

City of Gulfport Firefighters' Retirement Pension Fund
Minutes: Meeting of July 16, 2020

1. CALL TO ORDER

Rene Fernandez called a meeting of the Board of Trustees for the Firefighters' Retirement Pension Fund to order at 2:38 PM. The Board was reminded that the meeting was being recorded, and that it was an electronic meeting. It was also stated that public comment is possible through emailing Gulfport@resourcecenters.com, with any comments being read into the record during the public comment section of the meeting.

Those persons present included:

TRUSTEES

Mitchell Carney
Rene Fernandez
David Kanter

OTHERS

Dale Everhart, Resource Centers (Administrator)
Scott Christiansen, Christiansen & Dehner (Attorney)
Jennifer Gainfort, AndCo (Consultant)
Matt McCue

2. BOARD SEAT UPDATE

Dale Everhart reported that Mr. David Kanter was appointed by City Council to fill a vacancy on the Board, effective June 16, 2020.

3. APPROVAL MINUTES: April 16, 2020

The Trustees reviewed the minutes of the April 16, 2020 meeting.

Mitchell Carney made a motion to approve the April 16, 2020 minutes. David Kanter seconded the motion, approved by the Trustees 3-0.

4. REPORTS

a. Investment Report - Investment Consultant (Jennifer Gainfort, AndCo Consulting)

Jennifer Gainfort described the responsibilities of AndCo to new Board member David Kanter, indicating that general consulting is AndCo's only line of business, with compensation being a flat fee amount.

Ms Gainfort stated that the calendar year's 2nd quarter was a continuation of unprecedented times. There were strong gains across global markets, with risk being rewarded. The beginning of the quarter brought most of the return, due to economic stimulus provided by the government. However, by the end of the quarter, optimism started to slow as COVID-19 cases began to surge with the reopening of states. Growth, small cap, and domestic styles were favored, compared to value, large cap and foreign markets. The S&P 500 had its best quarter since 1998. It ended approximately 8% off of its all time high. Growth continues to outpace value, with the Russell 1000 Growth Index returning 27.84% while the Russell 1000 Value Index returned 14.29% for the quarter. Over the course of the last year, the Growth Index is up 23.38%, while the Value Index is down 8.84%. Technology outperformed due to its ability to withstand the economic shutdown, with the US economy going through a technological revolution in the areas of on-line shopping and video conferencing. The Fixed Income aggregate

Meeting July 16, 2020

returned 2.9% for the quarter. Interest rates remained low, and the Fed announced anticipation of keeping rates low through 2021.

The market's future and the pace of the economic recovery are dependent upon a reduction in the COVID-19 outbreaks, successful vaccine development and deployment, consumer procurement returning to pre-COVID-19 levels, governmental support, and the November election outcome.

The market value of the Fund on June 30, 2020, was \$5,155,385. Actual assets were within target allocation ranges, with no rebalancing needed. Income and appreciation for the quarter totaled \$690,413. Total fund gross return for the quarter was 15.47% vs the total fund gross policy return of 13.36%. Fund manager DANA, held up well in a strong up market. In the global fixed income portion of the portfolio, money manager Templeton showed a quarterly return of .36% vs the policy return of 3.68%. Currency exposure and anticipating an interest rate rise contributed to the underperformance. Templeton's performance has consistently been in the 100th percentile. Ms. Gainfort recommended that AndCo look at the global fixed income space in the investment portfolio, with the purpose of exploring different strategies, and then make a presentation at the October, 2020 Board meeting. There was a consensus of the Board to look at both strategies and other managers.

Finally, fiscal year to date return for the Fund is 4.79%

b. Attorney Report (Scott Christiansen, Christiansen & Dehner)

Mr. Christiansen informed the Board that Financial Disclosure Forms (Form 1) have been filed as required.

c. Administrator Report (Dale Everhart, Resource Centers)

Mr. Everhart stated that the Plan's Fiduciary Liability Insurance term expires on July 31, 2020, and a renewal quote was contained in the Board package. He stated that the term of the policy renewal is for one year, beginning on August 1, 2020. The carrier indicated that there were no changes in coverage on the renewal, and that the quote was \$2,552, a \$23 increase from the previous year.

Mitchell Carney made a motion to approve the procurement of the fiduciary liability insurance for the period of one year, beginning August 1, 2020. David Kanter seconded the motion, approved by the Trustees 3-0.

Mr. Everhart discussed the Board's membership in the Florida Public Pension Trustees Association (FPPTA). Membership provides educational programs and information for and about public pension systems. FPPTA conducts trustee schools, an annual conference, and provides a monthly e-newsletter. The next annual conference is scheduled for October, 2020. Currently, a virtual seminar series is being offered. The Board consented to having their names and addresses provided to FPPTA to give them access to the website and related education programs.

6. Plan Financials

a. Warrant Dated July 16, 2020

Meeting July 16, 2020

The Trustees reviewed the disbursements for payment of invoices contained in the Warrant dated July 16, 2020.

Mitchell Carney made a motion to approve the Warrant dated July 16, 2020 for payment of invoices. David Kanter seconded the motion, approved by the Trustees 3-0.

7. OTHER BUSINESS

There was no other business.

8. PUBLIC COMMENT

There was no public comment.

9. SCHEDULED NEXT REGULAR MEETING

The Trustees previously scheduled their next regular quarterly meeting for Thursday October 15, 2020 at 2:30 PM.

10. ADJOURNMENT

David Kanter made a motion to adjourn the meeting. Mitchell Carney seconded the motion, approved by the Trustees 3-0.

The meeting adjourned at 3:16pm.

Respectfully submitted,


Don Howard, Secretary