

City of Gulfport Police Pension Fund
Minutes: Meeting of April 18, 2019

1. CALL TO ORDER

Secretary Josh Stone called a meeting of the Board of Trustees for the Gulfport Police Pension Fund to order at 4:00 PM. Those persons present included:

TRUSTEES

Josh Stone, Secretary
Alex Falconeri
Biff Lagan

OTHERS

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

2. PUBLIC COMMENT

No members of the public had any comment.

3. MINUTES APPROVAL

The Trustees reviewed the minutes of the January 17, 2019 meeting.

Alex Falconeri made a motion to approve the minutes of the January 17, 2019 meeting. Biff Logan seconded the motion, approved by the Trustees 3-0.

4. BOARD

The Board elected a Chair and Secretary.

Alex Falconeri made a motion to nominate Josh Stone as Chair of the Pension Fund. Biff Lagan seconded the motion, approved by the Trustees 3-0.

Biff Lagan made a motion to nominate Alex Falconeri as Secretary of the Pension Fund. Josh Stone seconded the motion, approved by the Trustees 3-0.

5. REPORTS

a. Investment Report (Jennifer Gainfort, AndCo Consulting)

Jennifer Gainfort reported that the markets rebounded strongly during the 1st quarter of 2019, with higher risk assets providing the greatest returns. Increased accommodation in global monetary policy and global trading policy resulted in investors overlooking weakening global growth. Equities showed gains of 13% to 16% during the quarter. All interest rates declined as the Fed signaled a pause in monetary policy tightening. There was a yield curve inversion with shorter term maturities being higher than mid-term. Typically, a yield curve inversion is followed by a recession in 6-24 months. Ms. Gainfort recommended no changes or tactical moves since the Pension Fund is a long-term investor.

As of March 31, 2019, the Fund market value was \$10,368,609. For the quarter, assets gained 9.01% gross, and 8.85%, compared to the benchmark of 9.00%. For the fiscal year to date, the Fund's return is -0.30% gross, and -0.46% net, compared to the benchmark of 0.83%, recovering most of the losses from

the prior quarter. Ms. Gainfort recommended that the Board consider a replacement for Dana Core Equity, splitting the allocation between a growth and a value manager.

b. Attorney (Scott Christiansen, Christiansen & Dehner)

Scott Christiansen advised the need for a special election to replace Rob Burkhardt, whose term is ending this year.

Mr. Christiansen reminded Board members to file the annual Financial Disclosure Form by July 1, 2019.

Mr. Christiansen advised that the City adopted an ordinance for IRS compliance and DROP provisions and a second ordinance with an ad-hoc 3% COLA for all retired members and beneficiaries effective as of October 1, 2018. He advised that the ordinances should go to the Division of Retirement with the impact statements. The Board discussed the calculation of the COLA increase and retro payments due to the retired members.

Mr. Christiansen said the state legislative session is ending with no changes to impact the Pension Plan.

Mr. Christiansen advised that he has updated the Summary Plan Description (SPD) to include DROP provisions, clarify disability provisions, and compliance changes. He stated that Exhibit B of the SPD serves as the required 1-page report of financial and actuarial information.

Biff Lagan made a motion to approve the presented Summary Plan Description dated April 1, 2019. Alex Falconeri seconded the motion, approved by the Trustees 3-0.

Mr. Christiansen informed the Board of the passing of his law partner, Mr. Dehner, after 40 years in practice together. He stated that he will be retaining approximately 60 plans and intends to continue to serve as legal counsel for the Gulfport Police Plan.

c. Administrator Report (Scott Baur & Dale Everhart, Resource Centers)

Scott Baur presented the Fiscal Year 2017-18 Admin. Expense Report/ 2020 Budget document. The Board discussed the education budget allocation and education requirements. Mr. Baur will send a conference list Josh Stone and Alex Falconeri for their attendance at educational events later this year.

Alex Falconeri made a motion to approve the Fiscal Year 2017/18 Admin. Expense Report/ 2020 Budget. Biff Lagan seconded the motion, approved by the Trustees 3-0.

6. PLAN FINANCIALS

a. Warrant dated April 18, 2019

The Board reviewed the warrant dated April 18, 2019.

Alex Falconeri made a motion to approve the warrant dated April 18, 2019. Biff Lagan seconded the motion, approved by the Trustees 3-0.

b. Benefit Approvals

1) Retirements & Refunds

The Board briefly discussed the circumstances for a member terminated and requesting a refund of contributions.

Alex Falconeri made a motion to approve the Refund. Biff Lagan seconded the motion, approved by the Trustees 3-0.

7. OTHER BUSINESS

Ad-hoc COLA

Biff Lagan made a motion to make payment of a COLA based on the amount calculated by the actuary. Alex Falconeri seconded the motion, approved by the Trustees 3-0.

8. SCHEDULED NEXT REGULAR MEETING

The Trustees previously scheduled the next Quarterly Meeting for Thursday, July 18, 2019, at 4:00 pm.

9. ADJOURNMENT

Alex Falconeri made a motion to adjourn the meeting. Biff Lagan seconded the motion, approved by the Trustees 3-0.

The meeting adjourned at 4:50 pm.

Respectfully submitted,



Joshua Stone For Alex Falconeri, Secretary