

CITY OF FT. PIERCE POLICE OFFICERS' RETIREMENT TRUST FUND
MINUTES OF MEETING HELD
SEPTEMBER 17, 2020

A quarterly meeting of the Board of Trustees was called to order by Brian MacNaught on September 17, 2020 at 9:30 AM via Ring Central Remote Video Conference. Scott Baur called roll and a quorum was present.

TRUSTEES PRESENT

Brian MacNaught
Carlos Villanueva
Daniel Flaherty
James Grecco

OTHERS PRESENT

Bonni Jensen, Klausner Kaufman Jensen & Levinson
Scott Baur and Kyle Tintle, Resource Centers
Burgess Chambers, Burgess Chambers & Associates
Christine Paz, City of Ft. Pierce

Ms. Jensen presented the Board with Governor DeSantis' Executive Order 20-193 amending Executive Order 20-179 declaring a state of emergency for the entire State of Florida through October 1, 2020 due to COVID-19, which allows Pension Boards of Trustees to meet virtually.

APPROVAL OF MINUTES

The Trustees reviewed the minutes of the quarterly and held on June 18, 2020.

Dan Flaherty made a motion to approve both the quarterly meeting minutes held on June 18, 2020. Carlos Villanueva seconded the motion, approved by the Trustees 4-0.

BENEFIT APPROVAL

The Board reviewed the benefit approval for John Shramm. After a brief discussion, a motion was made.

Daniel Flaherty made a motion to approve the benefit approval for John Schramm. Carlos Villanueva seconded the motion, approved by the Trustees 4-0.

FINANCIAL REPORT

Ms. Paz presented the Financial Report to the Board. The State monies were received of \$412,335.08 on August 27, 2020. The amount is approximately \$10,000.00 more than the previous year of \$402,063.76. Two members received refunds of their contributions during the quarter totaling \$38,798.38. To keep the cash balance at \$300,000, the excess of \$800,000 will be wired to SunTrust, to be sent to C.S. McKee to be invested after the August numbers become available. A discussion was held on the best way to record the transfer of funds to SunTrust. Mr. Chambers recommended sending the funds to the custodian in 2 transactions to delineate the State monies from the cash in the account.

Daniel Flaherty made a motion to send the State Monies and the excess cash to the custodian SunTrust Bank in 2 separate transactions. Brian MacNaught seconded the motion, approved by the Trustees 5-0.

Ms. Paz reviewed the details for the 6 members in the DROP: Jon Smith, Jose Maldonado, Tyrone Campbell, William Hall, Charles Davis and Stephen Griffith.

INVESTMENT CONSULTANT REPORT

Mr. Chambers began his presentation of the June 30, 2020 investment report with an overview of the effect of COVID-19 on the U.S. economy. The equity market saw a dramatic downturn from February to the end of March 2020 and then rebounded before the end of June 2020. The Fed saved the day by buying bonds which stabilized the market. Mr. Chambers reported the Pension Fund had a market-based gain of \$1.9 million or +14.2% (+14.1% net) and ranked in the top 20th percentile. The quarter ended an ending market value of \$15,322,946. The top performing assets were: SPDR Barclays Convertibles (+27.2%), Fidelity Mid Cap (+24.6%) and the International holding, EuroPacific Growth (+22.9%). The fiscal year to date, the Fund was up \$179,000 or +1.5%, the update through August 30, 2020 were closer to +7.6%. These are the best performance numbers in the past 5 years. Mr. Chambers reviewed the Cohen & Steers Global Infrastructure (CIT) noting they are great holding long term. Mr. Chambers reviewed the MEPT Fund numbers. He said MEPT stopped dividend reinvestment at the beginning of the year and used the money to pay expenses. Mr. Chambers recommended holding off on selling shares of MEPT now but would revisit the topic in January 2021 or sooner if necessary. A discussion was held on rebalancing the portfolio, the sale of MEPT and other holdings.

Brian MacNaught made a motion to give Investment Monitor Burgess Chambers discretion to redeem shares of MEPT in between meetings if necessary. Daniel Flaherty seconded the motion, approved by the Trustees 4-0.

ATTORNEY REPORT

Ms. Jensen presented 2 items relating to marriage and the dissolution of marriage with changes to the IRS code. The material was prepared to familiarize members, spouses, attorneys and mediators with the pension benefits and the retirement system. The next item was Corrective Ordinance No. 20-020, which reflect the amendment to the Internal Revenue Code which increased the required minimum distribution age from 70 ½ to 72. The next memo covered the Federal Benefits for COVID Deaths and Disabilities. The Safeguarding America's First Responders Act of 2020 was signed into law on August 14, 2020. The law provides presumptive line-of-duty death and disability benefits to qualifying police officers. Ms. Jensen presented a Statement of Policy Regarding Education for Trustees of the Fort Pierce Police Municipal Police Officers' Retirement System. The policy statement was produced at the request of the Board. A discussion was held on the steep learning curve for Trustees and the availability of educational opportunities.

Daniel Flaherty made a motion approve the Statement of Policy Regarding Education for the Trustees. Brian MacNaught seconded the motion, approved by the Trustees 4-0.

As the Trustees are meeting remotely, the Statement of Policy Regarding Education will be in effect as of today but will be held for the December 2020 meeting to be signed. Ms. Jensen reviewed the figures for the 185 Money for 2020 of \$415,335.08 versus the 2019 amount of \$402,062.76. She continued by presenting the revised 2020 Summary Plan Description (SPD). The SPD was last revised in December of 2018 and should be revised every two years. She reviewed the stylistic changes, additions, and new sections such as Divorce or Dissolution of Marriage which covers alimony and equitable distribution of assets. The last 2 pages have been intentionally left blank for the Actuary. Ms. Jensen stated the SPD need to be distributed to the members of the Plan for review.

ADMINISTRATIVE REPORT

Ms. Tintle presented the Board the proposed meeting dates for quarterly meetings for 2021. The dates were acceptable by the Trustees. She informed the Board of the upcoming virtual training

being presented by FPPTA on October 2021. Christine Paz will register the Trustees if they wish to attend, they should contact her at least 2 weeks prior to the conference.

OTHER BUSINESS

No other business at this time.

PUBLIC COMMENTS

No Public Comment.

There being no further business and the next meeting being scheduled for Thursday, September 17, 2020 the meeting adjourned at 10:28 AM by Chairman Brian MacNaught.

Respectfully submitted,
