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

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.

Thursday, July 16, 2020 at 1:30PM

TRUSTEES PRESENT:	Kevin D'Amico Patrick Strong Marilyn Terry
TRUSTEES ABSENT:	Keith Beattie Bruno Falkenstein
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** – Kevin D'Amico called the meeting to order at 1:35PM.

2. **Roll Call** – As reflected above.

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 Patrick Strong and second by Marilyn Terry; motion carried 3-0.

5. **New Business**
   a. Proposed 2020-2021 budget

The Board voted to approve the 2020-2021 total budget of $107,000 with the following amounts for each expenditure type listed below upon motion by Kevin D'Amico and second by Patrick Strong; motion carried 3-0.

Actury - $25,000
Administrator - $17,000
Attorney - $10,000
IME Physician Fee - $3,000
Custodian - $12,000
Insurance - $5,000
School/Travel/Dues - $5,000
Investment Consultant - $20,000
Miscellaneous - $10,000

6. **Consent Agenda**
   a. Payment ratification
      i. Warrant #14
         1. Foster & Foster Actuary, invoice #16721, $3,000.00

2. Klausner, Kaufman, Jensen & Levinson, invoice #25745, $618.80
3. Foster & Foster Administrator, invoice #16859, $1,260.00
4. Salem Trust, 1st quarter fees (Auto-Deduct), $2,580.00
5. Klausner, Kaufman, Jensen & Levinson, invoice #25963, $2,636.80
6. Foster & Foster Administrator, invoice #17060, $1,260.00

ii. Warrant #15

1. Anchor Capital Advisors, 1st quarter fees, $3,332.84
2. Klausner, Kaufman, Jensen & Levinson, invoice #26161, $928.20
3. Foster & Foster Administrator, invoice #17350, $1,260.00
4. Foster & Foster Actuary, invoice #17365, $4,000.00

b. New invoices for payment

i. None.

c. Fund Activity Report for April 10, 2020 – July 9, 2020

i. None.

The Board voted to approve the Consent Agenda as presented upon motion by Patrick Strong and second by Kevin D'Amico; motion carried 3-0.

7. Reports

a. AndCo Consulting, Tyler Grumbles, Investment Consultant

i. Quarterly report as of June 30, 2020

1. Tyler Grumbles reviewed the market environment during the past quarter.
2. The asset allocation of the fund as of June 30, 2020 was Domestic Equity at 51.00%, International Equity at 9.30%, Domestic Fixed Income at 25.00%, Global Fixed at 4.10%, Real Estate at 8.60% and Cash Accounts at 2.0%.
3. Tyler Grumbles commented no rebalance was needed at this time on the asset allocations. Tyler Grumbles explained how rebalancing of the fund occurred after reviewing every quarter.
4. Tyler Grumbles reviewed the total fund allocation compared to other public pension plans total funds and their percentile ranking.
5. Tyler Grumbles reviewed the fund reconciliation for the past quarter and fiscal year.
6. The total market value of the fund was $15,527,468 as of June 30, 2020. Tyler Grumbles commented as of today the market value of the fund was estimated around $15.8 million.
7. The total fund gross returns without Real Estate for the quarter were 13.29%. Trailing returns for 1, 3, and 5-year periods were 6.37%, 8.37%, and 7.42% respectively. Since inception (6/1/1994), gross returns were 7.89%.
8. Tyler Grumbles reviewed the past quarterly performance for each investment manager.
9. Tyler Grumbles reviewed the performance of the Templeton investment for the last several years. Tyler further reviewed Templeton's strategy on the expectation of interest rates rising hurt their performance. Tyler Grumbles stated the Templeton fund was currently on watch with AndCo.
10. Tyler Grumbles reviewed the American Core Realty preliminary return for the quarter was -1.60%. Tyler further reviewed how the investment for real estate worked and was hoping for a quick recession and for real estate to get back to some normalcy, but to expect some further negative returns in this sector.
11. Conversation ensued among the trustee on their concerns on commercial real estate and vacancies. Tyler Grumbles commented American Core Realty was a well-diversified fund and would be looking at the best investments.

b. Klausner, Kaufman, Jensen & Levinson, Bonni Jensen, Board Attorney

i. UBS SAG LIBOR settlement
    1. Bonni Jensen reviewed the Lending Inter Bank Offering Rate (LIBOR) settlement in the amount of $102,159.85 received by the fund from a lawsuit brought on by the Florida Attorney's office.
ii. Proposed Ordinance approved
    1. Bonni Jensen commented the proposed Ordinances had been adopted by the City on the change of the Required Minimum Distribution (RMD) age and new law on cancer presumption for disability and death benefits.
iii. Financial disclosure forms
    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**
    a. Kim Kilgore, Foster & Foster, Plan Administrator
        i. Update on the 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 required 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.

10. **Trustees' Reports, Discussion, and Action** –
    a. Kevin D'Amico asked about the process on changing investments in the portfolio. Tyler Grumbles reviewed how AndCo analyzed the investments and would make recommendation to the board when changes were needed. Tyler Grumbles commented allocation studies should be performed every couple of years on forward looking projections to make possible tweaks to the portfolio. Tyler Grumbles recommended to wait until January to perform the allocation study due to the uncertain market at this time.
    b. Kevin D'Amico asked if they were able to look at other plan's investments. Tyler Grumbles reviewed page 10 on the investment report of the rankings with other public pension plans.

11. **Adjournment** – The meeting adjourned at 2:43PM.

12. **Next Meeting** – October 15, 2020 at 8:30AM, Quarterly Meeting

Respectfully submitted by: Kim Kilgore

Kim Kilgore, Plan Administrator

Approved by: K. D'Ami

As: Chair

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