

**Minutes  
Firefighters' Pension Fund Board of Trustees  
August 4, 2021  
Quarterly Meeting**

Call to Order: Chair Randy Farland called the meeting of the Firefighters' Pension Fund Board of Trustees to order at 8:30 a.m. at City Hall.

Board Members Present: Ryan Cox  
Randy Farland  
Donn Hill  
Loren Koepsell  
Angeline Lavin

Board Members Absent: None

Staff Members Present: Bill O'Toole, Director of Human Resources  
Stacy Kooistra, City Attorney  
Thomas Huber, Assistant Director of Finance  
Angie Uthe, Compensation & Benefits Manager  
Kathy Pottebaum, Payroll/Benefits Specialist  
Sam Stanforth, Business Analyst

Others present: Employee's Retirement System Board of Trustees members:  
Matthew Adamson, Nick Butler, Ben Kyte, Kristin Lobien &  
Amy Richardson  
Peter Brown, AndCo Consulting  
Louise Gates, Gabriel Roeder Smith & Company

The Firefighters' Pension Fund Board of Trustees and the Employee's Retirement System Board of Trustees met in joint session.

Chairperson Farland provided an opportunity for any public to address the Board. No comments received.

**A motion was made by Koepsell, seconded by Lavin to approve the May 5, 2021 meeting minutes. Motion carried unanimously.**

Trustees Farland and Cox discussed a member inquiry regarding the feasibility for a change in benefits related to the reduction factors used in calculating an early-reduced benefit. Specifically, the members were interested in the potential for the board to consider reducing the reduction factors for early-reduced pensions. The Board determined that the current reduction calculations used by the Fund's actuary follows the plan's adopted economic and non-economic assumptions, which ensures the reduction factor for early retirement is the actuarial equivalent to receiving a full benefit. Thus, early-retirement has neither a positive or an adverse impact to the Fund. Discussion followed that the plan is closed and reducing the early retirement factor would be an additional cost to the Fund and would be considered a benefit enhancement. Trustees Farland and Cox will provide further information to members regarding the board discussion.

Peter Brown presented the Board with the June 30, 2021 second quarter total fund performance and rank to the total plan universe as follows: Quarter 5.41% (40),

1 year 28.65% (21), 5 year 11.97% (17), and 10 year 10.11% (9). The market value of the Fund increased from \$209.2 million to \$220.4 million in the quarter.

Tom Huber reviewed the Investment Allocations and Manager Structure including routine rebalancing within target allocations, there were no recommended changes or actions.

Louise Gates presented the Board with the results from the Review of System Experience for the past five years, January 1, 2016 through December 31, 2020. The purpose of the report is to review pension plan experience and update the actuarial assumptions used in valuing the City of Sioux Falls, Firefighters Pension Fund actuarial liabilities and actuarially determined employer contributions.

**A motion was made by Hill, seconded by Lavin, to accept the demographic assumptions, actuarial methods, and economic assumptions as proposed by the actuary for mortality tables (Pub-2010), loading factors, asset valuation method and reducing the wage inflation assumption from 4.25% to 3.50%, the price inflation assumption from 2.75% to 2.50%, and the investment return assumption from 7.3% to 7.0%.**

**A motion was made by Hill, seconded by Lavin, to approve the extension of service request beyond age 60 for the entire period allowed under ordinance for member Andrew Baier, provided he meets the physical performance standards and all other job performance requirements of his position. Motion carried unanimously.**

**A motion was made by Koepsell, seconded by Lavin, to adjourn the meeting. Motion passed unanimously.**

The Board adjourned at 10:47 a.m.

Respectfully submitted,

Angie Uthe, Recording Officer