

City of Gulfport General Employees' Pension Plan
Minutes: Meeting of April 15, 2021

1. CALL TO ORDER

Chair Larry Cooper called a meeting of the Board of Trustees for the Gulfport General Employees' Pension Plan to order at 1:00 PM

2. ROLL CALL

Those persons present included:

TRUSTEES

Larry Cooper, Chair
Carmen Soto Torres, Secretary
Gail Biron
John McEwen
Marjory Milford

OTHERS

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

3. APPROVAL MINUTES: January 21, 2021

The Trustees reviewed the Minutes from the Quarterly Meeting of January 21, 2021.

John McEwen made a motion to approve the January 21, 2021 minutes. Gail Biron seconded the motion, approved by the Trustees 4-0.

Marjory Milford joined the meeting at 1:03PM.

4. REPORTS

A. Investment Consultant (Jennifer Gainfort, AndCo Consulting)

Jennifer Gainfort indicated that the domestic equity markets continued their rally during the first quarter of 2021. The darkest days of the pandemic are behind us as the economy continues to reopen with strong job numbers and corporate earnings. The S&P 500 large cap index returned 6.2% for the quarter, the Russell midcap index returned 8.1%, and small caps led the way with the Russell 2000 index up a strong 12.7%. Investor rotation from growth to value continued to gain momentum, with the Russell 1000 value index up 11.3%, while the Russell 1000 growth index returning 0.9%. Much of the differential can be attributed to sector differences between the 2 styles. Energy and financials were the top performing sectors, which have the largest exposure in the value index, while technology, health care, and utilities lagged. Investors are trading out of last year's winners.

International equities were also up for the quarter. The MSCI EAFE developed market index returned 3.5% for the quarter, and 44.6% for the year. The MSCI emerging markets recorded a return of 2.3%, and were up 58.4% for the year.

Lastly, fixed income returns were negative, as interest rates rose for the quarter. Since bond prices have an inverse relationship with interest rates, as interest rates rose, bond prices fell. The aggregate return was -3.4% for the quarter, with the one year return being 0.7%

The market value of the Fund was \$19,664,803 as of March 31, 2021. Actual allocations were within range of the target allocations, so no rebalancing is needed.

Asset income and appreciation for the quarter totaled \$743,041. Total fund gross return for the quarter was 3.93% vs the total fund gross policy return of 2.19%. The domestic equity composite returned 8.74% for the quarter, compared to the total fund gross policy return of 6.35%. International equities returned 3.41%, with the policy index being 3.60%. The total fixed income composite return for the quarter totaled -2.52%, compared to the total fixed income policy return of -3.54%. The real estate composite quarterly return was 5.43%, compared to the total real estate policy return of 5.49%. Some challenges have occurred in real estate with at home work, but that could change with a hybrid approach of a combination of work at home and office work. Finally, the total alternative investments composite return was 6.19% for the quarter, and the total alternative investments policy return was 2.48%.

The portfolio is in a great position with the quarter to date performance doing well.

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

Mr. Christiansen reminded the Board of the need to submit Form 1, the Financial Disclosure Form, by July 1, 2021 for the year ending December 31, 2020. Mr. Everhart provided Board members with Form 1.

Mr. Christiansen informed the Board of proposed legislation in Tallahassee that would require public officials to get 5 additional hours of training. After a discussion of the available FPPTA conferences, Mr. Everhart indicated that he would contact FPPTA to ensure that Board member John McEwen receives all future notices of upcoming educational opportunities.

Mr. Christiansen provided the Board with a proposed ordinance changing the minimum distribution age from 70 ½ to 72, which reflects that which is contained in the Internal Revenue Code.

Larry Cooper made a motion to approve the proposed ordinance increasing the minimum distribution age from 70 ½ to 72. John McEwen seconded the motion, approved by the Trustees 5-0.

Mr. Christiansen indicated that he would forward the proposed ordinance to the City of Gulfport for action.

C. Administrator (Dale Everhart, Resource Centers).

Mr. Everhart had nothing to report.

5. PLAN FINANCIALS

A. Disbursements: Warrant Dated April 15, 2021

The Board reviewed the Warrant for payment of expenses dated April 15, 2021.

Larry Cooper made a motion to approve the Warrant dated April 15, 2021. Gail Biron seconded the motion, approved by the Trustees 5-0.

B. Benefit Approval: Dated April 15, 2021

Gail Biron made a motion to approve the Benefit Approvals dated April 15, 2021. John McEwen seconded the motion, approved by the Trustees 5-0.

6. OTHER BUSINESS

There was no further business discussed.

7. PUBLIC COMMENT

There was no public comment.

8. NEXT REGULAR MEETING

The Trustees previously set the schedule for the next regular quarterly meeting for Thursday, July 15, 2021 at 1:00 pm.

The meeting adjourned at 1:40PM.

Respectfully submitted,

 For Carmen

Carmen Soto Torres, Secretary