

Village of North Palm Beach Police and Fire Pension Fund

MINUTES OF MEETING HELD

May 09, 2023

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 Coliskey, Chairman
Erik Jensen, Secretary
Edward Ciezak
Frank Winewski
Scott Freeman

TRUSTEES ABSENT

OTHERS PRESENT

Amanda Kish, Resource Centers
Bonni Jensen, Klausner Kaufman Jensen & Levine
Steve Stack, Highland Capital
Kerry Richardville and Jorge Friguls - AndCo
Sara Carlson, Foster and Foster
Chuck Landers, Saltmarsh, Cleaveland & Gund

ITEMS FROM THE PUBLIC

There were no public comments.

Welcome New Trustee

Appointment of Chairman

The Board elected Rob Comiskey as Chairman and Erik Jensen as Secretary.

MINUTES

The minutes from February 2023 had been presented for the Trustees review and approval.

Robert Coliskey made a motion to approve the minutes dated February 2023. The motion received a second from Erik Jensen and was approved by the Trustees 5-0.

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 Frank Wineski was approved by the Trustees 5-0.

SALTMARSH, CLEAVELAND & GUND

Mr. Launder introduced himself to the Board. The audit opinion is clean, the highest opinion that can be received. The total net pension from the plan decreased to \$30,075,731. The plan had an investment loss of \$5,441,618. He reviewed the administrative cost and refunds paid out. The plan is 79% funded. Mr. Launder reviewed the investment and administrative expenses.

Erik Jensen made a motion to approve the Audit. The motion received a second from Edward Ciezak was approved by the Trustees 5-0.

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2022 Actuarial Valuation Report (Foster & Foster)

Sara Carlson appeared before the Board to present the October 1, 2022, Actuarial Valuation Report. Mrs. Carlson reviewed the recent benefit changes that were included in the valuation. The employer contribution increased 15.69%. The Village has a prepaid contribution in the amount of \$7,902.90 that will offset their contribution. The plan experience was unfavorable, the loss was due to a salary increase and Investment return. The member contribution increases slightly due to benefit changes. Mrs. Carlson reviewed the smoothing method. The funding ratio with the new assumption method is 88.4%. versus 93.0%. Mrs. Carlson stated that the funding ratio is a strong number.

Erik Jensen made a motion to approve the October 1, 2022, Actuarial Valuation Report as presented. The motion received a second from Edward Ciezak and was approved by the Trustees 5-0.

Declaration of Investment Return:

The Board discussed the investment return of 7.45% going forward. The actuary suggested reviewing the investment return going forward. The actuary stated that she can come back to the November meeting to discuss the investment return.

Erik Jensen made a motion to approve the Investment return of 7.45% for the short-term, mid-term and long-term going forward. 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 Manger Report for the quarter ending March 30, 2023. Mr. Stack reviewed the current holdings in the portfolio and performance. He reported on the current bank issue and FDIC. The current portfolio does hold some banks. Growth outperformed value due to the banking industry. Mr. Stack reviewed inflation in certain sectors of the markets. He reviewed the total return summary stating the cumulative return for the quarter was 4.69%. The asset allocation was \$17,067,231.00 for the quarter ending December 30, 2022. The fiscal return was 4.69. Mr. Stack did not recommend any changes to the portfolio and thinks that it is positioned nicely. He stated that the portfolio is underweighted Real estate and the market is seeing opportunities in international.

ANDCO

Ms. Richardville and Jorge Friguls appeared before the Board to present the Investment Report for the quarter ending March 30, 2023. Mr. Friguls addressed the market environment. The economy continues to have strong numbers. International has performed well over the last two quarters. The asset allocation increased from \$31,240,184.00to. \$32,638,257 went on to review the quarterly report in detail explaining it was a positive return for the quarter which was 5.17% placing in the 13th percentile. The fiscal year date return was 9.94 %. Compared to the benchmark of 10.73%. He reported equities were up 7.57. % in line with the policy of 7.57%, total fixed income 3.33% versus the bench of 2.96%. Real Estate was up for the quarter at -3.28% versus the benchmark of -3.31%. Mr. Friguls continued to review the individual manager's performance.

Mr. Friguls presented the Investment Policy Statement. He stated that changes are minimum overall changes. The investment policy Borden fixed income and equities. He continued to review changes.

Erik Jensen made a motion to approve the Investment Policy Statement. The motion received a second from Edward Ciezak and was approved by the Trustees 5-0.

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ATTORNEY REPORT

FORM 1

Mrs. Jensen presented the form 1 memo. She outlined the form memo.

House Bill Three:

Mrs. Jensen informed the Board of House Bill 3. The bill addresses the board's investing and pecuniary factors. The Board should base its decisions on investing for financial purposes do not base the investment on social, political, or environmental. There will need to be a report filed to state the report required by the state may be like the annual report.

Fee Increase:

Mrs. Jensen presented the fee increase letter to the Board. The hourly rate was \$300 prior to the fee increase. The Board requested a fee comparison of other plans.

ADMINISTRATORS REPORT

Mrs. Kish informed the Board of the Fiduciary Liability insurance she stated that quotes did not come in time and the Board approved the insurance to not exceed 10%

Robert DiGloria made a motion to adjourn the meeting at 3:05 PM. The motion received a second from Robert Coliskey and was approved by the Trustees 5-0.

Respectfully submitted,

Robert Coliskey