

**Spokane Firefighters' Pension Board
Meeting Minutes
March 6, 2024**

Board Members Present: Betsy Wilkerson (chair), Michael Cathcart, Terri Pfister, Dan Brown, Clive Jones

Staff Present: Christine Shisler

Visitors Present: Paul Belles (Alliant), Jayson Davidson (Hyas Group)

OPEN SESSION

The regular meeting of the Spokane Firefighters' Pension Board was called to order at 9:31 a.m.

Investment Policy

The Board engaged in its annual review of the Fund's Investment Policy Statement. Mr. Davidson informed the Board that the Investment Manager, Reams, continues to hold duration within the approved investment policy bands and the portfolio's average credit quality at Aa3 is unchanged from last month. All holdings are within the required BBB-/Baa3 credit quality requirements. Overall diversification metrics remain consistent with what is permissible under the RCWs, and that the long-term return objective is still reasonable under those metrics. Mr. Davidson did note one proposed adjustment to the language to clarify that Client has the authority to instruct manager to dispose of any security Client deems to not fall within approved Policy categories.

Michael Cathcart moved and Clive Jones seconded the motion to approve the investment policy as presented. The motion pass unanimously.

2023 Investment Performance Report

Hyas Group presented the Performance Report for the year ending December 31, 2023 and discussed current market conditions as well as expectations for 2024. Fixed Income Markets held a nice rally in the second half of last year as investors started to expect the Federal Reserve (Fed) was near an end to its monetary policy tightening. Broader interest rate segments began to fall translating to outsized gains during this period and especially in the Fourth Quarter. As we moved into 2024, consensus expectations shifted and the prospect of the Fed cutting rates has diminished. Fixed Income markets have backtracked as broader interest rate segments began to rise off the lower levels that ended last year. Hyas Group expects the Fed to be cautious going forward as inflation numbers are still above their presumed target and economic conditions and the jobs market remain solid. In the current, higher interest rate environment, the portfolio has benefited from holding and purchasing securities with more attractive yields. The portfolio produced a 5.66% return for 2023, besting the BB Intermediate Govt/Credit and CPI +1.5% posts of 5.24% and 4.85% respectively.

Mr. Davidson informed the Board that Reams purchased a security issued by the Export-Import Bank of Korea at the end of 2023. The security is AA-rated, issued in US dollars and a component of the BB Intermediate/Credit benchmark. While Reams interprets this holding to be an acceptable, Government-Related security under policy guidelines, Hyas Group does not believe the intent of the policy language is to extend such treatment beyond the United States. As such, Hyas Group is recommending that the Board instruct Reams to liquidate the security when it is beneficial to do so.

Michael Cathcart moved and Dan Brown seconded the motion to instruct Reams to liquidate the Bank of Korea security as recommended by Hyas Group. The motion pass unanimously.

Mr. Davidson informed the Board of a recent personnel update we received from Reams. Longstanding Managing Director, Todd Thompson, will be assuming the role of co-CIO and high-performing portfolio manager, Dimitri Silva, has been promoted to Managing Director. Hyas Gour considers these changes to be healthy and are not recommending any actions as a result.

Mr. Davidson left the meeting at 9:45 a.m.

CLOSED Session

The Board went into Closed Session at 9:46 a.m. with appropriate representatives and staff present, to discuss submitted medical claims.

The Closed Session adjourned at 10:21 a.m. and the Board immediately reconvened into Open Session.

Claims

Femtosecond laser for cataract surgery (\$2,113)

Clive Jones moved and Dan Brown seconded the motion to approve reimbursement for \$2,113.00. The motion passed unanimously. (08451)

Out-of-Network & Prolotherapy Injections (\$145.27)

Michael Cathcart moved and Dan Brown seconded the motion to approve reimbursement for \$145.27. The motion passed unanimously. (03227)

Adjustable Bed & Powerchair (\$3,313.75)

Clive Jones moved and Dan Brown seconded the motion to approve reimbursement for \$3,313.75. The motion passed unanimously. (09607)

Mobility Scooter Lift & Dolly (~\$3,400)

Dan Brown moved and Clive Jones seconded the motion to approve reimbursement for ~\$3,400.00. The motion passed unanimously, with Dan Brown abstaining. (06235)

Procedural Medication (\$5,025.92)

Clive Jones moved and Dan Brown seconded the motion to approve reimbursement for \$5,025.92. The motion passed unanimously, with Dan Brown abstaining. (10096)

Intraocular Lens (\$1,720.00)

Dan Brown moved and Clive Jones seconded the motion to approve reimbursement for \$1,720.00. The motion passed unanimously, with Dan Brown abstaining. (09042)

Medicare Part B (\$3,770.40 or \$1,502.40)

Michael Cathcart moved and Clive Jones seconded the motion to approve retroactive reimbursement from March 2022 through December 2023. The motion passed unanimously. (07701)

Long-term Care Census

The census was in the packet for review.

Minutes

Michael Cathcart moved and Clive Jones seconded the motion to approve the minutes of the November 1, 2023 meeting as presented. The motion passed unanimously.

Expenditure Summary Reports

Dan Brown moved and Clive Jones seconded the motion to approve the October 2023 through January 2024 expenditure summary reports. The motion passed unanimously.

Schedule of Investments

The December 2023 through January 2024 Schedule of Investments was in the packets for review.

Medical and Dental Claims and Experience Reports

Paul Belles presented the medical and dental claims and experience reports.

Death of Pensioners

Delbert B. Green, Fire Lieutenant, died February 4, 2024 at age 90. Retired April 1, 1983.

Other Board Business

There being no other business, the meeting adjourned at 10:38 a.m.

Approved by the Spokane Firefighters' Pension Board on June 5, 2024.

/s/

Christine Shisler,
Interim Retirement Director

/s/

Terri Pfister,
Secretary and City Clerk