

City of Gulfport Municipal Police Officers' Trust Fund

Minutes: Meeting of July 20, 2023

1. CALL TO ORDER

Acting Chair Thomas Woodman called a meeting of the Board of Trustees for the Gulfport Municipal Police Officers' Trust Fund to order at 4:02 PM.

Those persons present included:

TRUSTEES

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)

2. Board Seat Election – Fifth Trustee

The term of the Fifth Trustee, Michael Vandenberg was scheduled to end on October 1, 2023.

Larry Tosi made a motion to elect Michael Vandenberg to a new 4 year term beginning on October 1, 2023. Daniel Liedtke seconded the motion, approved by the Trustees 3-0. Michael Vandenberg abstained.

3. APPROVAL MINUTES: Meeting April 20, 2023

The Trustees reviewed the minutes of the April 20, 2023 meeting.

Michael Vandenberg made a motion to approve the minutes of the April 20, 2023 meeting. Daniel Liedtke seconded the motion, approved by the Trustees 4-0

4. REPORTS

A. Investment Report

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

Jennifer Gainfort stated that the quarter ending June 30, 2023 was a strong quarter for performance. GDP growth was revised to 2.0%, higher than the 1.3% initially reported. The US Federal Reserve Bank raised interest rates by 0.25% in May. An additional 1 or 2 rate increases are possible this year. Inflation was at the lowest it has been since pre-COVID. The labor market cooled, with job creation being the slowest since late December 2020.

US equities continued to rally with large-cap growth being the best performing domestic segment. The S&P 500 rose 8.7%, its best performing quarter since the 4th quarter of 2021. International stocks had modest returns for the quarter. In fixed income, intermediate and long-term rates were higher during the quarter. US Government securities were the worst performing sector in the quarter. High-yield bonds were the best performing segment of the domestic bond market.

The market value of the Fund was \$12,859,230 as of June 30, 2023. No rebalancing of asset classes is recommended. Income and appreciation for the quarter totaled \$402,363. Total fund gross return for the quarter was 3.23% vs the total fund gross policy return of 3.90%. Fiscal year to date return

was 14.13% compared to a policy return of 14.87%. For the quarter, total equities returned 5.86% compared to the policy index of 6.95%. Fixed income returned -0.49% vs the policy index of -0.84%. Total real estate returns were -2.22% for the quarter with the policy index return of -2.68%.

2) Investment Policy Statement Amendment

Recent changes to Florida Statutes require that only pecuniary factors may be considered in investing the assets of any retirement system or plan. The term pecuniary factor does not include consideration of the furtherance of any social, political, or ideological interests. The change requires biennial reporting and mandates amendment of the plan's Investment Policy Statement to incorporate the statutory changes.

Jennifer Gainfort and Scott Christiansen discussed the new requirements, as well as implementation of the changes.

Michael Vandenberg made a motion to approve the presented Investment Policy Statement. The motion was seconded by Daniel Liedtke, approved by the Trustees 4-0.

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

Mr. Christiansen informed the Board that Ordinance 2023-05 was approved by City Council on June 20, 2023.

Mr. Christiansen provided an overview of a draft ordinance authorized by the Board at the April 20, 2023 Board meeting. The draft ordinance provides for compliance with the Secure Act 2.0, expanded rights in purchasing prior creditable military and government service, and DROP provision language concerning the inclusion of sick and annual leave for pension calculation purposes. The Board was also provided with a No Impact Letter from the plan's actuary on the cost of the draft ordinance.

Michael Vandenberg made a motion to approve the draft ordinance and to authorize counsel to send it to the City of Gulfport. The motion was seconded by Larry Tosi, approved by the Trustees 4-0.

Mr. Christiansen stated he needed authority to update the Summary Plan Description after adoption of the previously described draft ordinance by City Council.

Mike Vandenberg made a motion to authorize counsel to amend the Summary Plan Description pending approval by Council of the draft plan provisions. Daniel Liedtke seconded the motion, approved by the Trustees 4-0.

Mr. Christiansen informed the Board that all members had filed Form 1.

Mr. Christiansen advised Dale Everhart to monitor the annual receipt of premium tax from the State.

Mr. Christiansen presented a schedule of proposed pension plan meeting dates for 2024. The proposed meeting dates are as follows:

January 18, 2024
April 18, 2024
July 18, 2024
October 17, 2024

Michael Vandenberg made a motion to approve the 2024 schedule. The motion was seconded by Daniel Liedtke, approved by the Trustees 7-0.

C. Administrator Report (Dale Everhart, Resource Centers)

Mr. Everhart presented a fiduciary liability insurance quote for the period August 1, 2023 to August 1, 2024.

Michael Vandenberg made a motion to approve payment for fiduciary liability insurance for the period August 1, 2023 to August 1, 2024. Daniel Liedtke seconded the motion, approved by the Trustees 4-0.

Daniel Liedtke and Larry Tosi expressed an interest in attending the upcoming Florida Public Pension Trustees Association Trustees School in October of this year. Mr. Everhart stated he would get them registered when registration opens, and provide them with additional information concerning hotel arrangements and expense reimbursement.

Mr. Everhart stated that in addition to the FPPTA Trustees School in October of this year, there is one scheduled in January of 2024.

5. PLAN FINANCIALS

A. Disbursements: Warrant dated July 20, 2023

Michael Vandenberg made a motion to approve the warrant dated July 20, 2023. Daniel Liedtke seconded the motion, approved by the Trustees 4-0.

B. Benefit Approval dated July 20, 2023

The Board reviewed the Benefit Approval document.

Michael Vandenberg made a motion to approve the Benefit Approval document dated July 20, 2023. Daniel Liedtke seconded the motion, approved by the Trustees 4-0.

6. OTHER BUSINESS

Larry Tosi discussed a retiree COLA. Scott Christiansen detailed the history of COLA's for retirees.

Daniel Liedtke made a motion to direct Foster & Foster to prepare a special actuarial analysis for a 3% COLA, effective October 1, 2023, for those receiving a pension effective October 1, 2022 or earlier, with the cost of the analysis not to exceed \$1,500. Larry Tosi seconded the motion, approved by the Trustees 4-0.

7. PUBLIC COMMENT

There was no public comment.

8. SCHEDULED NEXT REGULAR MEETING

Thursday, October 19, 2023 at 4:00PM

9. ADJOURNMENT

The meeting adjourned at 5:07pm.

Respectfully submitted,



Thomas Woodman, Secretary