

City of Gulfport Municipal Police Officers' Trust Fund
Minutes: Meeting of April 18, 2024

1. CALL TO ORDER

Chair Jason Motte called a meeting of the Board of Trustees for the Gulfport Municipal Police Officers' Trust Fund to order at 4:00 PM.

Those persons present included:

TRUSTEES

Jason Motte, Chair
Thomas Woodman, Secretary
Daniel Liedtke
Larry Tosi
Michael Vandenberg

OTHERS

Scott Christiansen, Christiansen & Dehner (Attorney)
Dale Everhart, Resource Centers (Administrator)
Jennifer Gainfort, AndCo Consulting (Consultant)
Blanca Greenwood, Klausner, Kaufman, Jensen & Levinson (Attorney)

2. Approval Minutes: January 18, 2024

The Trustees reviewed the minutes of the January 18, 2024 meeting.

Mike Vandenberg made a motion to approve the January 18, 2024 minutes. Daniel Liedtke seconded the motion, approved by the Trustees 5-0.

3. REPORTS

A. Investment Report (Jennifer Gainfort, Mariner)

1) AndCo/Mariner Acquisition

Jennifer Gainfort discussed the acquisition of AndCo by Mariner, LLC. She stated that she would remain as the consultant to the pension fund, and that AndCo would be the new institutional platform for Mariner, a national wealth advisory firm.

Thomas Woodman made a motion to consent to the change from AndCo to Mariner, LLC, and to authorize plan counsel, Scott Christiansen, to draft a new contract for investment consulting services with Mariner. Mike Vandenberg seconded the motion, approved by the Trustees 5-0.

2) Investment Report

Jennifer Gainfort stated that the equity market brought continued strength, and that there were 22 new all-time highs in the quarter ending March 31, 2024. She stated that the rally was based the upon expectation of more favorable interest rates. Two interest rate cuts are expected this year, with the first possibly in September. Inflation is higher than expected, at about 3.8% now, with 2% desired. The S&P 500 was up 10.6% for the quarter. Large caps outpaced small and mid cap equities. Growth stocks outpaced value, with AI being a dominant investment theme. Fixed income returns were negative, as long rates increased.

The market value of the Fund was \$14,173,167 as of March 31, 2024.

As to asset allocation, domestic equities were above the target range, calling for consideration of rebalancing. It was recommended that \$300,000 be moved from the domestic equity managers and into fixed income.

Mike Vandenberg made a motion to sell \$167,000 of the Vanguard 500 Index, \$100,000 of the JPMorgan Disciplined Equity Fund, and \$33,000 of the AQR Large Cap Defensive Fund and to purchase \$300,000 in Agincourt Fixed Income . Daniel Liedtke seconded the motion, approved by the Trustees 5-0.

Jennifer Gainfort stated that income and appreciation for the quarter totaled \$688,520. Total fund gross return for the quarter was 5.10% vs the total fund gross policy return of 4.94%. The total fund gross policy return does not include real estate, as it was not available at the time of the report. For the quarter, total equities returned 8.57% compared to the policy index of 8.71%. Fixed income returned -0.58% vs the policy index of -0.78% for the quarter. Real estate returns were -2.22% for the quarter compared to the policy return of approximately -2.00%.

Ms. Gainfort indicated that overall returns this quarter were a good start to the fiscal year. She stated that uncertainty for this year focuses on when and how fast the Fed rates may decrease, as well as the fact that this year is an election year.

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

Mr. Christiansen reported that the draft 6% retiree Cost of Living Adjustment ordinance recommended by the Board at its January 18, 2024 meeting was provided to Mr. O'Reilly. The actuarial impact statement was also provided.

Mr. Christiansen informed the Board that the US Securities and Exchange Commission now requires that all claims filed and collected through Kessler Topaz, Meltzer, and Check(KTMC) must be sent directly to the asset owner. KTMC must then invoice for their fees. Previously, fees were deducted from claims prior to claims distribution to the asset owner.

Mr. Christiansen stated that he would be retiring August 1, 2024. He proposed assigning his contract to the firm of Klausner, Kaufman, Jensen & Levinson, and emphasized the experience of this law firm in the State of Florida. He introduced Blanca Greenwood, an associate lawyer with the firm, who would be assigned to the pension plan. He also stated that his office manager, Debbie McCord would be taking a full-time position with Klausner. Ms. McCord has had extensive experience with the pension plan, thereby facilitating the move to Klausner. Finally, he stated that he would be "of counsel" to the Klausner law firm.

Blanca Greenwood introduced herself to the Board and detailed her experience with Klausner, as well as with previous employers. She stated that the senior partner rate at Klausner is \$500 per hour, and

that as an associate, her hourly rate would be \$400. Mr. Christiansen's current hourly billing rate is \$516.

Thomas Woodman made a motion to authorize the assignment of legal counsel to the firm of Klausner, Kaufman, Jensen & Levinson, consistent with agreed upon fees as discussed. Mike Vandenberg seconded the motion, approved by the Trustees 5-0.

C. Administrator Report (Dale Everhart, Resource Centers)

Mr. Everhart presented the Fiscal Year 2024-2025 proposed Administrative Budget to the Board.

Daniel Liedtke made a motion to approve the proposed Fiscal Year 2024-2025 Administrative Budget. Mike Vandenberg seconded the motion, approved by the Trustees 5-0.

Dale Everhart informed the Board of the results of an outside audit of the Resource Centers, termed a SOC 1 Type 2 audit. The outside auditor examined the service organization's controls and processes to ensure they were designed appropriately and implemented and functioning effectively. Those controls were tested to determine if they were operating as intended.

The auditors identified no exceptions in the audit.

Dale Everhart informed the Board of the upcoming FPPTA Annual Conference from June 23-26 in Orlando. He stated that any interested Board member should contact him for registration and other information.

4. PLAN FINANCIALS

A. Disbursements: Warrant dated April 18, 2024

Mike Vandenberg made a motion to approve the warrant dated April 18, 2024. Larry Tosi seconded the motion, approved by the Trustees 5-0.

B. Benefit Approval dated April 18, 2024

Thomas Woodman made a motion to approve the Benefit Approval document dated April 18, 2024. Mike Vandenberg seconded the motion, approved by the Trustees 5-0.

5. OTHER BUSINESS

There was no other business.

6. PUBLIC COMMENT

There was no public comment.

7. SCHEDULED NEXT REGULAR MEETING

Thursday, July 18, 2024 at 4:00pm

8. ADJOURNMENT

The meeting adjourned at 4:49pm.

Respectfully submitted,



Thomas Woodman, Secretary