

City of Gulfport Municipal Police Officers' Trust Fund
Minutes: Meeting of October 20, 2022

1. CALL TO ORDER

Jason Motte called a meeting of the Board of Trustees for the Gulfport Municipal Police Officers' Trust Fund to order at 4:13 PM.

Those persons present included:

TRUSTEES

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

OTHERS

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

2. BOARD SEAT UPDATE

Daniel Liedtke was appointed to the Board by City Council on October 18, 2022.

3. APPROVAL MINUTES: Meeting July 21, 2022

The Trustees reviewed the minutes of the July 21, 2022 meeting.

Thomas Woodman made a motion to approve the minutes of the July 21, 2022 meeting. Michael Vandenberg seconded the motion, approved by the Trustees 4-0

4. REPORTS

A. Investment Report

1) Dana Investment Advisors (Gregory Peters, Vice President)

Mr. Peters highlighted the investment style of Dana, and performance of managed assets. He indicated that the Dana fund is more focused on value stocks than growth stocks. Therefore, for the prior quarter, their fund underperformed, since growth outperformed value. Since inception, he stated that the fund's performance is on target. He highlighted current challenges of the investment market, including an increasing Core CPI. Mr. Peters stated that for the month of October, 2022 through October 19, 2022, the Dana Core Equity Fund was up 3.66% compared to the S&P 500, which was up 3.1%.

2) Quarterly Performance Report (Jennifer Gainfort, AndCo Consulting)

Jennifer Gainfort described the evolution of the S&P 500, the Fed Funds rate, and 10-Yr Treasury yields over the past 5 years. The S&P 500 is up 56% over 5 years. Valuations are more favorable given a pullback in stock prices along with strong corporate earnings. Bonds and equities may have further challenges given rising interest rates and persistently higher inflation. Bear markets, since World War II, have averaged 13 months, with an average loss of -32.96%, while bull markets have averaged 53.4 months, with gains averaging 155.16%. Since 1926, rolling percentage positive vs negative return percentages showed 75.6% positive and 24.4% negative over rolling 1 year periods, while over 20 years periods, the rolling returns have been positive 100% of the time.

The last quarter was another period of declining values, with inflation at 8.3% in August. The Federal Reserve Bank continued to increase interest rates, with an increase of 0.75% in July and September. Geopolitical risk continued with the Ukraine situation. For the quarter, growth stocks outperformed

value stocks, and small cap stocks were down the least. For the prior year, value stocks outperformed growth stocks.

The market value of the Fund was \$11,405,696 as of September 30, 2022. No rebalancing of asset classes is needed. Income and depreciation for the quarter totaled \$-608,593. Total fund gross return for the quarter was -5.05% vs the total fund gross policy return of -4.81%. For the previous one year period, return was -17.89% compared to a policy return of -15.45%. For the quarter, total equities returned -6.12% compared to the policy index of -5.80%. Fixed income returned -4.75% vs the policy index of -4.75%. Total real estate returns were 1.66% for the quarter with the policy index return being 0.96%. For the previous one year period, the ARA Core Property Fund returned 25.79%, compared to the gross policy return of 22.76%.

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

Mr. Christiansen informed the Board that the annual report of investment activity would be provided to the City manager detailing activity for the fiscal year ending September 30, 2022.

Mr. Christiansen provided the Board with a proposed Board meeting schedule for 2023, with meeting dates as follows:

January 19, 2023
April 20, 2023
July 20, 2023
October 19, 2023

Meetings are scheduled to begin at 4:00 pm in the Council Chambers.

Thomas Woodman made a motion to adopt the proposed 2023 Board meeting schedule. Michael Vandenberg seconded the motion, approved by the Trustees 4-0.

Mr. Christiansen informed the Board that proposed Ordinance 2022-10 had first reading on October 18, 2022. It is scheduled for final consideration on November 1, 2022.

Mr. Christiansen discussed a new form dealing with vested, deferred members. He stated that the form deals with the Share Plan monies to the credit of terminating members. If a member elects to take a lump sum of member contributions in lieu of a monthly pension, the member loses the right to receive Share Plan monies. Conversely, if a vested, deferred member elects to take a Share Plan distribution, that member loses the right to take a refund of member contributions. Mr. Christiansen directed that the newly created form on the subject be given to members at the appropriate time (Form PF-30).

C. Administrator Report (Dale Everhart, Resource Centers)

Mr. Everhart presented the Board with the conference schedule for 2023.

Mr. Everhart advised the Board of the 2023 membership cost for the Board to continue as a member of the Florida Public Pension Trustees Association.

Michael Vandenberg made a motion to approve membership in FPPTA for 2023. Thomas Woodman seconded the motion, approved by the Trustees 4-0.

5. PLAN FINANCIALS

A. Disbursements: Warrant dated October 20, 2022

Michael Vandenberg made a motion to approve the warrant dated October 20, 2022. Daniel Liedtke seconded the motion, approved by the Trustees 4-0.

B. Benefit Approval Dated October 20, 2022

The Board reviewed the Benefit Approval document.

Michael Vandenberg made a motion to approve the Benefit Approval document dated October 20, 2022. Thomas Woodman seconded the motion, approved by the Trustees 4-0.

6. OTHER BUSINESS

There was no other business.

7. PUBLIC COMMENT

There was no public comment.

8. SCHEDULED NEXT REGULAR MEETING

Thursday, January 19, 2023 at 4:00PM

9. ADJOURNMENT

The meeting adjourned at 5:12pm.

Respectfully submitted,



Thomas Woodman, Secretary

Michael Vandenberg, Acting