

CITY OF LADUE
MINUTES OF THE COMBINED MEETING
OF THE FIREMEN'S AND POLICEMEN'S
PENSION PLAN AND RETIREMENT
PLAN COMMITTEES
February 10th, 2022 at 8:00 a.m. via Zoom

A combined meeting of the Ladue Uniform Pension and the Non-Uniform Pension Plan Committees of the City of Ladue was convened via Zoom and at City Hall at 8:00 a.m. on February 10th, 2022. The following members were present via Zoom:

Firemen's and Policemen's Pension
Fund Board of Trustees

Chairman Joe Rechter
Mayor Nancy Spewak, Ex-Officio
Chief Ken Andreski
Mr. William Francis
MEMT/FF David Kaiser
Chief Steve Lynn
Sgt. Greg Stork
Lt. Dennis Pohlmann (replacing Sgt. Stork)

Retirement Committee Non-Uniformed
Employees Retirement Fund

Chairman Wesley Jones
Mayor Nancy Spewak
Mrs. Shelly Benson
Mr. Scot Bollinger
Mr. Joe Rechter
Mr. Ivan White

Also present were Stacey Mann, City Clerk; Tom Latzke from Marquette; and Paul Garbe and Eric Zubris from MFS Investment Associates.

Mr. Bollinger moved approval and adoption of the agenda, upon second by Chief Lynn the motion was unanimously approved.

Mr. White moved approval of the minutes of the meeting of November 11th, 2021, as amended, upon second by Sgt. Stork the motion was unanimously approved.

Sgt. Stork announced his upcoming retirement and introduced Lt. Dennis Pohlmann as his replacement on the committee. Chairman Rechter thanked Sgt. Stork for his years of service on this committee and to the City of Ladue.

Public Forum: Dr. Jonathan Dehner, however, he offered no comment.

Mr. Garbe introduced and discussed the MFS Emerging Markets Debt Fund. He stated this fund is very conservative for the asset class as compared to other managers in this class. The primary goals and investment objectives are to outperform the JP Morgan EMBI Global over a full market cycle and to seek total return with an emphasis on high current income. The market outlook as of December 31, 2021 shows a continuation of decelerating growth and rising inflation. In the 1st quarter of 2022

however, growth is expected to pick up due to supply bottlenecks easing, strong job market, high household net worth, and decent corporate earnings. The concerns affecting growth are: greater inflation, new COVID variants and impending world conflicts (Russia/Ukraine).

Mr. Lutzke presented the Portfolios' status and investment results for the fourth quarter 2021 beginning with an economic overview. Inflation is expected to remain elevated through at least the first half of the year, interest rates will rise, supply chain pressures should ease but labor shortages will remain a concern, fixed income opportunities are limited and volatility is expected to rise causing slower earnings growth.

Uniform Plan

Asset Allocation: .7% Cash Equivalents, 61.5% Equity Investments, 8.1% Defensive Equity, 18.3% Fixed Income Investments, and 11.3% Real Estate Investments. Portfolio vs. Benchmark – Last 3 Months – Ladue 5.6% vs. Benchmark -5.1%; YTD – Ladue 15.9% vs. Benchmark 15.7%; Last 10 Years - Ladue 9.3% vs. Benchmark 10.3%.

Non-Uniform Plan

Asset Allocation: .6% Cash Equivalents, 61.9% Equity Investments, 8.2% Defensive Equity, 18.6% Fixed Income Investments, and 10.8% Real Estate Investments. Portfolio vs. Benchmark - Last 3 Months – Ladue 5.6% vs. Benchmark -5.1%; YTD - Ladue 15.9% vs. Benchmark 15.7%; Last 10 Years - Ladue 9.3% vs. Benchmark 10.3%.

The next meeting was scheduled for Wednesday May 11th, 2022, at 8:00 AM.

Chief Lynn moved adjournment, upon second by Mr. White the motion was unanimously approved. The meeting adjourned at 10:30 AM.

Mr. Joseph E. Rechter
Chairman
Firemen's and Policemen's Pension
Fund Board of Trustees

Mr. Wes Jones
Chairman
Retirement Committee Non-Uniformed
Employees Retirement Fund