

**CITY OF ST. PETE BEACH  
GENERAL EMPLOYEES' RETIREMENT SYSTEM BOARD OF TRUSTEES  
QUARTERLY MEETING MINUTES  
City Hall, 2<sup>nd</sup> Floor Conference Room, 155 Corey Avenue, St. Pete Beach, FL 33706**

Monday, September 23, 2024, at 10:30AM

**TRUSTEES PRESENT:** Nancy Schultz  
Laura Williamson  
Brad Fauth  
Luke Jacobsen

**TRUSTEES ABSENT:** Tim McLean

**OTHERS PRESENT:** David Wheeler, Graystone Consulting  
T.J. Loew, Graystone Consulting  
Chrissy Stoker, Foster & Foster  
Tiffany Fair, Foster & Foster  
Lindsey Garber, Klausner, Kaufman, Jensen & Levinson (via Zoom)  
Lynn Skinner, Salem Trust

- I. **Call to Order** – Nancy Schultz called the meeting to order at 10:32AM and led the Pledge of Allegiance and a quorum was determined.
- II. **Roll Call** – As reflected above.
- III. **Public Comments** – None.
- IV. **Approval of Minutes**
  1. April 18, 2024, quarterly meeting

**The April 18, 2024, quarterly meeting minutes were approved as presented, upon motion by Laura Williamson and second by Brad Fauth; motion carried 3-0.**

**V. New Business**

1. Update on trustee terms
  - a. Tiffany Fair announced Luke Jacobson was an active plan member who nominated himself to serve in the member elected trustee seat and he had filed a Form 1 though he was not present today.
  - b. Tiffany Fair noted Tim McLean's term expired August 1, 2024, and he was the elected Fifth member. Lindsey Garber advised his term would hold over until he was re-selected.

**The Board voted to re-select Tim McLean as the Fifth member, with the understanding that he could resign if he didn't want to continue to serve, upon motion by Laura Williamson and second by Brad Fauth; motion carried 3-0.**

- c. Tiffany Fair announced Laura Williamson's term expired in October. Laura confirmed she wanted to serve another term. Tiffany would request the City to consider her reappointment.
2. Proposed 2025 meeting dates

- a. Tiffany Fair presented the 2025 meeting dates of January 16th at 8:30am, April 17th at 10:30am, July 17th at 1:30pm, and October 16th at 8:30am and commented it followed the same historical meeting schedule.

**The Board voted to approve the 2025 meeting dates as presented, upon motion by Laura Williamson and second by Nancy Schultz; motion carried 3-0.**

**3. Fiduciary liability policy ratification**

- a. Tiffany Fair reviewed the renewal policy that went into effect July 31, 2024 and was for one year. The policy was \$108.00 more than last year's policy.
- b. Laura Williamson asked about Item 5, 502(c) Penalties Limit of Liability in the policy. Lindsey Garber would investigate this and report back.

**The Board voted to ratify the payment of the fiduciary liability policy premium as presented, upon motion by Laura Williamson and second by Nancy Schultz; motion carried 3-0.**

**4. Mr. Palmer retro payments**

- a. Chrissy Stoker explained that Mr. Palmer had filed a retirement application and had commenced the "frozen" piece of his pension benefit, but his "future service" piece had not been calculated and was not set up for the date he was eligible to begin collecting this second piece. If approved by the Board, Mr. Palmer would receive catch-up payments for missed payments going back to June 1, 2023.
- b. Retiree had taken all appropriate steps to initiate his benefit and the need for the retroactive payment was entirely due to an administrative oversight.

**The Board voted to approve retroactive payments to Mr. Palmer effective June 1, 2023, upon motion by Laura Williamson and second by Nancy Schultz; motion carried 3-0.**

**VI. Reports**

**1. Salem Trust Company, Lynn Skinner, Fund Custodian**

**a. Update from custodian**

- i. Lynn Skinner gave staff updates. Mark Rein, former president of Salem Trust was now Senior Sales Executive in charge of new business and was still available if needed. Chris Taylor joined the group, located in Tampa office, in charge of day-to-day activities, had twenty-five years of experience and Lynn would report to him. July 8th, Luke McCabe joined the group and would be President of Salem Trust.
- ii. Lynn Skinner gave update on the pensioner portal for retirees. Seventy-five were sent out in February and fourteen retirees signed up, which was 18.00%. Nancy Schultz asked the purpose of the portal and Lynn explained, the retiree could change address and federal tax withholding directly in the portal. Checking and saving account changes must go through Foster & Foster, but tax documents could be accessed through the portal.

**2. Graystone Consulting, David Wheeler & T.J. Loew, Investment Consultants**

**a. Quarterly performance summary through June 30, 2024**

- i. David Wheeler gave an overview of the market environment over the quarter, discussing disinflation, earnings, and the Magnificent Seven. David discussed excess returns of bonds over cash before and after rate cuts.
- ii. David Wheeler reviewed the capital market returns as of June 30, 2024.
- iii. The market value of assets as of June 30, 2024, was \$12,954,736.

- iv. Total fund gross returns for the quarter were 0.23%, outperforming the policy benchmark of 0.11%. For the 1, 3, 5, 7, and 10-year trailing periods, total fund gross returns were 12.59%, 1.98%, 6.95%, 6.94%, and 6.42%, compared to the respective benchmarks of 12.25%, 1.71%, 6.65%, 6.68%, and 6.17%. Since inception (08/01/2006), total fund gross returns were 6.94%, outperforming the benchmark of 6.61%.
- v. David Wheeler reviewed the asset allocation compliance noting they had been overweight on growth and underweight on value which was deliberate. They were on target for mid and small cap exposure. International exposure was on target. Underweight on short term fixed and underweight on longer term fixed.
- vi. David Wheeler reviewed the performance of each manager. Nuance struggled but was a defensive mid cap manager, so they had added value but were not adding enough value to make up for the fact that they were underperforming the benchmark by about 7.00%. David would keep an eye on them.
- vii. David Wheeler presented more current values. The market value of assets as of September 19, 2024, was \$13,567,166.
- viii. David Wheeler advised they needed to raise cash for upcoming distributions and recommended taking money out of equities (\$50,000 out of Vanguard Russell 1000 ETF, \$50,000 out of Anchor All Cap Value, \$50,000 out of Nuance MCV, \$25,000 Vanguard MCV ETF, \$25,000 out of Virtus KAR SCV MF, \$50,000 from Vanguard SCV ETF, \$50,000 from Europacific Growth Fund MF, and \$50,000 from Vanguard REIT MF and add \$350,000 to R&D cash accounts)

**The Board voted to take \$50,000 out of Vanguard Russell 1000 ETF, \$50,000 out of Anchor All Cap Value, \$50,000 out of Nuance MCV, \$25,000 Vanguard MCV ETF, \$25,000 out of Virtus KAR SCV MF, \$50,000 from Vanguard SCV ETF, \$50,000 from Europacific Growth Fund MF, and \$50,000 from Vanguard REIT MF and add \$350,000 to R&D cash accounts upon motion by Laura Williamson and second by Brad Fauth; motion carried 3-0.**

- 3. Klausner, Kaufman, Jensen & Levinson, Lindsey Garber, Board Attorney (via Zoom)
  - a. 1099-R memo
    - i. Lindsey Garber advised any portion of disability payments based on age and length of service was subject to income tax. Lindsey would work with Salem Trust and the administrators to ensure any 1099-Rs were coded correctly.
  - b. Summary Plan Description
    - i. Lindsey Garber presented the updated document and reviewed the changes.
    - ii. Laura Williamson asked that Retirement be capitalized, and Lindsey Garber would clarify Early versus Normal.

**The Board voted to approve the Summary Plan Description with discussed revisions, upon motion by Laura Williamson and second by Nancy Schultz; motion carried 3-0.**

- iii. Nancy Schultz asked that the required minimum distribution (RMD) ages be clarified in the document. Laura Williamson asked that Foster & Foster confirm that none of the vested-terminated members were due RMDs.

*Note: Luke Jacobsen arrived at 11:53AM.*

## **VII. Old Business**

1. Chrissy Stoker addressed various steps that are taken to locate plan participants who are eligible to commence their benefit. Following discussion, it was suggested that F&F prepare a written outline of the typical steps that are followed to facilitate evaluation and feedback by the board.

## **VIII. Consent Agenda**

1. Payment ratification
  - a. Warrant #51
    - i. FPPTA, invoice #11908, 40th Annual Conference registration for N. Schultz, \$875.00
    - ii. Graystone Consulting, invoice #10130024109, investment consulting, \$5,000.00
    - iii. Salem Trust, custodial services (AUTO DEDUCT), \$2,950.00
    - iv. Insight Investments, invoice #4010-Q-NT, investment management, \$835.41
    - v. Anchor Capital Advisors, 1st quarter fees, investment management, \$2,723.39
    - vi. Foster & Foster, invoice #31096, plan administration, \$1,230.42
    - vii. Klausner, Kaufman, Jensen & Levinson, invoice #35017, legal services, \$3,610.97
  - b. Warrant #52
    - i. Foster & Foster, invoice #31646, plan administration, \$1,080.00
    - ii. Klausner, Kaufman, Jensen & Levinson, invoice #35259, legal services, \$328.19
    - iii. Commercial Insurance Specialists, Fiduciary Liability Policy, \$6,982.13
  - c. Warrant #53
    - i. Foster & Foster, invoice #31945, plan administration, \$1,080.00
    - ii. Klausner, Kaufman, Jensen & Levinson, invoice #35410, legal services, \$694.40
    - iii. Foster & Foster, invoice #31959, actuarial services, \$5,156.00
    - iv. Graystone Consulting, invoice #10130024199, investment management, \$5,000.00
    - v. Salem Trust, custodial services (AUTO DEDUCT), \$2,950.00
    - vi. Insight Investment, invoice #4221\_Q\_NT, investment management, \$914.46
    - vii. Klausner, Kaufman, Jensen & Levinson, invoice #35602, legal services, \$1,140.80
    - viii. Foster & Foster, invoice #32345, plan administration, \$1,080.00
    - ix. Anchor Capital Advisors, 2nd quarter fees, investment management, \$2,606.50
2. New invoices for payment
  - a. None.
3. Fund Activity Report for April 12, 2024, through September 16, 2024

The consent agenda was approved as presented, upon motion by Laura Williamson and second by Brad Fauth; motion carried 4-0.

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

1. Foster & Foster, Tiffany Fair & Chrissy Stoker, Plan Administrators
  - a. Update on confirmation of receipt of retirement benefits (PF-11)
    - i. Tiffany Fair updated the Board that all PF-11s issued were returned from the members.
  - b. Educational opportunities
    - i. Tiffany Fair reviewed the upcoming educational opportunities available to the Board. The Board recommended training videos for new trustee, Luke Jacobsen. Chrissy would email videos.

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

**XI. Adjournment – The meeting adjourned at 12:19PM.**

**XII. Next Meeting Date – Thursday, October 17, 2024, at 8:30AM, Quarterly Meeting**

Respectfully submitted by:



Tiffany Fair, Plan Administrator

Approved by:



Laura Williamson, Secretary

Date Approved by the Pension Board:

October 17, 2024