

City of Gulfport Firefighters' Retirement Pension Fund
Minutes: Meeting of October 15, 2020

1. CALL TO ORDER

Brian Campbell called a meeting of the Board of Trustees for the Firefighters' Retirement Pension Fund to order at 2:31 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

Brian Campbell, Chair
Rene Fernandez
David Kanter

OTHERS

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

2. APPROVAL MINUTES: July 16, 2020

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

Rene Fernandez made a motion to approve the July 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 indicated the significance of the September 30, 2020 investment report, as it coincides with the actuarial valuation period. The past year's actual rate of return is compared to the actuarial assumption, and is factored into the upcoming actuarial valuation.

Domestic equities continued their rally from the second quarter, and achieved record highs in early September, bringing the market back into positive territory for the year. The S&P 500 was up 8.9% for the quarter, outperforming small caps shown by the Russell 2000, which were up 4.9%. Investors moved toward large companies for their profitability, lower leverage, and diversification of business models. Over the past year, large cap stocks were up 15.1%, with small caps up 0.4%. Growth stocks continued to outpace value, with the Russell 1000 Growth index up 13.2%, benefiting from weightings in technology, consumer discretionary and materials. The Russell 1000 Value index returned 5.6%, with exposure to financial related companies and the real estate sector lagging.

International equities were also up, with developed markets (MSCI-EAFE) up 4.8%. Emerging markets were up 9.6%. Over the past year, developed markets were up 0.5% and emerging markets were up 10.5%.

The aggregate for fixed income was 0.6% for the quarter, and 7% for the past year. The Fed continued to hold interest rates near zero, hoping to provide markets with liquidity. Returns in

Meeting October 15, 2020

fixed income were led by high yield bonds. US Corporate Investment Grade bonds returned 1.5% for the quarter.

Mr. Mitchell Carney joined the meeting at 2:41pm.

The upcoming quarter's volatility is dependent upon, among other things, COVID, the election, and any economic stimulus legislation.

The market value of the Fund on September 30, 2020, was \$5,586,911. Actual assets were within target allocation ranges, with no rebalancing needed. Income and appreciation for the quarter totaled \$302,690. Total fund gross return for the quarter was 5.92% vs the total fund gross policy return of 5.42%. For the past year, the Fund increased from \$4,937,161 to \$5,586,911. Total income and appreciation totaled \$538,647.

Finally, fiscal year to date return for the Fund is 11.00% gross, and 10.87% net.

Jennifer Gainfort then made a presentation concerning the total global fixed income manager Templeton. Templeton's performance has been in the 100th percentile for the quarter, past year, and past 3 years. The presentation compared Loomis Sayles Bond N, PIMCO Diversified Income Institutional, and Templeton Global Total Return R6. After Board discussion, the Board selected PIMCO to replace Templeton.

Rene Fernandez made a motion to terminate the relationship with Templeton Global and use the proceeds of the sale to fund PIMCO Diversified Income Fund. Mitchell Carney seconded the motion, approved by the Trustees 4-0.

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

Mr. Christiansen presented the proposed 2021 schedule of regular meetings of the Board. The proposed schedule is as follows:

January 21, 2021 @ 2:30pm
April 15, 2021 @ 2:30pm
July 15, 2021 @ 2:30pm
October 21, 2021 @ 2:30pm

Mitchell Carney made a motion to adopt the proposed 2021 Board schedule. David Kanter seconded the motion, approved by the Trustees 4-0.

Mr. Christiansen indicated that the Governor had extended the current waiver for a physical quorum for Board meetings until November 1, 2020.

Mr. Don Howard joined the meeting at 3:21pm.

c. Administrator Report (Dale Everhart, Resource Centers)

Mr. Everhart reported that the 2019 Premium Tax distribution amount is \$87,589.02. The distribution amount for 2018 was \$80,740.50. The Supplemental Trust Fund amount for 2019 is

Meeting October 15, 2020

\$28,805.95. The actual amount of the Supplemental Trust Fund that will be distributed is typically announced in October of each year, and will be subsequently reported to the Board.

The Florida Public Pension Trustees Association (FPPTA) annual 3-day conference is scheduled for October 26-28, 2020. It is a virtual summit, consisting of 8 90-minute educational modules. The modules can be viewed live or after the fact, until Thanksgiving. The Board members were informed that they should contact Mr. Everhart if they want to participate in this event.

Mr. Everhart presented a draft letter to the City, which will accompany the annual report of investment activity. This information is provided to the City in accordance with State law.

6. Plan Financials

a. Warrant Dated October 15, 2020

Mr. Everhart informed the Board of an overpayment to The Resource Centers, which is being recovered by not billing the Plan until the overpayment is satisfied, which will occur in December 2020. He also advised the Board that Christiansen & Dehner did not increase their fees in 2019-2020, although their agreement called for an increase. The Trustees reviewed the disbursements for payment of invoices contained in the Warrant dated October 15, 2020.

Mitchell Carney made a motion to approve the Warrant dated October 15, 2020 for payment of invoices. David Kanter seconded the motion, approved by the Trustees 5-0.

b. Benefit Approval dated October 15, 2020

David Kanter made a motion to approve benefit payments to Margaret Hopkins. Mitchell Carney seconded the motion, approved by the Trustees 5-0.

7. OTHER BUSINESS

There was no other business.

8. PUBLIC COMMENT

There was no public comment.

9. SCHEDULED NEXT REGULAR MEETING

The Trustees scheduled their next regular quarterly meeting for Thursday January 21, 2021 at 2:30 PM.

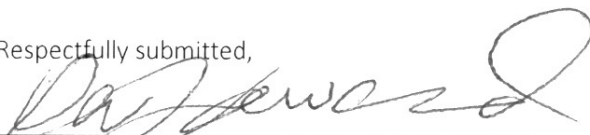
10. ADJOURNMENT

Don Howard made a motion to adjourn the meeting. Mitchell Carney seconded the motion, approved by the Trustees 5-0.

Meeting October 15, 2020

The meeting adjourned at 3:43pm.

Respectfully submitted,



A handwritten signature in cursive script, appearing to read "Don Howard", is written over a horizontal line.

Don Howard, Secretary