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

*The Board meeting was held via video conference using Zoom Meeting.*

Thursday, April 15, 2021 at 1:30PM

**TRUSTEES PRESENT:** Kevin D'Amico
Patrick Strong
Marilyn Terry
Keith Beattie

**TRUSTEES ABSENT:** None

**OTHERS PRESENT:** Kerry Richardville, AndCo Consulting
Bonni Jensen, Klausner, Kaufman, Jensen & Levinson
Kim Kilgore, Foster & Foster
Vince Tenaglia, Assistant City Manager/Finance Director

1. **Call to Order** – Kevin D'Amico called the meeting to order at 1:31PM.

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

3. **Public Comments** - None.

4. **Approval of Minutes**

**The Board voted to approve the minutes from the January 21, 2021 quarterly meeting, upon motion by Patrick Strong and second by Marilyn Terry; motion carried 4-0.**

5. **Consent Agenda**
   a. Payment ratification
      i. Warrant #21
         1. AndCo, invoice #37212, $4,500.00
         2. Klausner, Kaufman, Jensen & Levinson, invoice #27596, $1,090.70
         3. Foster & Foster Administration, invoice #18738, $1,260.00
         4. Foster & Foster Actuarial Services, invoice #18789, $14,564.00
      ii. Warrant #22
         1. Anchor Capital Advisors, 4th quarter fees, $5,325.84
         2. Foster & Foster Administration, invoice #19052, $1,260.00
         3. Salem Trust, 4th quarter fees (auto-deduct), $2,760.00
         4. Klausner, Kaufman, Jensen & Levinson, invoice #27803, $3,287.00
      iii. Warrant #23
         1. Klausner, Kaufman, Jensen & Levinson, invoice #27974, $104.30
         2. Foster & Foster Administration, invoice #19306, $1,260.00
         3. AndCo, invoice #37497, $5,500.00
         4. Foster & Foster Actuarial Services, invoice #19449, $4,375.00

   b. New invoices for payment – None.

   c. Fund Activity Report for January 15, 2021 – April 8, 2021

**The Board voted to approve the Consent Agenda as presented, upon motion by Keith Beattie and second by Marilyn Terry; motion carried 4-0.**

6. **New Business**
    a. Kevin D'Amico re-elected by the members; his term expires 4/1/2023
        i. Kevin D'Amico announced his re-election to the Board.
    b. Keith Beattie, 5th Trustee, term expires 5/1/2021
        i. Keith Beattie stepped down as the 5th Trustee of the Board.
        ii. Kevin D'Amico commented Phil Milner was interested in the Trustee position on the Board.

**The Board approved the appointment of Phil Milner as 5th Trustee, upon motion by Keith Beattie and second by Kevin D'Amico; motion carried 4-0.**

7. **Reports**
    a. AndCo Consulting, Kerry Richardville, Investment Consultant
        i. Quarterly report as of March 31, 2021
            1. Kerry Richardville reviewed the market environment during the past quarter.
            2. The total market value of the fund was $18,147,373 as of March 31, 2021.
            3. The asset allocation of the fund as of March 31, 2021 was Domestic Equity at 51.70%, International Equity at 10.80%, Domestic Fixed Income at 25.30%, Global Fixed at 4.00%, Real Estate at 7.10% and Cash Accounts at 1.10%.
            4. The total fund gross return without Real Estate for the quarter was 1.96%. Trailing returns for 1, 3, and 5-year periods were 33.03%, 11.43%, and 10.86% respectively. Since inception (6/1/1994), gross returns were 8.31%.

        ii. Asset allocation discussion
            1. Kerry Richardville reviewed the current asset allocation mix stating there was a decrease of 5.00% to U.S. Aggregate Bonds, an increase to EAFE Equity by 3.75% and an increase to Emerging Markets Equity by 1.25%.
            2. Vince Tenaglia commented stepping down on the bond allocation was a good approach for the portfolio.

**The Board approved the changes to the portfolio allocation as presented by the Investment Consultant, upon motion by Kevin D'Amico and second by Keith Beattie; motion carried 4-0.**

        i. Investment Policy Statement updated
            1. Kerry Richardville reviewed the three changes to the Investment Policy Statement (IPS).

**The Board approved the changes to the Investment Policy Statement as presented, upon motion by Marilyn Terry and second by Patrick Strong; motion carried 4-0.**

            2. Kerry Richardville commented she would follow up with the Administrator to have the revised IPS signed and filed. Kerry commented she could not act on changes for thirty-one days after the revised IPS had been filed with the appropriate parties.
            3. Vince Tenaglia commented the City's expectation for the fund would be to continue lowering the assumed rate of return on the valuation.

    b. Klausner, Kaufman, Jensen & Levinson, Bonni Jensen, Board Attorney
        i. Locating missing participants and beneficiaries
            1. Bonni reviewed the memo provided by her office that outlines the steps that should be taken to locate missing participants.
        ii. Contractual provisions for investment managers

1. Bonni Jensen reviewed the provisions of the proposed policy and commented it would help ensure a level of consistency with their contractual agreements with investment managers.
2. Bonni added the policy should be renewed every three years and when they enter into a new agreement with an investment manager.

**The Board approved the policy on contractual provision for investment managers, upon motion by Kevin D'Amico and second by Patrick Strong; motion carried 4-0.**

iii. E-Verify Registration
1. Bonni reviewed the letter provided by her office that verifies her firm was in compliance with the federal government's E-Verify program.

iv. 2021 IRS mileage rate
1. Bonni Jensen commented the 2021 Internal Revenue Service (IRS) mileage rate decreased to $0.56.

v. Proposed Ordinance
1. Bonni Jensen reviewed the proposed ordinance language providing for increase in City funded base multiplier.
2. Bonni Jensen reviewed the proposed ordinance stated effective October 1, 2021 calculation of the additional Member contribution would be provided as previously except that the City-funded base benefit accrual rate would be 2.75% effective October 1, 2020. Bonni further review the service prior to October 1, 2020 and subsequent to January 1, 2013, the City-funded base benefit would be 2.25%.

**The Board approved the proposed Ordinance as presented, upon motion by Patrick Strong and second by Keith Beattie; motion carried 4-0.**

vi. Financial Disclosure
1. Bonni Jensen reminded the trustees to submit their financial disclosure forms prior to the deadline on June 30th.

vii. Form of Benefit Payments for Frozen Benefits and Service after 1/1/2013
1. Bonni Jensen stated if a member had two different start dates of each benefit and two separate applications, then the benefits can have two separate optional forms. Bonni further stated if the benefit has one commencement date was requested with one application would be one payment and one optional form.
2. Bonni Jensen further reviewed if benefit starts on the same day for both benefits, there would be one benefit payment and therefore, one optional form.
3. Bonni Jensen commented the two different start dates will mostly apply when the Member is a vested terminated.

**8. Old Business** – None.

**9. Staff Reports, Discussion, and Action**

c. Kim Kilgore, Foster & Foster, Plan Administrator

i. Fiduciary Insurance Policy
1. Kim Kilgore advised the board their fiduciary liability policy was due for renewal on April 20, 2021 and the annual premium will be $3,208.00

**The Board approved the Fiduciary Liability Insurance Policy quote as presented, upon motion by Kevin D'Amico and second by Keith Beattie; motion carried 4-0.**

ii. Annual Report update
1. Kim advised the board the Annual Report has been submitted to the State.

**10. Trustees' Reports, Discussion, and Action**

a. Kevin D'Amico asked about the funding status and the City contribution to continue during good times.
b. Vince Tenaglia commented the City's contribution was floating.
c. Conversation ensued amongst trustees about the minimum required contributions for the pension fund.
d. The trustees commented they would like to invite the Actuary to a meeting to explain the funding rate and City's contribution to the Plan.

**11. <u>Adjournment</u>** – The meeting adjourned at 2:55PM.

**12. <u>Next Meeting</u>** – July 15, 2021 at 8:30AM, Quarterly Meeting

Respectfully submitted by: Kim Kilgore

Kim Kilgore, Plan Administrator

Approved by: PATRICK STRONG

As: SECRETARY

Date Approved by the Pension Board: JULY 15, 2021