

**VILLAGE OF
PALM SPRINGS POLICE OFFICERS' PENSION FUND
MINUTES OF MEETING HELD
August 6, 2024**

A meeting was called to order at 10:37 A.M. at Village Hall in Palm Springs, Florida.
Those persons present were:

TRUSTEES

Donald Bell
Frank Castro
Sean Grant
Tom Gehrman

OTHERS

Bonni Jensen, Attorney
Margie Adcock, The Resource Centers
Jennifer Gainfort, Mariner Institutional

PUBLIC COMMENTS

There were no public comments,

MINUTES

The Board reviewed the minutes of the meeting held June 4, 2024. A motion was made, seconded and carried 4-0 to approve the minutes of the meeting held June 4, 2024.

INVESTMENT MONITOR REPORT

Jennifer Gainfort appeared before the Board. She reported on the performance for the quarter ending June 30, 2024. She reviewed the market environment for the period ending June 30, 2024. From a quarter perspective returns were mixed throughout the asset classes. There was a shift back to a more narrow market. She stated that they are expecting to see a rate cut in September of 50 basis points and may see one or two more rate cuts by the end of the year. There has been a little pull back in the market the last few days. The job numbers came in cooler than expected. There has been a sell off the last few days because of a feeling the Fed will not lower rates as soon as they should with their prolonged pause. She stated that the top ten stocks make up one-third of the weighting but make up 60% of the return. The top 7 holdings for the year contributed 70% to returns. Since the end of the quarter those stocks have had a pretty significant pullback. She stated that she thinks there will be a lot of volatility through the election.

Ms. Gainfort reported on the performance of the Fund for the quarter ending June 30, 2024. The total market value of the Fund as of June 30, 2024 was \$42,561,900. The asset allocation was 56.9% in domestic equities; 9.2% in international; 19.2% in domestic fixed income; 4.7% in global fixed income; 9.8% in real estate; and 0.3% in cash.

Ms. Gainfort reviewed the performance for the quarter ending June 30, 2024. The total portfolio was up 1.05% net of fees for the quarter ending June 30, 2024 while the benchmark was up 1.96%. The total equity portfolio was up 1.52% for the quarter while the benchmark was up 2.92%. The total domestic equity portfolio was up 1.84% for the quarter while the benchmark was up 3.22%. The total international portfolio was down .38% for the quarter while the benchmark was up 1.17%. The total fixed income portfolio

was up .66% for the quarter while the benchmark was up .43%. The total domestic fixed income portfolio was up .68% for the quarter while the benchmark was up .46%. The total global fixed income portfolio was up .55% for the quarter while the benchmark was up .32%. The total real estate portfolio was down .96% for the quarter while the benchmark was down .83%.

Ms. Gainfort reviewed the performance of the individual manager portfolios. The JP Morgan Disciplines portfolio was up 4.85% for the quarter while the S&P 500 was up 4.28%. The Parnassus Core portfolio was up 1.91% for the quarter while the S&P 500 was up 4.28%. The Vanguard Mid Cap Index portfolio was down 2.75% for the quarter while the Russell Mid Cap Index was down 3.35%. The Vanguard Total Stock Market portfolio was up 3.25% for the quarter while the Russell 3000 benchmark was up 3.22%. The EuroPacific Growth portfolio was down .23% for the quarter while the benchmark was up 1.17%. The Dimensional Fund Advisors portfolio was down .52% for the quarter while the benchmark was up .36%. Baird Intermediate Bond was up .67% for the quarter while the benchmark was up .64%. The PIMCO Diversified Income was up .55% for the quarter while the benchmark was up .32%. The Principal portfolio was down .96% for the quarter while the NCREIF was down .83%. Ms. Gainfort stated that she thinks real estate might turn around in the new few quarters. The manager is repositioning the portfolio to reduce their exposure to office space that is not expected to do so well. Overall the portfolio has done well through the fiscal year so far. She is hoping the markets calm down in the next few days. The portfolio is positioned well. She has no recommendation for any changes from a manager standpoint.

Ms. Gainfort discussed the funding needs of the Village. She stated that the Village has requested \$500,000 in cash flow needs. She stated that there is \$100,000 in cash. She recommended pulling the remainder by taking \$100,000 from each of the four domestic equity portfolios. A motion was made, seconded and carried 4-0 to raise \$500,000 for the funding needs of the Village by selling \$100,000 from each of the four domestic equity portfolios and using the \$100,000 that is currently in cash.

ATTORNEY REPORT

Ms. Jensen provided a Memorandum regarding Proposed Meeting Dates for 2025 dated July 2024.

Ms. Jensen stated that she was working on getting a new agreement with Mariner Institutional. She stated that she would have it ready for the next meeting.

ADMINISTRATIVE REPORT

Ms. Adcock noted that there were no benefit approvals for this meeting.

Ms. Adcock presented the disbursement list. A motion was made, seconded and carried 4-0 to approve and pay all listed disbursements.

It was noted that the 2023 Annual Report was approved by the State.

The Board was provided with a letter dated July 16, 2024 regarding the cost of living amount effective October 1, 2024. It was noted that the retirees will receive a 2.9% cost of living adjustment effective October 1, 2024.

Ms. Adcock presented a draft administrative expense budget for fiscal year 2025 that is required by Section 175.061(8)(a)2, Florida Statutes. The Board reviewed the draft budget. There was a lengthy discussion. A motion was made, seconded and carried 4-0 to adopt the administrative expense budget as amended and provide the budget to the Village in compliance with Section 175.061(8)(a)2, Florida Statutes.

Ms. Adcock advised that the Fiduciary Liability Insurance is due to expire on November 1, 2024. A motion was made, seconded and carried 4-0 to renew the Fiduciary Liability Insurance not to exceed \$4,910.

It was noted that the terms for the active member positions currently held by Mr. Grant and Mr. Castro will be up at the end of September. An election will be held for the active member positions.

OTHER BUSINESS

There being no further business, the meeting was adjourned.

Respectfully submitted,

Sean Grant, Secretary