

Eden Prairie Firefighter Relief Association

Regular Board Meeting

April 23, 2020

INVESTMENT COMMITTEE

The Eden Prairie Firefighter Relief Association (EPFRA) Board of Trustees met with their investment advisors from Wells Fargo. According to the presentation by Wells Fargo as of March 31, 2020 the total account value was \$20,546,606. The first quarter 2020 rate of return was -11.55% net of fees, slightly ahead of the benchmark which was -11.86%. Asset allocation as of March 31, 2020 was 44% equities, 41% fixed income, 12% alternatives, and 3% cash. Of the four asset classes, the equity allocation was reduced and the others were increased from the fourth quarter of 2019. The fund is slightly underweight in equities and overweight in fixed income, the source for monthly pension distributions. Equity is overweight in large and midcap funds and underweight in international and emerging markets. Equities had a negative return and fixed income had a positive return. Alternatives buffered the losses in equities.

The Federal Reserve is in massive stimulus mode with a critical role to play in the recovery from the economic shutdown due to the COVID 19 pandemic. There are ongoing risks with implementation of new financial market supports.

There was discussion of the goals set out in the EPFRA 2017 Investment Policy Statement (IPS) as they relate to achieving a 6% rate of return over a market cycle. To date Wells Fargo has returned 3.3%, and the benchmark average was 2.85% over the same period.

REGULAR MEETING

In attendance (via video conferencing): Collin O'Brien, Scott Gerber, Tom Wilson, Sue Kotchevar, Kathy Nelson, Doug Hayden, Cole Hytjan, Deanna Bassett, Travis Dahlke. Guests Cori Wallis, Aaron Casper, Rik Berkbigler, and Phil Jones were also present.

President O'Brien called the meeting to order at 6:10 PM. There was no March meeting because of the Governor's Stay at Home Order.

The minutes of the February 27, 2020 EPFRA regular Board of Trustees meeting were reviewed. A motion to approve the minutes was made by Ms. Bassett. Mr. O'Brien seconded the motion. The minutes were approved by unanimous voice vote.

Officer's Reports:

President: See unfinished business

Vice President: No report

Secretary: Chief Gerber reported that there were no issues with the 2019 Certification of Service Credit reporting and it has been completed. The 2020 firefighter recruiting process is moving forward.

Treasurer:

Account Balances

Special Account	\$98,699.76
General Account	\$19,201.94

Accounts Payable / Special Account

Pension benefits for March	\$95,542.67
ADP payroll processing for March	\$ 300.53
Pension benefits for April	\$96,002.67
ADP payroll processing for April	\$ 302.49

Accounts Receivable / Special Account

Interest	\$ 1.38
Wells Fargo April pension benefit distribution	\$95,600.00
Interest	\$ 1.50
Wells Fargo May	\$95,600.00
Scott Oberlander repayment of pension overpayment	\$ 1,560.00

Accounts Receivable / General Account

City of Eden Prairie FF Dues	\$ 302.27
City of Eden Prairie FF Dues incl \$8K reimbursement for supplemental benefits from the State of Minnesota	\$8307.28

Unfinished Business:

Discussed the First Quarter 2020 presentation from Wells Fargo. President O'Brien has requested more detailed reporting from them in the areas of performance and fees. Discussion of the IPS continued and is ongoing.

New Business:

There was discussion of the 2020 EPFRA Annual Meeting. Because of the ongoing uncertainty surrounding the COVID 19 pandemic how, when and where the annual meeting will be held has not yet been determined. The next regular meeting of the EPFRA Board of Trustees will be held on May 28, 2020 at 5:30 PM.

A motion to adjourn the meeting was made by Ms. Nelson. Ms. Bassett seconded the motion. The meeting was adjourned at 7:00 PM.

Respectfully Submitted,

Tom Wilson, Secretary
EPFRA Board of Trustees