

RIVIERA BEACH MUNICIPAL FIREMEN'S PENSION TRUST FUND

MINUTES

May 20, 2024

Secretary Ken Brack called the meeting to order at 4:41pm. Those persons present were:

TRUSTEES PRESENT

Kenneth Brack, Secretary
Paul Wright, Trustee
Kirk Henderson, Trustee

OTHERS PRESENT

Albert Lovingood, Resource Centers
Ron Cohen; Lorium Law
Jeff Swanson; Southeastern Advisory
Cliff Kalish & Aaron Socker: William Blair

EXTRAORDINARY CIRCUMSTANCES FOR TRUSTEES JOINING ELECTRONICALLY

All Trustees were physically present.

ADDITIONS AND DELETIONS

The Board made no modifications to the agenda.

INVESTMENT MANAGER REPORT – WILLIAM BLAIR

Cliff Kalish introduced himself and his colleague Aaron Socker who has joined the meeting via Zoom. Mr. Kalish started his presentation with providing the Board with an overview of William Blair. For the Calendar-Year-To-Date, the Fund earned 8.81%, beating the benchmark rate of 6.69%. For Fiscal-Year-To-Date, the Fund has earned 25.55%, beating the benchmark rate of 21.80%, and noted the Fund's total returns for 2023, were 41.57%. Mr. Socker then reviewed the magnificent seven in detail, noting that the large cap growth sector has been very strong. The Year-To-Date contributors and detractors were reviewed in detail with the Board of Trustees along with the major contributors and detractors for 2023. The William Blair Large Cap Growth Strategy was then reviewed in detail with the Board along with what William Blair is expecting for the short and long-term moving forward. Mr. Kalish and Mr. Socker concluded their presentation with offering to answer any questions the Board may have. The Board of Trustees thanked both Mr. Kalish and Mr. Socker for coming to give their annual presentation.

INVESTMENT CONSULTANT REPORT - SOUTHEASTERN ADVISORY

Jeff Swanson appeared before the Board to present the quarterly report for the period ending March 31, 2024. Mr. Swanson started his presentation with reviewing the capital market assumptions, noting the changes that have occurred, along with the long-term growth potential. The Board of Trustees and Mr. Swanson had a detailed conversation regarding the markets and how the long-term growth will affect the Plan and the Plan's Assumed Rate of Return. Mr. Swanson then reported the following: For the quarter ending March 31, 2024, the Plan had a net gain of 5.89%, compared to the target index of 5.54%. For Fiscal-Year-To-Date, the Plan has a net return of 13.98%, compared to the benchmark rate of 14.70%. The Three-Year net return is at 5.09%, compared to the benchmark of 5.65%, and the Five-Year net return is at 8.28%, compared to the target index of 9.05%. Mr. Swanson then reviewed the 10-year historical asset allocation of the Plan by segment in detail, noting the value that both PennantPark and Serenitas have brought to the Plan. Mr. Swanson then reviewed the historical returns of the Plan's Real Estate Investment with a detailed conversation regarding what the short-term and long-term expectations are in that sector, noting that commercial office space is not expected to make a return to pre-COVID levels. Mr. Swanson then discussed how the Plan's Real Estate Managers are doing in comparison to their peers. The Investment Managers were then reviewed in detail, noting the key changes that were made to fine tune various sectors. Mr. Swanson concluded his presentation by reviewing the Investment Manager Status, noting that all of the funds with the exception of Westwood Value are in Good Standing.

ATTORNEY REPORT – LORIUM LAW

Attorney Ronald Cohen provided the Board with an update on the Kirklyn Durham Disability Retro Payment matter. Mr. Cohen reported that he had contacted Mr. Durham's Attorney, Mr. Celeste, to follow up on adding the matter on this Board Meeting's Agenda. Mr. Cohen reviewed the email that was sent to Mr. Celeste along

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with Mr. Celeste's response stating that they will not be pursuing retro payment of Mr. Durham's Disability. As a result, Mr. Cohen recommended that the Board should call a motion to close this matter.

- Paul Wright made a motion to close the Kirklyn Durham Disability Matter. The motion received a second by Ken Henderson and was approved by the Trustees 3-0.

Mr. Cohen then provided the Board with a detailed review of the Form 1 Filing, noting that this year it must be submitted online and no longer will be submitted via the County Supervisor of Elections. Should the Board have any issues with filing their Form 1, Mr. Cohen stated that the Trustees can contact his office, Albert Lovingood, or the State Commission on Ethics and informed the Trustees whose personal information is exempt from disclosure should ensure that they have submitted the Affidavit, which needs to be signed and mailed into the Commission of Ethics. Mr. Cohen concluded with clarification on some of the changes to the Form 1 and cleared up some of the rumors that have been floating around.

ADMINISTRATOR REPORT – RESOURCE CENTERS

Pension Snapshot Payout at Retirement/DROP Entry: Albert Lovingood provided the Board with a handout of a Pension Estimate along with the Snapshot List that he has for the Pension Plan. Mr. Lovingood reviewed the Snapshot with the Board along with how the City reports the Pensionable Payout of the Sick and Vacation Time. Mr. Lovingood then informed the Board that when the Snapshot was originally done, the City had used the incorrect information, and a revised set of letters was issued. It has been discovered that the City is using the incorrect Snapshot List with Mr. Lovingood performing a second review on a DROP Entry Estimate. Mr. Lovingood informed the Board that he has performed a spot check on several recent DROP Entries and every person that was checked has the incorrect Snapshot Totals. Mr. Lovingood informed the Board that he is starting the process to see how many retirees are affected by this issue and that as a result of the reporting issue from the City, there will need to be revised calculations done which will have an additional cost to the Plan.

2024-2025 Annual Budget: Albert Lovingood presented the Board of Trustees with two deft Plan Budgets for the 2024-2025 Calendar Year. Mr. Lovingood reviewed both budgets in detail with the Board of Trustees, noting that the Alternative Budget has a much larger amount available for the Actuary due to the Sick and Vacation Pensionable Payout issue and not knowing exactly how many Pension Calculations will need to be redone. Mr. Lovingood reminded the Board that the budget is an annual requirement and that the Plan only needs to spend as much as it needs to operate effectively.

- Paul Wright made a motion to approve the 2024-2025 Alternate Proposed Plan Budget. The motion received a second by Ken Henderson and was approved by the Trustees 3-0.

MINUTES

The February 26, 2024, Quarterly Board Meeting Minutes and the March 11, 2024, Special Board Meeting Minutes were presented in the Trustee packets for review.

- Paul Wright made a motion to approve the February 26, 2024, Quarterly Board Meeting Minutes and the March 11, 2024, Special Board Meeting Minutes as presented. The motion received a second by Kirk Henderson and was approved by the Trustees 3-0.

DISBURSEMENTS & FINANCIAL STATEMENTS

Mr. Lovingood presented the disbursements and interim financial statements for review.

- Paul Wright made a motion to approve the disbursements as presented. The motion received a second by Kirk Henderson and was approved by the Trustees 3-0.

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BENEFIT APPROVALS

Mr. Lovingood presented the Benefit Approvals to the Board for review and approval. The Board of Trustees noted an error regarding the hire date for one of the DROP Exit Members.

- Kirk Henderson made a motion to approve the disbursements as amended. The motion received a second by Paul Wright and was approved by the Trustees 3-0.

OLD BUSINESS

There was no old business to discuss at this meeting.

OTHER BUSINESS

There was no other business to discuss at this time.

NEW BUSINESS

There was no new business to discuss at this time.

STATEMENT FROM MEMBERS OF THE PUBLIC

Secretary Ken Brack invited members of the Public for comment. There were no public comments at this time.

ADJORNMENT

There being no further business to discuss, the Board Adjourned at 6:12pm.

BOARD OF TRUSTEES

Bobbie Brooks, Jr.

Bobbie Brooks Jr., Chairman

Kenneth Brack

Kenneth Brack, Secretary

Kirk Henderson

Kirk Henderson, Trustee

Harry Freeman

Harry Freeman, Trustee

Paul Wright

Paul Wright, Trustee