

# Board of Trustees, Eustis Police Officer's Retirement System

## Meeting Minutes

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Wednesday, February 9, 2022, 10:30 A.M.

City Commission Chamber

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### Trustees Present:

Ken Toler, Trustee  
Chris Horst  
Kenneth Birkhofer

### Others Present:

Francheska Sabatini, Stone & Gerken  
Tom Jones, Wells Fargo Advisors  
Amanda Kish, Pension Resource Centers  
Steven Stack, Highland Capital

## 1. CALL TO ORDER

Kenneth Birkhofer called the meeting to order at 10:30 A.M. The Board acknowledged that a quorum was present, and the meeting was properly noticed.

## 2. PUBLIC COMMENT

## 3. ITEMS FOR APPROVAL

The Board reviewed the Minutes of the meeting held on November 10, 2021.

**Chris Horst made a motion to approve the Minutes for the meeting held on November 10, 2021.**  
**Ken Toler seconded the motion, approved unanimously by the Board.**

The Board reviewed the Interim Financial Statements and Expense Approval

**Kenneth Birkhofer made a motion to approve the Interim Financial and Expense Approval**  
**Chris Horst seconded the motion approve unanimously by the Board.**

## 4. REPORTS

### b. Investment Consultant: (Wells Fargo, Tom Jones & Mark Holder)

Mr. Jones reviewed the December 31, 2021, report stating the total return for the quarter was 4.9% compared to the benchmark of 7.2%. The Fiscal year 4.9% versus the return 7.2%. The total portfolio increased to \$,279,728 for the quarter. He reviewed the performance for the quarter stating that International Equity was up at 3.3% and Highland Capital was up at 7.8%. Clearbridge was below the benchmark at 9.0% compared to the benchmark at 11.6%. Confluence was above the benchmark at 10.00. Integrity Fixed

Income return below the benchmark at -0.2%. The iShares were slightly below with the benchmark 3.4%. Mr. Jones informed the Board that portfolio no changes need to be made at this time.

**Investment Manager Report:** (Highland Capital, Steve Stack)

Steve Stack provided a report on the Domestic and International Equity Investment portfolio for the quarter ending December 31, 2021. He reviewed the market and consumer confidence. The consumer growth is slowing. He reported that the Value return for the quarter was -1.37 % versus the benchmark of -0.78% The International return for the quarter was -1.15% versus the benchmark of -2.99% Mr. Stack continued to review the report.

**c. Attorney Report**

Mrs. Sabatini reviewed the updated Operating Rules and Procedures with the Board. She highlighted each change to the document. Noting a recent change to the interest calculation using the actual assumed rate. She continued to review the document.

**Ken Toler made a motion to approve Operating Rules and Procedure. Chris Horst seconded the motion, approved unanimously by the Board**

Mrs. Sabatini addressed the date on the legal agreement presented to the Board. The Board will sign the agreement once the date is changed.

Mrs. Sabatini address an issue with a member who received an in-service distribution. A retiree from the Eustis Police Pension Plan was hired by the city as full time employee. While working for the city the member contributed to the pension plan and continued to receive his pension. Mrs. Sabatini provided options for the member, the contributions can be paid back to the plan, or the member could pay back his pension payments and his pension can be recalculated to include his recent service time. The Board held a discussion regarding interest. The Board suggested the attorney looking into the issue further and discuss at the next Board meeting.

**d. Administrative Report:**

Mrs. Kish provide a brief update on the share statements. She informed the Board that Mr. Baur has called into the meeting to discuss the share allocation. Mr. Baur questioned if members with disabilities would receive a share distribution every year? The plan attorney confirmed that members with disabilities would receive an annual distribution. Mr. Baur questioned the language used for members who have recently retire and if the member's receive a partial lump sum or a total distribution. The ordinance can be interpreted to pay a retiree each year from the share account. The plan attorney read the ordinance and informed Mr. Baur that the share distributions should be paid and a lump sum and only once. The Board held a discussion regarding the share distributions.

Mrs. Kish presented a health insurance deduction form to the Board. Members can have health insurance deducted from their check and receive a \$3,000.00 tax inclusion. The custodian bank is currently working on the health insurance deductions for the retirees.

**5. NEW BUSINESS**

**6. OLD BUSINESS**

**7. SCHEDULE NEXT MEETING** Wednesday, August 11th, at 10:30 A.M.

**8. ADJOURNMENT** The meeting adjourned at 11:21 A.M

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Signed, Secretary Board of Trustees