

**TOWN OF LANTANA POLICE RELIEF AND PENSION FUND**  
**BOARD OF TRUSTEES QUARTERLY MEETING MINUTES**  
**May 1, 2024**



**1. CALL TO ORDER**

Simion Pavlov called the Quarterly Meeting of the Board of Trustees for the Town of Lantana Police Relief and Pension Fund to order at 9:10 AM at the Town of Lantana Development Services Conference Room. Ms. Tintle requested a roll call to introduce the new Trustee to the attendees. Those persons present included:

**TRUSTEE**

Simion Pavlov, Chair  
Troy Schaaf, Secretary  
Ken White, Trustee  
Anthony Harvey, Trustee

**OTHERS**

Kyle Tintle, Resource Centers  
Lindsey Garber, Klausner Kaufman Jensen & Levinson  
Jennifer Gainfort, Mariner

**2. EXTIGENT CIRCUMSTANCES**

There were no Trustees joining electronically.

**3. REPORTS**

**Custodian Report: Salem Trust (Karen Russo)**

Ms. Russo introduced herself and described the role of Salem Trust, the custodian for the plan. She will discuss the pension portal, the merger last year, and a request for a fee increase. Salem Trust maintains 2 accounts for the plan, an R&D account, and a separate account for Garcia Hamilton. They process the benefit payments for approximately 25 retirees, pay invoices, settle trades at the direction of the investment monitor, and maintain authorized signers list, which is updated every 3 years.

Simion Pavlov asked what is being done so deceased members do not continue to be paid. Ms. Russo detailed the process in place to ensure that did not happen. She described the death search process, utilizing 6 agencies. Simion Pavlov requested the Resource Centers initiate an "Alive & Well" survey on a biennial basis. Ms. Tintle will manage the "Alive & Well" survey process and inform the Board of the results.

Ms. Russo informed the Trustees the "Pension Portal" mailing was sent to retirees on March 22, 2024 and by April 29, 2024, that there were 4 retirees had signed up for access to the portal. Her final item is a request for a fee increase, as the last increase was in 2010. The transaction fees will stay the same with the annual fee of \$5,000 increasing to \$6,000, with a 2-year agreement. Ms. Garber confirmed that the assignment assumption was signed.

Troy Schaaf made a motion to approve the requested fee increase for a 2-year agreement with an annual fee of \$6,000 and the transaction fees remaining the same. The motion received a second from Simion Pavlov, approved by the Trustees 4-0.

The merger of the parent company for Salem Trust, TMI Holdings, with Argent Institutional Trust Company. Argent is an independent wealth management company is now the parent company for Salem Trust. The merger was completed on April 29, 2024 without any change of staff.

Ms. Russo extended an invitation to the Trustees attending the FPPTA Conference in June to attend the dessert social on Tuesday evening at the Renaissance Orlando at SeaWorld. She thanked the Board for their business.

**Attorney Report: Klausner Kaufman Jensen & Levinson (Lindsey Garber)**

Ms. Garber summarized the memo addressing the reporting of disability annuity payments to first responders. The instructions for Forms 1099-R and 5498 clarify how to report disability annuity payments. If a portion of the payments is based on age or length of service that portion should be listed separately. Worker's compensation benefits are not dependent on years of service. The attorney's firm recommends the Fund should report any hybrid disability payments which are both taxable and potentially non-taxable on 2 separate 1099Rs. Ms. Garber reminded the trustees to submit their form 1. The forms are to be submitted electronically this year.

**Investment Report: Mariner (Jennifer Gainfort)**

Ms. Gainfort informed the Trustees the Mariner merger was completed on April 1, 2024. Nothing changed from the organizational structure. She provided an economic and market overview. The March 31, 2024 quarter was a strong quarter with 22 all-time highs. The Fed is looking at the inflation numbers, unemployment is low, and consumer spending is still strong. The Fed may cut rates in the fall. The broader market is participating to power the market not just the magnificent 7. Growth continues to maintain the lead, but value is closer to growth, narrowing the gap.

The plan ended the March 31, 2024 quarter at \$26,182,377 versus the close of the December 31, 2023 quarter at \$24,718,090. Ms. Gainfort reviewed the assets allocation, noting the domestic equity is now at 55.4% over the policy 55.0%, which needs to be rebalanced. She is recommending taking 2.5% or \$645,000: \$200,000 from Vanguard, \$200,000 from Parnassus, and \$245,000 from JP Morgan to put \$100,000 in Eurpasific, \$200,000 in DFA, \$245,000 to Garcia Hamilton, and \$200,000 to PIMCO. With the sale and diversification, the domestic equity will go down to about 52% of the fund, within the acceptable range.

**Simion Pavlov made a motion to approve the recommendation of the investment monitor to reduce domestic equity by \$645,000 to bring the plan into acceptable range in accord with the investment policy statement. The motion received a second from Troy Schaaf, approved by the Trustees 4-0.**

Ms. Gainfort reviewed the financial reconciliation, the domestic equity strategies, and the real estate outlook. Ms. Tintle distributed a letter discussing the redemption request from ASB real estate. They acknowledged receipt of our request and explained that the redemption is in the queue and are subject to capital availability. The total fund ended the quarter at 5.65 % (15) versus the policy at 5.38% (28); the fiscal year to date number is 14.89% (25) compared to the bench at 14.56% (31).

Troy Schaaf requested Ms. Gainfort bring in information on other fixed income managers to replace Garcia Hamilton (GSA). He looked at the ranking for GSA since inception where they have never ranked in the 50<sup>th</sup> quartile or above compared to the bench. Ms. Gainfort is still confident in GSA's strategy but will bring information on other fixed-income managers to the August meeting.

Ms. Garber added that the Mariner agreement needs to be updated with additional provisions covering due diligence and adding a wall where the wealth managers cannot solicit members of the plan. Anthony Harvey asked Ms. Gainfort to explain how the stock market affects the pension plan. Troy Schaaf used the example on page 26 of the Mariner quarterly report which graphically demonstrated the amount of contributions versus the value of the plan with investment returns. This shows the plan will be able to pay retirement payments for the retirees due to investment returns. Ms. Garber will provide new Trustee Anthony Harvey with a new trustee handbook.

**Administrative Report: Resource Centers (Kyle Tintle)**

Ms. Tintle provided the FY2023 actual expenses and the FY2025 administrative budget. Ms. Gainfort identified an overstatement of investment monitor costs. The budget will be revised and redistributed.

Troy Schaaf made a motion to approve the FY2025 Administrative Budget once the revisions were made. The motion received a second from Anthony Harvey, approved by the Trustees 4-0.

#### 4. MINUTES

The Trustees reviewed the minutes for the Quarterly meeting held on February 7, 2024.

Troy Schaaf made a motion to approve the minutes for the Quarterly meeting held on February 7, 2024. The motion received a second from Anthony Harvey, approved by the Trustees 4-0.

#### 5. FINANCIALS

Ms. Tintle presented the Warrants dated May 1, 2024 for review by the Trustees.

Ken White made a motion to approve the warrant dated May 1, 2024. The motion received a second from Simion Pavlov, approved by the Trustees 4-0.

#### 6. BENEFIT APPROVAL

Ms. Tintle presented the benefit approval for Joseph Margolis, DROP entry for review by the Trustees.

Ken White made a motion to approve the benefit approval for Joseph Margolis to enter the DROP. The motion received a second from Simion Pavlov, approved by the Trustees 4-0.

#### 7. OTHER BUSINESS

There was no other business.

#### 8. PUBLIC COMMENTS

There were no comments from the public.

#### 9. ADJOURNMENT

Ken White made a motion to adjourn the meeting at 9:59 AM. The motion received a second from Simion Pavlov, approved by the Trustees 4-0.

Simion Pavlov adjourned the meeting at 9:59 A.M.

The next Quarterly Meeting is scheduled for August 7, 2024 at 9:00 A.M.

Respectfully Submitted,



Troy Schaaf