

City of Gulfport Firefighters' Retirement Pension Fund
Minutes: Meeting of August 31, 2023

1. CALL TO ORDER

Brian Campbell called a meeting of the Board of Trustees for the Gulfport Firefighters' Retirement Pension Fund to order at 1:03 PM.

Those persons present included:

TRUSTEES

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

OTHERS

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

2. APPROVAL MINUTES: April 20, 2023

The Trustees reviewed the minutes of the April 20, 2023 meeting.

Rene Fernandez made a motion to approve the April 20, 2023 minutes. Don Howard seconded the motion, approved by the Trustees 5-0.

3. REPORTS

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

Mr. Christiansen mentioned the status of the term of Board member Mitchell Carney. Mr. Carney was appointed via Resolution 2022-31 to a term ending in February 2026.

Mr. Christiansen reported that all Board members had timely filed their Form 1's for 2022.

Mr. Christiansen provided an overview of a draft ordinance authorized by the Board at the April 20, 2023 Board meeting. The draft ordinance provides for compliance with the Secure Act 2.0, expanded rights in purchasing prior creditable military and government service, and DROP provision language concerning the inclusion of sick and annual leave for pension calculation purposes. The Board was also provided with a No Impact Letter from the plan's actuary on the cost of the draft ordinance.

Rene Fernandez made a motion to approve the draft ordinance and to authorize counsel to send it to the City of Gulfport. The motion was seconded by Don Howard, and approved by the Trustees 5-0.

Mr. Christiansen stated he needed authority to update the Summary Plan Description after adoption of the previously described draft ordinance by City Council.

Rene Fernandez made a motion to authorize counsel to amend the Summary Plan Description pending approval by Council of the draft plan provisions. Mitchell Carney seconded the motion, approved by the Trustees 5-0.

Meeting August 31, 2023

Mr. Christiansen presented a schedule of proposed pension plan meeting dates for 2024. The proposed meeting dates are as follows:

January 18, 2024
April 18, 2024
July 18, 2024
October 17, 2024

Don Howard made a motion to approve the 2024 schedule. The motion was seconded by David Kanter, approved by the Trustees 5-0.

Mr. Christiansen provided an overview of the need to change the Investment Policy Statement in view of recently adopted changes to Chapters 112, 175 and 185, Florida Statutes in Chapter 2023-28, Laws of Florida, passed by House Bill No. 3.

B. Investment Report (Jennifer Gainfort, AndCo. Consulting)

1) Investment Policy Statement Amendment

Jennifer Gainfort explained that in accordance with Chapter 2023-28, only pecuniary factors may be considered in investing the assets of any retirement system or plan. The term pecuniary factor does not include consideration of the furtherance of any social, political, or ideological interests. The change requires biennial reporting and mandates amendment of the plan's Investment Policy Statement to incorporate the statutory changes.

Jennifer Gainfort and Scott Christiansen discussed the new requirements, as well as implementation of the changes.

Rene Fernandez made a motion to approve the presented Investment Policy Statement. The motion was seconded by Mitchell Carney, and approved by the Trustees 5-0.

2) Quarterly Performance Report

Jennifer Gainfort stated that the quarter ending June 30, 2023 was a strong quarter for performance. GDP growth was revised to 2.0%, higher than the 1.3% initially reported. The US Federal Reserve Bank raised interest rates by 0.25% in May and July. An additional rate increase is possible this year.

US equities continued to rally with large-cap growth being the best performing domestic segment. The S&P 500 rose 8.7%, its best performing quarter since the 4th quarter of 2021. International stocks had modest returns for the quarter. In fixed income, intermediate and long-term rates were higher during the quarter. US Government securities were the worst performing sector in the quarter. High-yield bonds were the best performing segment of the domestic bond market.

Meeting August 31, 2023

The market value of the Fund was \$6,410,610 as of June 30, 2023. No rebalancing of asset allocation is recommended. The Fund's income and appreciation for the quarter totaled \$213,200. Total fund gross return for the quarter ending June 30, 2023 was 3.45% vs the total fund gross policy return of 3.86%. Fiscal year to date, the fund gross return was 16.28%, and the fund policy return was 15.82%. For the quarter, total equities returned 5.81% vs the policy return of 6.95%. Dana is on the watch list in view of their long term performance. The gross fixed income return for the quarter was 0.21% compared to the policy return of -0.96%. Real estate return was -2.22% compared to the policy return of -2.86%.

C. Administrator Report (Dale Everhart, Resource Centers)

Dale Everhart noted that the 2022 Premium Tax distribution amount totaled \$126,541.80, which was an increase from the 2021 amount.

Dale Everhart stated that the fiduciary liability insurance was renewed effective August 1, 2023, and that the premium amount appeared on the August 31, 2023 Warrant.

4. Plan Financials

A. Warrant Dated August 31, 2023

The Trustees reviewed the disbursements for payment of invoices contained in the Warrant dated August 31, 2023.

Mitchell Carney made a motion to approve the Warrant dated August 31, 2023 for payment of invoices. Don Howard seconded the motion, approved by the Trustees 5-0.

5. OTHER BUSINESS

David Kanter brought up the subject of an Ad Hoc Cost of Living Adjustment for retirees. A discussion ensued on the types of cost of living adjustments, the retirees who could be eligible, and the amount of the adjustment.

Mitchell Carney made a motion to authorize a special actuarial analysis for a 3% Ad hoc Cost of Living Adjustment, effective October 1, 2023, for those retirees who were receiving a monthly benefit on October 1, 2022 and who were not eligible for the Plan's automatic cost-of-living adjustment. David Kanter seconded the motion, approved by the Trustees 5-0.

6. PUBLIC COMMENT

There was no public comment.

7. SCHEDULED NEXT REGULAR MEETING

The Trustees scheduled their next regular quarterly meeting for Thursday October 19, 2023 at 2:30 pm.

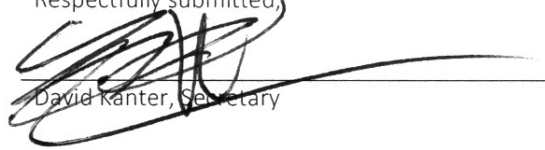
8. ADJOURNMENT

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

The meeting adjourned at 1:57pm.

Meeting August 31, 2023

Respectfully submitted,

A handwritten signature in black ink, appearing to be 'DK', is written over a horizontal line. The signature is stylized and cursive.

David Kanter, Secretary