

# **Eden Prairie Firefighter Relief Association**

Regular Meeting

April 22, 2021

## **INVESTMENT COMMITTEE**

The Eden Prairie Firefighter Relief Association (EPFRA) Board of Trustees met with our investment advisors from Wells Fargo to review First Quarter 2021 investment results. As of March 31, 2021 total assets were valued at \$25,470,401. First quarter return was 1.08% after a sharp increase from the market bottom in March 2020. Fixed income lost 3.36% due to a relatively sharp interest rate increase. Equities and alternative investments had positive returns, especially small and mid cap domestic equities. International developed and emerging market posted more modest gains relative to domestic equities.

Adjustments made to the portfolio in the first quarter included reducing equities by \$600,000 which was then invested in an ultra-short bond fund to increase liquidity for pension disbursements in 2021. Equities were rebalanced reducing large cap holdings and increasing domestic small and mid cap stocks as well as emerging equities, no longer overweight in large cap technology stocks.

Wells Fargo recommended the Board consider real estate as an investment and re-evaluate our Investment Policy Statement regarding allocations, increasing equities and decreasing (or eliminating) alternatives.

## **REGULAR MEETING**

In attendance: Tom Wilson, Sue Kotchevar, Scott Gerber, Collin O'Brien, Deanna Bassett, Travis Dahlke, Doug Hayden.

President O'Brien called the regular meeting of the EPFRA Board of Trustees to order at 6:00 PM.

The minutes of the February 25, 2021 board meeting were reviewed. A motion to approve the minutes was made by Mr. Hayden. Ms. Bassett seconded the motion. The minutes were approved by unanimous voice vote.

The minutes of the March 25, 2021 board meeting were reviewed. A motion to approve the minutes was made by Ms. Bassett. Ms. Kotchevar seconded the motion. The minutes were approved by unanimous voice vote.

## **Officer's Reports:**

President: Deferred

Vice President: No report

Secretary: Several upcoming retirements, at least four between now and September 2021.

Treasurer:

Final audit report expected soon. Mr. Wilson made a motion was made to pay Hildi \$1300.00 for the Actuarial Roll Forward Report, which was then seconded by Mr. Hayden and approved on a unanimous voice vote.

The Treasurer's Report for April 2021 as follows:

Account Balances

Special Account	\$101,331.84
General Account	\$ 53,371.78

Accounts Payable / Special Account

Pension benefits	\$ 92,704.01
ADP (payroll)	\$ 301.44
Bergan KDV (audit)	\$ 3,500.00

Accounts Receivable/ Special Account

Wells Fargo	\$95,600.00
Interest	\$ 0.87

Accounts Receivable / General Account

City of Eden Prairie (FF Dues)	\$ 310.62
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**Unfinished Business:**

Continued discussion of return to service after a break greater than 90 days where no retirement benefit has been paid. Currently a firefighter, who has previously resigned, can return and immediately qualify for an increased benefit depending on when they separated from service. The Board has proposed a change to the bylaws, Article III Section 6 Paragraphs (b) and (c), to read as follows:

(b) Return to Service: Post Payment of Retirement, Disability or Survivor Benefit. ...

(c) Return to Service: Prior to Payment of Retirement or Disability Benefit

If the firefighter has not received payment for a service pension or disability benefit, the Firefighter must complete at least three (3) years of active service with the Eden Prairie Fire Department upon resumption of active service. If the firefighter completes the minimum period of resumption service specified in this Section prior to subsequent cessation of firefighter duties, the firefighter will receive a service pension (if vested) for all years of active service calculated at the benefit level in effect on the date of the firefighter's final cessation of duties. If the firefighter does not complete the minimum period of resumption service specified in this Section prior to a subsequent cessation of duties, the firefighter will receive a service pension (if vested) for all years of active services calculated at the benefit level in effect at the time of the firefighter's original cessation of duties.

Mr. Hayden made a motion to change Article III Section 6 to include the additional language regarding a return to service after a break in service greater than 90 days without a previous payment of benefits. Ms. Bassett seconded the motion. The Board approved the motion to change the bylaws on a unanimous vote. The proposed change will be presented to the general membership of the EPFRA at the next Annual Meeting. Ms. Kotchevar reminded the Board that an opinion from the Actuarial is required as to whether the bylaw change will have a material or nonmaterial affect on the fund from an actuarial standpoint.

**New Business:**

Discussed consideration of a Request for Proposal (RFP) regarding an investment advisor going forward. In order to prepare an RFP more information is needed to construct it.

The Annual Meeting date has yet to be determined, a July date is possible if a venue can be found that meets current COVID 19 capacity restrictions.

A motion to adjourn the meeting was made by Ms. Bassett. Mr. Hayden seconded the motion. There were no objections to adjournment. The meeting was adjourned at 6:30 PM.

The next regular meeting of the EPFRA Board of Trustees will be on May 27, 2021 at 5:30 PM.

Respectfully Submitted,

Tom Wilson, Secretary  
EPFRA Board of Trustees