fulfillment of the \$1M transfer request that has been in Principal's queue.

Goding also recommended a rebalancing of assets in both Principal and Vanguard.

Motion by Robbins, second by Sondag to transfer 100% of Principal Large Cap S&P 500 and 100% of Principal Liquid Assets into Principal/Edge Asset Management. AND to transfer \$400,000 from Vanguard Mid Growth, \$400,000 from Vanguard Small Cap Growth, \$160,000 from Vanguard Total International, \$140,000 from Vanguard Emerging Markets to Vanguard S&P 500. Motion Passed Unanimously.

Goding then recommended that the Board send notification to Principal to withdraw any further Redemption Requests associated with the initial \$1M Transfer that has been held in the queue.

Motion by Vredenburg, second by Sondag to send Principal a Notice to Withdraw any further Redemption Requests. Motion Passed Unanimously.

Goding then alerted the Board to a structural change to the Principal US Property Fund. This change will allow the fund to be able to take other types of client money such as endowment and foundation assets. This is a change that has been recommended to Principal in the past. No action is required by the Board.

At 5:10 pm Vredenburg made a motion to adjourn. Second by Sondag.



Employee Retirement Board of Trustees
February 4, 2021 5:00 PM
Meeting Held Virtually Via Zoom

Meeting was called to order at 5:02 pm by Chair Ted Isaacs. In attendance were Mike Vredenburgh, Shannon Hadley, Josaphine Ezenwa, Barb Sondag, Mike Wayt, and Alan Robbins.

Also in attendance: Brian Goding and Tom Latzke from Marquette Associates, Mayor Ruth Springer, and Darren Mann, Finance Director.

Marquette Financial Update

Goding presented the Fourth Quarter 2020 Performance Report

I. Quarterly Report

- A. Total Fund outperformed last quarter, is slightly trailing most periods and ranked in the Middle
- B. Fixed Income is outperforming most periods and ranked high
 - 1. Principal Core and Core Plus are both outperforming, Core is ranked in the middle and Core Plus is mostly ranked low against the Core Plus Universe
 - 2. Principal High Yield and Preferred Securities are under performing and ranked low
- C. US Equities are slightly under performing (fees) the R3000 and ranked high - Everything is indexed and the Vanguard funds are matching the indices and mostly ranked high
- D. Non US Equity is outperforming and ranked in the middle - everything is indexed
- E. Real Estate, Principal is outperforming and ranked high

II. Benefit Index has a \$1.2 Million cushion

III. Asset Allocation: \$24,009,271.91

- A. Presented suggested changes to the allocation and possible commitment to Partners Group - Changes would increase cushion and provide further diversification
- B. Trustees elected to make no changes at this time
- C. Trustees asked for an asset allocation study to look at potential portfolios including:
 - 1. Adding PE
 - 2. Reducing RE
 - 3. Changing composition of Fixed Income strategies
 - 4. Changing Equity allocation

IV. Presented Partners Group and suggested 6.0% allocation

- A. Trustees wanted to adhere to \$25 Million total fund asset minimum and wait until Total Fund assets reach \$25 Million
- B. Trustees asked to see returns vs. Cambridge Associates All PE Universe
- C. Need to provide some education - confusion as to hedge funds vs. PE

V. Goding presented a fee increase request

- A. Goding presented a fee increase of \$4,000 per year for the next three calendar years. Goding explained that this is the first fee increase in over 15 years.

Motion by Isaac, second by Robbins to recommend forwarding contract as proposed by Goding to the Olivette City Council for approval with emphasis that it be subject to legal review by the City Attorney. Motion passed unanimously.

At 6:07pm Robbins made a motion to adjourn. Second by Hadley.