CITY OF ST. PETE BEACH FIREFIGHTERS' RETIREMENT SYSTEM PENSION BOARD OF TRUSTEES QUARTERLY MEETING MINUTES
City Hall, Commission Chambers, 155 Corey Avenue, St. Pete Beach, FL 33706

Thursday, July 15, 2021 at 8:30AM

TRUSTEES PRESENT: Kevin D'Amico
Patrick Strong
Marilyn Terry

TRUSTEES ABSENT: None

OTHERS PRESENT: Kerry Richardville, AndCo Consulting
Bonni Jensen, Klausner, Kaufman, Jensen & Levinson
Ferrell Jenne, Foster & Foster
Vince Tenaglia, Assistant City Manager/Finance Director
Members of the Public

1. **Call to Order** – Kevin D'Amico called the meeting to order at 8:33AM.
2. **Roll Call** – As reflected above.
3. **Public Comments** - None.
4. **Approval of Minutes**

The Board voted to approve the minutes from the April 15, 2021 quarterly meeting, upon motion by Patrick Strong and second by Marilyn Terry; motion carried 3-0.

5. **New Business**
   a. Proposed 2021-2022 budget
      i. Ferrell Jenne reviewed the budget requirement and the different expenditure types. The Board discussed attending future educational conferences. Bonni Jensen reviewed the State conferences and commented she would be holding an educational session in Indian Shores in the beginning of 2022. Bonni commented when the educational seminar date was set, she would invite the St Pete Beach plans. Bonni reminded the Board her fees were higher in Fiscal Year 2019-2020, as she was handling some of the administrative duties before an administrator was hired.

The proposed 2021-2022 budged was approved as presented, upon motion by Kevin D'Amico and second by Patrick Strong; motion carried 3-0.

6. **Consent Agenda**
   a. Payment ratification
      i. Warrant #2
         1. Foster & Foster Administration, invoice #19549, $1,260.00
         2. Klausner, Kaufman, Jensen & Levinson, invoice #28169, $1,698.30
         3. Salem Trust, 1st quarter fees (auto-deduct), $2,665.00
         4. United Members Insurance, invoice #07547, $3,208.00
         5. Klausner, Kaufman, Jensen & Levinson, invoice #28363, $3,613.40
         6. Foster & Foster, invoice #19917, $1,260.00
      ii. Warrant #25
         1. Anchor Capital Advisors, 1st quarter fees, $5,471.90

2. Foster & Foster Administration, invoice #20285, $1,260.00
3. Klausner, Kaufman, Jensen & Levinson, invoice #28536, $183.60

b. New invoices for payment – None.
c. Fund Activity Report for April 9, 2021 – July 8, 2021

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, Kerry Richardville, Investment Consultant

i. Quarterly report as of June 30, 2021

1. Kerry Richardville gave a brief overview of the market environment during the quarter and the housing market.
2. The total market value of the fund was $19,059,140 as of June 30, 2021. Kerry Richardville reviewed the current asset allocations and confirmed everything was in line with the Investment Policy Statement (IPS) ranges. Kerry commented they had been watching the Real Estate portfolio and she was comfortable with adding to the Real Estate portfolio. Kerry recommended taking 2.00% from the Domestic Equity portfolio and adding it to the Real Estate portfolio. Kerry stated there was no real estate queue that she was aware of.

The Board approved taking 2.00% from the Domestic Equity portfolio and adding it to the Real Estate portfolio, upon motion by Kevin D'Amico and second by Patrick Strong; motion carried 3-0.

3. Kerry Richardville commented she would look at the portfolio and pull the funds from the most overweighted domestic equity manger.
4. The asset allocation of the fund as of June 30, 2021 was Domestic Equity at 51.80%, International Equity at 15.00%, Domestic Fixed Income at 21.90%, Global Fixed at 3.80%, Real Estate at 6.90% and Cash Accounts at 0.60%.
5. The total fund gross return without Real Estate for the quarter was 5.39%. Trailing returns for 1, 3, and 5-year periods were 24.04%, 12.72%, and 11.56% respectively. Since inception (6/1/1994), gross returns were 8.44%.
6. Kerry Richardville reviewed the performance of each manager and did not recommend making any manager changes.
7. Vince Tenaglia discussed the future expectation for the investment return assumption. Vince commented it would make sense to reduce the investment return assumption when returns were high. Vince commented the other Boards were at 7.00% and the possibility of setting a glidepath to reduce the current assumption. The Board further discussed lowering the investment return assumption.
8. Ferrell Jenne confirmed Patrick Donlan could perform an analysis to show the funding impact on reducing the invest return assumption to 7.25% and 7.00% and present it at the next quarterly meeting.

The Board directed Foster & Foster to perform a cost study to show the funding impact on reducing the investment return assumption to 7.25% and 7.00%, upon motion by Kevin D'Amico and second by Marilyn Terry; motion carried 3-0.

9. Kerry Richardville reviewed the manager fees and commented the overall management fees were less than .50%.

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

i. Financial disclosure form
1. Bonni Jensen reminded the Board the financial disclosure forms were due on July 1st. Ferrell Jenne confirmed all three trustees filed their forms.

ii. Legal/legislation update
1. Bonni Jensen commented no bills passed that impacted pension plans.

iii. Discussion of 5th trustee seat
1. Bonni Jensen reminded the Board they elected Phil Milner as the 5th trustee. Bonni commented Keith Beattie voted for that appointment, even though he was the outgoing 5th trustee. Vince Tenaglia commented the City was still trying to fill the City appointed vacancy. Bonni Jensen reviewed the questions that she had answered from the City attorney regarding what defined a City resident. Vince commented he thought the most appropriate timing of voting on the 5th trustee was when the City had appointed the second trustee to the Board.
2. The Board agreed to postpone the appointment of Phil Milner until the next quarterly meeting.

8. **Old Business** – None.

9. **Staff Reports, Discussion, and Action**
   a. Ferrell Jenne, Foster & Foster, Plan Administrator
      i. SB 534 required postings
         1. Ferrell Jenne reviewed the SB 534 requirements and confirmed all documents had been sent to the City for posting.
      ii. State annual report update
         1. Ferrell Jenne confirmed the annual report was approved on June 6, 2021. Ferrell commented the distribution information was typically released in late August.

10. **Trustees' Reports, Discussion, and Action**
   a. Vice Chairman board position
      i. Kevin D'Amico discussed adding a Vice-Chairman position to the pension board. Bonni Jensen explained the Vice-Chairman must be one of the current trustees. Bonni explained the Vice-Chairman would run the meeting and sign documents in the Chairman's absence. Bonni commented currently the Secretary would step in and run meetings in the Chairman's absence. By consensus, the Board decided not to add a Vice-Chairman position.
   b. Email created for each trustee
      i. Kevin D'Amico commented he had created an email address for the Chairman's position so if he resigned or got voted out, the new Chairman would have all the historical emails and documents. Vince Tenaglia commented an alias could be created as a City email address and be pointed to whoever held the Chairman position. Vince commented he would work with IT to get the email addresses set up.

The Board voted to establish pension board emails for all trustees, upon motion by Kevin D'Amico and second by Patrick Strong; motion carried 3-0.

11. **Adjournment** – The meeting adjourned at 9:34M.

12. **Next Meeting** – October 21, 2021 at 10:30AM, Quarterly Meeting

Respectfully submitted by: Approved by:

Kim Kilgore

~~Ferrell Jenne~~, Plan Administrator
Kim Kilgore

As: Chair

Date Approved by the Pension Board: 10/21/2021