CITY OF ST. PETE BEACH POLICE OFFICERS' RETIREMENT SYSTEM PENSION BOARD OF TRUSTEES QUARTERLY MEETING MINUTES

Thursday, July 16, 2020 at 8:30AM

Governor Ron DeSantis signed Executive Order 20-69 which suspends all statutes that require a quorum to be present in person or require a local government body to meet at a specific public place. It also provides that local government bodies may utilize communications media technology, such as telephonic and video conferencing, as provided in section 120.54(5)(b)2, Florida Statutes. Under Executive Order 20-69, the board meeting was held via video conference using Zoom Meeting.

TRUSTEES PRESENT: Roger Dunn
Richard German
Patricia Cucchiara
Chris Centofanti
Robert Micklitsch

TRUSTEES ABSENT: None

OTHERS PRESENT: Bonni Jensen, Klausner, Kaufman, Jensen & Levinson
Tyler Grumbles, AndCo Consulting
Kim Kilgore, Foster & Foster
Vince Tenaglia, Finance Director & Assistant City Manager

1. **Call to Order** – Roger Dunn called the meeting to order at 8:30AM.

2. **Roll Call** – All trustees present, quorum confirmed.

3. **Public Comments** – None.

4. **Approval of Minutes**

The Board voted to approve the minutes from the April 16, 2020 quarterly meeting upon motion by Richard German and second by Robert Micklitsch; motion carried 5-0.

5. **New Business**
    a. Proposed 2020-2021 budget
        i. Kim Kilgore reviewed each expenditure type and budgeted amount set for each.
        ii. Bonni Jenson reviewed the purpose of the State requirement for the trustees to create an annual budget for the fund. Bonni commented the trustees should make their best guess on the amount with their goal to keep the annual total actual expense below the total amount budgeted.
        iii. By consensus, the trustees agreed to the following expenditure amounts for the final budget:
        Actuary - $27,000
        Administrator - $13,000
        Attorney - $12,000
        Custodian - $11,500
        Insurance - $5,000
        School, Travel and Dues - $5,000
        Investment Consultant - $17,200
        Miscellaneous - $1,000

The Board voted to approve the 2020-2021 budget for the total amount of $91,700 upon motion by Richard German and second by Robert Micklitsch; motion carried 5-0.

6. **Consent Agenda**
    a. Payment ratification
        i. Warrant #14
            1. Klausner, Kaufman, Jensen & Levinson, invoice #25746, $1,016.60
            2. Foster & Foster Administration, invoice #16861, $855.00
            3. Foster & Foster Actuary, invoice #16766, $3,938.00
            4. Salem Trust, 1st quarter fees (Auto-Deduct), $2,875.00
            5. Klausner, Kaufman, Jensen & Levinson, invoice #25964, $3,098.00
            6. Foster & Foster Administration, invoice #17062, $855.00
            7. AndCo, invoice #26300, $3,800.00
        ii. Warrant #15
            1. Klausner, Kaufman, Jensen & Levinson, invoice #26162, $1,237.60
            2. Foster & Foster Administration, invoice #17352, $855.00
    b. New invoices for payment
        None.
    c. Fund Activity Report for April 10, 2020 – July 9, 2020

The Board voted to approve the Consent Agenda as presented upon motion by Richard German and second by Robert Micklitsch; motion carried 5-0.

7. **Reports**
    b. AndCo Consulting, Tyler Grumbles, Investment Consultant
        i. Quarterly report as of June 30, 2020
            1. Tyler Grumbles introduced himself and reviewed the fund's performance for the past quarter.
            2. Tyler Grumbles stated the fund had an ending market value of $17,255,668 on June 30, 2020.
            3. The total fund gross returns for the quarter were 13.31%. Trailing returns for 1, 3, and 5-year periods were 6.15%, 7.10%, and 6.81%, respectively. Since inception (10/1/1994), gross returns were 8.04%.
            4. Tyler Grumbles reviewed each investment managers performance.
            5. Tyler Grumbles reviewed the strategy of the Templeton Global bond fund anticipating interest rates would rise which hurt their performance. Tyler commented the Templeton Global Bond fund was currently on watch by AndCo.
            6. Tyler Grumbles reviewed the financial reconciliation for the past quarter beginning with $15,442,847 and ending with market value of $17,255,668 with investment gain of $2,046,326. Tyler reviewed the financial reconciliation for the fiscal year to date with beginning amount of $11,565,026 and ending balance of $17,255,668 with investment gain of $612,342.
            7. The asset allocation of the fund as of June 30, 2020 was Domestic Equity at 44.60%, International Equity at 10.10%, Domestic Fixed Income at 39.00%, Global Fixed at 4.80%, and Cash Accounts at 1.50%.
            8. Tyler Grumbles stated as of July 15, 2020 the market value of the fund was $17.6 million and an estimated 7.20% rate of return for the fiscal year.
            9. Tyler Grumbles recommended the board request Kerry Richardville to discuss adding real estate investment in the future which could possibly help the fund.

    c. Klausner, Kaufman, Jensen & Levinson, Bonni Jensen, Board Attorney
        i. Update on proposed Ordinances
            1. Bonni Jensen commented the proposed Ordinances had been adopted by the City for the change of the Required Minimum Distribution (RMD)

to age 72 and the police officer seat on board could be held by retired police officer when active membership fell below 10.

ii. Financial disclosure form
   1. Bonni Jensen reminded the trustees to file their financial disclosures by September 1st to avoid a fine of $25 per day with a maximum fine of $1,500. Bonni further commented the fine would be paid by the trustee and not the pension fund.

8. **Old Business** - None.

9. **Staff Reports, Discussion, and Action**
   d. Foster & Foster, Kim Kilgore, Plan Administrator
      i. Update on State Annual Report
         1. Kim Kilgore stated the State annual report had been filed and they were currently waiting for an approval.
      ii. Update on SB 534 required posting
         1. Kim Kilgore stated the postings required by Senate Bill 534 had been posted to the City's website.
      iii. Educational opportunities
         1. Kim Kilgore commented the FPPTA 36th Annual conference would be held October 4-7, 2020 in Orlando, Florida.
         2. Bonni Jensen reviewed with the board the Florida Division of Retirement held a conference twice a year.

10. **Trustees' Reports, Discussion, and Action** – None.

11. **Adjournment** – The meeting adjourned at 9:31AM.

12. **Next Meeting** – October 15, 2020 at 10:30AM, Quarterly Meeting

Respectfully submitted by: Kim Kilgore

Kim Kilgore, Plan Administrator

Approved by: Roger P. Duran

As: Chairman

Date Approved by the Pension Board: 10/15/2020