

City of Gulfport General Employees' Pension Plan
Minutes: Meeting October 19, 2023

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
John McEwen, Secretary
Theresa Carrico
Marjorie Milford
Chris Muth
Dwayne Stefanski
Heather Wyble

OTHERS

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

3. Board Seat Update

Nominations for the Board seats of Theresa Carrico and Dwayne Stefanski occurred in August, 2023. Both Theresa Carrico and Dwayne Stefanski were the only nominees willing to serve. Therefore, they will serve new 3 year terms expiring on October 1, 2026.

4. Approval Minutes: July 20, 2023 Board Meeting

The Trustees reviewed the Minutes from the Quarterly Meeting of July 20, 2023.

John McEwen made a motion to approve the July 20, 2023 minutes. Heather Wyble seconded the motion, approved by the Trustees 7-0.

5. REPORTS

A. Investment Consultant (Jennifer Gainfort, AndCo Consulting)

1. Quarterly Performance Report

Jennifer Gainfort stated that there was a pullback in the market in the quarter ending September 30, 2023. The Fed raised interest rates by 0.25%. Interest rates may remain higher through 2024, with one additional rate increase of 0.25% possible. Rate cuts are possible at the end of 2024 and into 2025. All segments of the market were down in the last quarter, with the exception of 3 month Treasury bills. Both growth and value equities were down approximately 3% for the quarter. The energy and communications sectors were higher for the quarter, while utilities and real estate were the worst performing. For the last year, the S&P 500 was up 21.6%, and small caps were up approximately 9%. All country world returns were up 20.4%, with corporate bonds' return being 3.6%.

The market value of the Fund was \$18,059,471 as of September 30, 2023. Asset income and depreciation for the quarter totaled \$-484,234. Income and appreciation for the past year totaled \$2,109,231. Total fund gross return for the quarter was -2.62% vs the total fund gross policy return of -3.12%. Fiscal year to date, the total fund gross return was 12.74%, compared to the gross policy return of 10.27%. For the last quarter, total equities returned -2.25% vs the gross policy return of -3.33%. The prior year's equity return was 24.16%, compared to the gross policy return of 20.69. Fixed income returned -2.53% for the quarter, compared to the gross policy return of -3.28%. For the last year, fixed income returned 3.70%, compared to the policy return of 0.89%. Total real estate returns were -5.42% for the quarter, and -7.49% for the prior year. Alternative investments totaled -2.24% for the quarter, compared to the gross policy return of 2.44%. For the prior year, alternative investments return was 9.05% vs the gross policy return of 8.87%

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

Mr. Christiansen informed the Board that Ordinance 2023-14 was adopted by City Council on October 17, 2023.

Mr. Christiansen directed that a letter and report be sent to the City of Gulfport detailing investment activity as of September 30, 2023.

Mr. Christiansen informed the Board that there was now an established form for use by active members wanting to exercise their right to purchase prior military or qualifying governmental service via payroll deductions.

Mr. Christiansen presented an addendum and assignment document concerning the Board's existing agreement with Salem Trust.

Theresa Carrico made a motion to approve the Salem addendum and assignment document, and to authorize the Board Chair and Secretary to sign this document. Dwayne Stefanski seconded the motion, approved by the Board 7-0.

Mr. Christiansen informed the Board of a meeting of several public pension plan attorneys and an official of the State with the purpose of creating a reporting document to comply with legislation enacted earlier this year prohibiting consideration of environmental, social, and governance factors in investing. There is a reporting requirement which the proposed document addresses. Mr. Christiansen will continue to monitor the matter and ensure plan compliance.

Mr. Christiansen discussed the amended Summary Plan Description.

John McEwen made a motion to approve the new Summary Plan Description as presented. The motion was seconded by Larry Cooper, approved by the Trustees 7-0.

Mr. Christiansen directed Plan Administrator Dale Everhart to ensure distribution of the document to active plan members.

D. Administrator (Dale Everhart, Resource Centers).

Mr. Everhart informed the Board members of the option to renew their membership in the Florida Pension Plan Trustees Association for 2024. Membership is necessary to attend educational seminars.

Larry Cooper made a motion to approve renewal of membership in the FPPTA. Heather Wyble seconded the motion, approved by the Trustees 7-0.

Mr. Everhart also directed the Board's attention to a 2024 schedule of pension conferences. He reminded the Board of the requirement to attend an educational investment event at least once in each term.

Heather Wyble inquired about a Member Pension Benefit Calculator issue on the Plan's website. Mr. Everhart stated he would follow up on the issue and make sure it is resolved.

6. PLAN FINANCIALS

A. Disbursements: Warrant Dated October 19, 2023

The Board reviewed the Warrant for payment of expenses dated October 19, 2023.

Dwayne Stefanski made a motion to approve the Warrant dated October 19, 2023. Larry Cooper seconded the motion, approved by the Trustees 7-0.

B. Benefit Approval: Dated October 19, 2023

John McEwen made a motion to approve the Benefit Approval document dated October 19, 2023. Chris Muth seconded the motion, approved by the Trustees 7-0.

7. OTHER BUSINESS

There no other business.

8. PUBLIC COMMENT

There was no public comment.

9. NEXT REGULAR MEETING

The Trustees scheduled the next regular quarterly meeting for Thursday, January 18, 2024 at 1:00 pm.

The meeting adjourned at 1:38 pm.

Respectfully submitted,


John McEwen, Secretary