

# Village of North Palm Beach Police and Fire Pension Fund

## MINUTES OF MEETING HELD

February 9, 2021

Chairman Robert DiGloria called the meeting to order at 2:00 PM in the conference room of the North Palm Beach Village Hall located at 501 US Highway One, North Palm Beach, FL. Those persons present were:

### TRUSTEES PRESENT

Robert DiGloria, Chairman  
Edward Ciezak  
Erik Jensen  
Robert Coliskey

### TRUSTEES ABSENT

Frank Winewski

### OTHERS PRESENT

Amanda Kish, Resource Centers  
Bonni Jensen, Klausner Kaufman Jensen & Levine  
Steve Stack, Highland Capital  
Kerry Richardville, AndCo  
Jeanine Bittinger, Saltmarsh  
Doug Lozen, Foster & Foster

### ITEMS FROM THE PUBLIC

There were no public comments at this time.

### MINUTES

The minutes from the November 2020 had been presented for the Trustees review and approval.

**Robert Coliskey made a motion to approve the minutes dated November 2020. The motion received a second from Edward Ciezak and was approved by the Trustees 3-0.**

### DISBURSEMENTS

Mrs. Kish reviewed the disbursements which had been presented in the Trustees Packets.

**Edward Ciezak made a motion to approve all disbursements. The motion received a second from Robert Coliskey was approved by the Trustees 3-0.**

### 2020 AUDITED FINANCIAL REPORT

Jeannine Bittinger appeared before the Board to present the audited financial report for the plan year ending September 30, 2020. Mrs. Bittinger explained they are providing an unqualified opinion, which is the highest opinion they can register for the report. Mrs. Bittinger continued reviewing the report in detail comparing 2020 to the prior year information. Mrs. Bittinger stated she was impressed how well everyone worked together to complete the audit. The net position increased from \$26,431,652 to \$28,308,303.00 The employer contributions decreased from \$918,111.00 to \$863,762.00. The investments of the plan had an increase from \$972,435.00 to \$1,393,772.00. Mrs. Bittinger thanked the Board and service providers. \$918,111.00 The auditors presented the auditor representation letter. She explained that the letter confirms that the information that was provided is accurate and reliable.

**Edward Ciezak made a motion to accept the financial statements ending September 30, 2020. The motion received a second from Robert Coliskey and was approved by the Trustees 3-0.**

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**Edward Ciezak made a motion to accept the Auditor Representation Letter a second from Robert Coliskey and was approved by the Trustees 3-0.**

### **2020 Actuarial Valuation Report (Foster & Foster)**

Doug Lozen appeared before the Board to present the October 1, 2020 Actuarial Valuation Report. Mr. Lozen stated that the employer contribution increased from 17.74% to 18.56%. The Village has a prepaid contribution in the amount of \$133,351.20 that will offset their contribution to 11.88%. The plan experience was favorable than expected due to mortality experience, turnover and favorable salary increase. The change in the mortality table increased the gains of the pension plan and the funding ratio. The gain was offset due to investment return of 6.37% below the plan's investment return of 7.70%. Mr. Lozen reviewed the experience of the investment rate of return. The funding ratio with new assumption method is 94.3%. Mr. Lozen recommended the Board to continue lowering the investment return with the next valuation. The Board had a discussion regarding the lowering of the investment rate of return.

**Robert Coliskey made a motion to approve the October 1, 2020 Actuarial Valuation Report as presented. The motion received a second from Edward Ciezak and was approved by the Trustees 5-0.**

### **HIGHLAND CAPITAL**

Steve Stack of Highland Capital appeared before the Board to present the Quarterly Manager Report for the quarter ending December 31, 2019. He reported that the 4<sup>th</sup> quarter of 2019 had a rallied and that gains were led by technology stocks. The Federal Reserve cut interest rates. He reviewed the total return summary stating the cumulative return for the quarter was 5.90% compared to the benchmark 5.55%. The asset allocation was \$23,370,995.00 for the quarter ending December 31, 2019. Mr. Stack did not recommend any changes to the portfolio and thinks that it is positioned nicely.

### **ANDCO**

Mrs. Richardville provided the Trustees with firm update. She stated that 2020 was big year for AndCo the firm celebrated their 20th year anniversary and hired 9 new team members. 7 of the new team members went to the research department, so that the firm can better assist the clients.

Mrs. Richardville appeared before the Board to present the Investment Report for the quarter ending December 31, 2019. The Board asset classes had positive returns. Large capital equity and fixed income were positive for the quarter. The asset allocation increased from \$28,007,247.00 to \$30,604,428. Mrs. Richardville went on to review the quarterly report in detail explaining it was a positive return for the quarter which was 9.32%. The fiscal year date return was 9.32% compared to the benchmark of 8.86%. She further reported equities were up 14.17% below the policy of 14.26%, fixed income was up at 1.41% and below the policy at .67%. The managers performance for the quarter ending December 31, 2019 was as follows large cap value was up at 15.96% below the policy of 16.25%, large cap growth was up 10.59% below the policy of 11.39%, and American Realty was up 1.42% above the policy of 1.35%.

The Board held a discussion regarding the performance of the portfolio. Mrs. Richardville suggested bringing an investment allocation analysis and present the report at the next meeting.

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### ATTORNEY REPORT

#### E-Verify.

Mrs. Jensen presented the E-Verify memo to the Board. She informed the Board effective January 1, 2021, Pension Plans and service providers that are engaged by the Pension Plan will need to be registered with E-Verify. All future contracts should have a provision regarding E-Verify. Mrs. Kish informed the Board that she will be enrolling the Board and sending letters out to the service providers making them aware that they will need to register.

### ADMINISTRATORS REPORT

#### SOC 1 Audit

Ms. Kish presented the SOC 1 Audit to the Board. She informed the Board that the Resource Centers annual audit was completed. The auditor provided a clean opinion and all the policy and procedures were being followed.

#### Benefit Approvals

The Board reviewed the Benefit Approvals presented at the meeting.

**Edward Ciezak made a motion approved the Benefit approval presented on February 11, 2020. The motion received a second from Robert Coliskey and was approved by the Trustees 4-0.**

**Erik Jensen made a motion to adjourn the meeting at 2:50 PM. The motion received a second from Edward Ciezak and was approved by the Trustees 3-0.**

Respectfully submitted,

Robert Coliskey