

City of Gulfport Municipal Police Officers' Trust Fund
Minutes: Meeting of October 19, 2023

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 4:03 PM.

Those persons present included:

TRUSTEES

Jason Motte, Chair
Thomas Woodman, Secretary
Daniel Liedtke

OTHERS

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

2. Board Seat Election

Dale Everhart informed the Board of the terms of Jason Motte and Thomas Woodman, scheduled to end on December, 2023. He stated that nomination forms for those Board seats are going to be distributed October 23, 2023, and are due back by November 3, 2023, after which there will an election for any seat in which there is more than one nominee.

3. APPROVAL MINUTES: Meeting July 19, 2023

The Trustees reviewed the minutes of the July 19, 2023 meeting.

Thomas Woodman made a motion to approve the minutes of the July 19, 2023 meeting. Jason Motte seconded the motion, approved by the Trustees 3-0

4. REPORTS

A. Investment Report

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

Gregory Peters stated that the Fed has indicated that there may be the need for one additional rate hike. There is an expectation that the Fed may return to a neutral policy in late 2025. Inflation is improving steadily. Market breadth should continue to improve as recession fears decline and earnings improve.

Mr. Peters indicated that equity markets were lower for the quarter ending 9-30-23. Value stocks lagged growth. The S&P 500 returned -3.1% for the quarter, and 21.6% for the last year. In the S&P 500 Index for the previous quarter, energy and communications were the best performing sectors, while materials, consumer discretionary, industrials, information technology, consumer staples, real estate, and utilities trailed the Index.

Mr. Peters indicated that Dana focuses on Price/Cash Flow which allows management to invest in R&D, buyback shares, and pay dividends. Dana seeks to pay lower multiples for growth, and positions to invest when valuations become rational. Mr. Peters stated that the Dana portfolio has underperformed due to the narrow market. He stated that the market has been tilting to growth.

Quarterly Performance Report (Jennifer Gainfort, AndCo Consulting)

Jennifer Gainfort stated that the market value of the Fund was \$12,465,704 as of September 30, 2023. Income and depreciation for the quarter totaled \$-485,126. Income and appreciation for the fiscal year ending September 30, 2023 was \$1,118,888. Total fund gross return for the quarter was -3.75% vs the total fund gross policy return of -2.95%. The total fund gross policy return does not include real estate. Fiscal year to date return was 9.85% compared to a policy return of 11.20%. For the quarter, total equities returned -4.22% compared to the policy index of -3.35%. For the fiscal year, equities returned 18.93%, vs the policy return of 20.74%. Fixed income returned -3.29% vs the policy index of -3.23% for the quarter. For the fiscal year, fixed income returned 1.26% compared to the policy return of 0.64%. Total real estate returns were -2.22% for the quarter, and -12.54% for the prior year.

Ms. Gainfort stated that the returns were good for the fiscal year in spite of the last quarter pullback.

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

Mr. Christiansen directed the plan administrator to place the Board officer election on the January, 2024 agenda.

Mr. Christiansen informed the Board that Ordinance 2023-09 was adopted by City Council.

Mr. Christiansen discussed the amended Summary Plan Description.

Thomas Woodman made a motion to approve the new Summary Plan Description as presented. The motion was seconded by Daniel Liedtke, approved by the Trustees 3-0.

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 stated that \$136,732.84 in premium tax was received by the City and transferred to the pension fund.

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

Daniel Liedtke made a motion to approve the Salem addendum and assignment document, and to authorize the Board Chair and Secretary to sign this document. Thomas Woodman seconded the motion, approved by the Board 3-0.

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.

C. Administrator Report (Dale Everhart, Resource Centers)

Dale Everhart directed the Board's attention to a special actuarial analysis concerning an annuitant cost of living increase. The analysis was authorized at the July, 2023 Board meeting. An actuarial impact statement will be presented to the Board coincident with the October 1, 2023 Actuarial Valuation at the January, 2024 Board meeting.

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.

Daniel Liedtke made a motion to approve renewal of membership in the FPPTA. Thomas Woodman seconded the motion, approved by the Trustees 3-0.

5. PLAN FINANCIALS

A. Disbursements: Warrant dated October 19, 2023

Thomas Woodman made a motion to approve the warrant dated October 19, 2023. Daniel Liedtke seconded the motion, approved by the Trustees 3-0.

6. OTHER BUSINESS

There was no other business.

7. PUBLIC COMMENT

There was no public comment.

8. SCHEDULED NEXT REGULAR MEETING

Thursday, January 18, 2024 at 4:00PM

9. ADJOURNMENT

The meeting adjourned at 4:57pm.

Respectfully submitted,



Thomas Woodman, Secretary