



# FCERS: PENSION BOARD REPORT

JUNE 10, 2020

Submitted by:

Wanda Messina, Retiree Trustee, Position # 10  
E.A. (Skip) Platt, Retiree Trustee, Position # 6  
Gary Stiles, Retiree Trustee, Position # 7  
Andrew Stephens, Active Trustee, Position # 8  
Dan Bowman, Retiree Trustee, Position # 9

- Pension Board meetings continue to be teleconferenced due to the corona virus situation. The Board agreed they would discuss the possibility of teleconferencing again in July as we get closer to the meeting date.
- Minutes of the May 13, 2020 meeting were ratified.
- The Board discussed the defined benefits plan fiduciary liability insurance coverage. Current coverage ends July 7, 2020. The Board reviewed the quotes and proposals received. None of the new companies that were requested to provide a quote would give a quote for the full \$10 million which the Board currently carries. The Board agreed to continue coverage with Chubb Insurance Company since they will provide the full coverage and our experience with their coverage has been exceptional.
- The Board approved **3** new pension applications:  
Juvenile Court: Latham Mills  
Beneficiaries: Margaret E. Langford, Sabrina Sanders
- Pension staff updated the Board on the death records search contract that was recently approved. They have completed the beginning of a trial run and at the next Board meeting a decision can be made on how often this records search will take place. The Plan is invoiced only when a search takes place.
- PJC Group presented the Audit Report for 2019. The net position of the Plan based on market values on December 31, 2019, is \$1,317,765 as compared to December 31, 2018 report of \$1,299,898. The fair value of Plan investments at December 31, 2019, is \$1,409,871. compared to 1,210,814.00 in 2018 report. The net position as a percentage of the total pension liability at December 31, 2019 was 76.29%.
- Andrew Stephens, Chair of the Education Committee, reminded Board members that on June 25, 2020, a teleconference training session will take place and credit hours will be given to attendees. Topics that will be covered: 1) Credit Market Overview, 2) Assessing the Health of Your Retirement System, and 3) 2020 Capital Markets Outlook
- After the Training Session, Board members will discuss the presentation on Assessing the Health of Your Retirement System to make certain we are doing every thing that needs to be done to keep our Plan in the best shape possible.
- John McCarthy, Chair of the Investment Committee, reported that the Committee heard presentations from a global asset and an international small cap company to review the current status of their investments. Also, the Committee discussed

once again any investments in Chinese companies in the event a change becomes necessary in the future. The investments in Chinese companies is a very small percentage. NEPC will be bringing information to the Training Session to review our current asset allocation within the Plan and over the next few months, discussion will take place regarding these allocations to determine if changes should be made due to the current financial crisis.

- The Plan returned 4.4% on investments in May. For the one-year period, the Plan has returned 6.3%, which outperformed both the Allocation and Policy Indexes.
- Bryce Riddle reported that there are currently **3,202** retirees, and **191** active employees in the defined benefit plan and **16** of those are fully vested.
- The following **4** retirees were reported as deceased since the last meeting:

<b><u>Dream:</u></b>	Bertha L. Barner
<b><u>Information Tech:</u></b>	Marion Jarvis Aldridge
<b><u>Public Works:</u></b>	Basil Naylor
<b><u>Beneficiaries:</u></b>	Edith Bridges

Meeting adjourned.