

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

**City Hall, 2<sup>nd</sup> Floor Conference Room, 155 Corey Avenue, St. Pete Beach, FL 33706**

**Thursday, January 18, 2024, at 10:30AM**

**TRUSTEES PRESENT:** Don Francese  
Phil Milner  
Marilyn Terry  
Patrick Strong

**TRUSTEES ABSENT:** Kevin D'Amico

**OTHERS PRESENT:** Jorge Friguls, AndCo Consulting  
Lindsey Garber, Klausner, Kaufman, Jensen & Levinson  
Chrissy Stoker, Foster & Foster  
Patrick Donlan, Foster & Foster  
Kerry Richardville, AndCo Consulting

- I. **Call to Order** – Chrissy Stoker called the meeting to order at 10:38AM and led the Pledge of Allegiance and a quorum was determined.
- II. **Roll Call** – As noted above.
- III. **Public Comments** – None.
- IV. **Approval of Minutes**

**The November 17, 2023, quarterly meeting minutes were approved as presented, upon motion by Patrick Strong and second by Phil Milner; motion carried 4-0.**

**V. New Business**

- a. Upcoming Trustee term expiration
  - i. Chrissy Stoker advised Patrick Strong his term would expire April 1, 2024. Chrissy would notify the membership of the expiration and let the Board know if an election would be held.
- b. Selection of 5<sup>th</sup> Trustee
  - i. Chrissy Stoker commented Phil Milner was the 5<sup>th</sup> Trustee whose term previously expired but carried over as there were not enough trustees present at the prior meeting to vote on whether to reselect him.

**The Board voted to reselect Phil Milner as the 5<sup>th</sup> Trustee, upon motion by Patrick Strong and second by Marilyn Terry; motion carried 3-0, with Phil Milner abstaining.**

- c. Actual expenses as of September 30, 2023
  - i. Chrissy Stoker reviewed the budget requirement and each expenditure line. Administrative expenses as of September 30, 2023, were \$100,597.59 compared to the total budgeted amount of \$117,000.

**The actual expenses as of September 30, 2023, were approved as presented, upon motion by Phil Milner and second by Patrick Strong; motion carried 4-0.**

## VI. Reports

### a. Foster & Foster, Patrick Donlan, Board Actuary

#### i. October 1, 2023, actuarial valuation report

1. Patrick Donlan reminded the Board the funding requirement was previously presented as percentage of payroll but it was now presented as a dollar amount.
2. Patrick Donlan reviewed every year he looked at all the plans' assets and projected out retirement benefits to determine the City's funding requirement. To prevent the City's cost from fluctuating too much, assets were smoothed over four years. The rolling four-year average return was what he used in the actuarial valuation. Patrick noted although 2023 was a great investment year, the losses from 2022 brought down the smoothed average to 4.96%. Actual net Plan returns were 10.17%.
3. Plan experience was unfavorable overall on the basis of the plan's actuarial assumptions. Sources of actuarial loss included an average salary increase of 13.34% which exceeded the 4.40% assumption and an investment return of 4.96% (Actuarial Asset Basis) which fell short of the 7.40% assumption. These losses were offset in part by a gain associated with inactive mortality experience.
4. Patrick Donlan reviewed the valuation participation reconciliation. The pension plan was closed to new members as of December 1, 2023. Five (5) members opted out of the pension plan and went into the Florida Retirement System.
5. Patrick Donlan reviewed the reconciliation of the Unfunded Actuarial Accrued Liability (UAAL), which increased by \$552,081 with this valuation.
6. Patrick Donlan noted \$290,054.72 was received from the State which the City could use to offset their required contribution.
7. Patrick Donlan and the Board discussed the firefighters' supplemental trust fund distributions.

**The October 1, 2023, actuarial valuation report was approved as presented, upon motion by Phil Milner and second by Don Francese; motion carried 4-0.**

**The Board voted the declaration of returns for the plan shall be 7.40% for the next year, the next several years, and the long-term thereafter net of investment related expenses, upon motion by Phil Milner and second by Marilyn Terry; motion carried 4-0.**

**The Board voted to reduce the investment return assumption to 7.35% in conjunction with the October 1, 2024, actuarial valuation report, upon motion by Phil Milner and second by Patrick Strong; motion carried 4-0.**

### b. AndCo Consulting, Jorge Friguls/Kerry Richardville, Investment Consultant

#### i. Quarterly report as of December 31, 2023

1. Kerry Richardville announced Jorge Friguls would be attending future meetings in her place.
2. Jorge Friguls reviewed the portfolio changes that were approved at the last meeting and advised the results would be shown in the next quarterly report.

3. Jorge Friguls gave an overview of the market environment over the quarter. Jorge presented histograms of annual returns from 1926-2023 to provide a historical perspective of the S&P 500 and the bond market.
  4. Jorge Friguls reviewed the financial reconciliation of the Fund for the fiscal year.
  5. The market value of the fund was \$19,086,625 as of December 31, 2023.
  6. Jorge Friguls reviewed the asset allocation of the portfolio, noting an excess of cash in the R&D account from the State Monies deposit. Jorge recommended moving \$150,000 from cash into short-term bonds. It was the consensus of the Board to proceed with Jorge's recommendation.
  7. Marilyn Terry requested an update on the full redemption request they submitted to ARA. Jorge Friguls confirmed they got \$50,000 back last quarter and \$103,000 this quarter, so it seemed as if distributions were beginning to increase, but slowly. Jorge commented \$150,000 was not an unreasonable expectation to get back per quarter. Kerry Richardville commented some real estate managers were not paying out redemptions at all so ARA was faring well overall.
  8. Total fund gross returns for the quarter were 7.92%, slightly underperforming the policy benchmark of 8.36%. Trailing returns for 1, 3, and 5-year periods were 13.22%, 2.60%, and 8.50%, compared to respective benchmarks of 15.92%, 4.56%, and 9.62%. Since inception (6/1/1994), gross returns were 7.72%, underperforming the policy index of 7.82%.
  9. Jorge Friguls reviewed the performance of each manager and did not recommend any changes.
- c. Klausner, Kaufman, Jensen & Levinson, Lindsey Garber, Board Attorney
- i. Addendum to Salem Trust agreement
    1. Lindsey Garber presented the revised contract that was assigned to Argent Financial Group as a result of the merger. There were no changes to the fee structure or personnel.
  - ii. Financial disclosure forms (Form 1)
    1. Lindsey Garber advised the financial disclosure forms would no longer be filed with the Supervisor of Elections. Financial disclosure forms must now be submitted online to the Florida Commission on Ethics via the Electronic Financial Disclosure Management System (EFDMS) by July 1. Lindsey confirmed only elected officials needed to file Form 6, not pension board trustees.
  - iii. IRS mileage rate
    1. Lindsey Garber noted the IRS mileage rate for 2024 increased from \$0.655 to \$0.67 per mile.
  - iv. Lindsey Garber confirmed the comprehensive report required by House Bill was filed in December. The next required filing was in December 2025.

**VII. Old Business – None.**

**VIII. Consent Agenda**

- a. Payment ratification
  - i. Warrant #45
    - 1. Klausner, Kaufman, Jensen & Levinson, invoice #34013, \$3,423.20
    - 2. Foster & Foster, plan administration, invoice #29433, \$1,437.39
    - 3. Klausner, Kaufman, Jensen & Levinson, invoice #34218, \$477.00
    - 4. AndCo, investment consulting, invoice #46903, \$5,000.00
    - 5. Foster & Foster, plan administration, invoice #29632, \$1,260.00
- b. New invoices for payment approval – None.
- c. Fund Activity Report for November 11, 2023 - January 11, 2024.

**The consent agenda was approved as presented, upon motion by Phil Milner and second by Don Francese; motion carried 4-0.**

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

- a. Foster & Foster, Chrissy Stoker, Plan Administrator
  - i. Update on State Annual Report
    - 1. Chrissy Stoker confirmed the Annual Report was in progress and would be submitted by the March 15<sup>th</sup> deadline. Chrissy asked for the dates of the current collective bargaining agreement (CBA) to provide in the report. Patrick Strong stated the CBA was effective October 1, 2022, through September 30, 2025.
  - ii. Chrissy Stoker reminded the Board the next meeting would begin at 1:30PM.
  - iii. Fiduciary liability policy
    - 1. Chrissy Stoker presented quotes for a \$1 Million, \$2 Million, and \$3 Million policy. All quotes came from the current carrier, as no other carrier could provide quotes as competitively priced.
    - 2. Lindsey Garber commented \$1 Million was an appropriate limit. Lindsey added no trustee could not be sued individually; the policy covered the pension board as an entity.

**The Board voted to bind coverage for a \$1 million fiduciary liability policy, upon motion by Phil Milner and second by Patrick Strong; motion carried 4-0.**

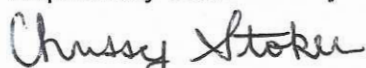
- 3. Chrissy Stoker requested confirmation of each of the trustees' email addresses and mailing addresses to provide to the City Clerk's office. This information was needed for the EFDMS.

**X. Trustee Reports, Discussion, and Action – None.**

**XI. Adjournment – The meeting adjourned at 12:06PM.**

**XII. Next Meeting – Thursday, April 18, 2024, at 1:30PM, Quarterly Meeting.**

Respectfully submitted by:



Chrissy Stoker, Plan Administrator

Approved by:



Patrick Strong, Secretary

Date Approved by the Pension Board:

April 18, 2024