

*City of Gulfport Firefighters' Retirement Pension Fund*  
**Minutes: Meeting of October 21, 2021**

**1. CALL TO ORDER**

Brian Campbell called a meeting of the Board of Trustees for the Gulfport Firefighters' Retirement Pension Fund to order at 2:32 PM.

Those persons present included:

**TRUSTEES**

Brian Campbell, Chair  
Don Howard, Secretary  
David Kanter  
Rene Fernandez

**OTHERS**

Sara Carlson Foster & Foster (Actuary) by telephone  
Scott Christiansen, Christiansen & Dehner (Attorney)  
Dale Everhart, Resource Centers (Administrator)  
Jennifer Gainfort, AndCo (Consultant)

**2. APPROVAL MINUTES: July 15, 2021**

The Trustees reviewed the minutes of the July 15, 2021 meeting.

**Don Howard made a motion to approve the July 15, 2021 minutes. Rene Fernandez seconded the motion, approved by the Trustees 4-0.**

**3. REPORTS**

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

Jennifer Gainfort indicated that growth slowed in the 3<sup>rd</sup> quarter as the recovery continued to mature. The annual rate of inflation dropped to 5.3% in August, from 5.4% in July. The demand for labor remains strong, with unemployment at 4.8% in September, down from 5.2% in August. Wage growth remains strong.

In equities, volatility increased in the 3<sup>rd</sup> quarter as US markets rose to new all-time highs in early September, and then pulled back toward the end of September. There were concerns related to the Delta variant, supply chain shortages, higher US interest rates, rising inflation, and fiscal policies. Developed international equity markets outperformed their domestic counterpart, while emerging markets dropped. In fixed income, US interest rates were relatively unchanged for the quarter.

US equity markets experienced 0.6% return for large cap companies, -0.9% for mid-cap companies and -4.4% for small company stocks. MSCI EAFE Index posted a -0.4% return and the MSCI Emerging Markets Index returned -8.1%.

Returns over the past fiscal year showed a 47.7% return in domestic small cap stocks, and 30% for US large cap stocks. The MSCI EAFE Index returned 25.7% and the MSCI Emerging Markets Index returned 18.2%. Finally, the Bloomberg US Aggregate Bond Index returned -0.9% for the past year.

The market value of the Fund was \$6,727,140 as of June 30, 2021. The Fund's income and depreciation for the quarter totaled \$-48,434. Total fund gross return for the quarter was -0.67% vs the total fund gross policy return of -0.48%. The fiscal year to date return of the fund was 19.38% compared to the total fund gross policy return of 16.93%.

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Don Howard left the meeting at 2:47PM.

### B. Actuary Report (Sara Carlson, Foster & Foster)

Sara Carlson reported that the current investment rate of return assumption was 7.5%. She indicated that the Florida Retirement System is currently using 7%, with a tentative reduction to 6.8%. The State, in a recent communication to the pension plan, recommended a lower rate of return assumption. In that there are forthcoming significant actuarial gains to the plan, these would aid in offsetting the effect of an investment rate of return (ROR) assumption decrease. Ms. Carlson indicated that a lowering of the ROR assumption by 0.10% would increase the required contribution rate by approximately 1 ½ %.

Rene Fernandez made a motion to lower the investment rate of return assumption from 7.5% to 7.3% effective with the October 1, 2021 Actuarial Valuation. David Kanter seconded the motion, approved by the Trustees 3-0.

Sara Carlson then left the meeting.

### C. Attorney Report (Scott Christiansen, Christiansen & Dehner)

Scott Christiansen stated that the election of Board officers should be scheduled for the January 20, 2022 Board meeting. Dale Everhart indicated that the officer election will be placed on the agenda.

Mr. Christiansen indicated that the letter informing the City Council of the Plan's investments for the Plan year ending on 9/30/21, needs signed by the Board Chair, and submitted to City Council via the City Manager.

Don Howard returned to the meeting at 3:23PM.

Mr. Christiansen presented a tentative Board meeting schedule for 2022 as follows:

January 20, 2022 @ 2:30PM

April 21, 2022 @ 2:30PM

July 21, 2022 @ 2:30PM

October 20, 2022 @ 2:30PM

David Kanter made a motion to approve the proposed 2022 Board meeting schedule. Rene Fernandez seconded the motion, approved by the Trustees 4-0.

### D. Administrator Report (Dale Everhart, Resource Centers)

Dale Everhart informed the Board that Resource Centers engaged an outside auditor to review its internal controls and procedures. Each year, these auditors compare the actual workflow to identify any instances where the firm had deviated internally from its stated procedures. The auditor identified no exceptions, meaning it is a completely clean audit report. This audit is called a SOC 1 audit, or Service Organization Control Report #1. Resource Centers is the only public plan administrator in Florida to complete an annual SOC 1 audit.

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Mr. Everhart informed the Board that the 2020 Premium Tax Distribution Amount is \$107,963. The 2019 amount was \$87,589.

### Plan Financials

#### A. Warrant Dated October 21, 2021

The Trustees reviewed the disbursements for payment of invoices contained in the Warrant dated October 21, 2021.

Rene Fernandez made a motion to approve the Warrant dated October 21, 2021 for payment of invoices. David Kanter seconded the motion, approved by the Trustees 4-0.

#### B. Benefit Approval Dated October 21, 2021

There were no benefits for approval.

#### 4. OTHER BUSINESS

There was no other business.

#### 5. PUBLIC COMMENT

There was no public comment.

#### 6. SCHEDULED NEXT REGULAR MEETING

The Trustees scheduled their next regular quarterly meeting for Thursday January 20, 2022 at 2:30 PM.

#### 7. ADJOURNMENT

David Kanter made a motion to adjourn the meeting. Rene Fernandez seconded the motion, approved by the Trustees 4-0.

The meeting adjourned at 3:29pm.

Respectfully submitted,

  
Don Howard, Secretary