

**VILLAGE OF TEQUESTA GENERAL EMPLOYEES' PENSION TRUST FUND
REGULAR BOARD MEETING MINUTES
August 2, 2021.**

CALL TO ORDER

The Board of Trustees for the Village of Tequesta General Employees' Pension Trust Fund met in the Village Council Chambers on August 2, 2021. Chairman Michael Rhodes called the meeting to order at 12:02 p.m.

ROLL CALL

A roll call was requested by Michael Rhodes. In attendance at the meeting were: Chairman Michael Rhodes, Secretary Bernard Ward, and Board Member Julie Mitchell.

Also, in attendance were Attorney Bonni Jensen, Pension Administrators Scott Baur, and A.C. Lovingood.

Those who joined the Board Meeting via RingCentral Video Conference were Investment Monitor Jennifer Gainfort and Dana investments Greg Peters.

EXTRAORDINARY CIRCUMSTANCES FOR TRUSTEES JOINING ELECTRONICALLY

All Trustees were physically present.

CHAIRMAN MICHAEL RHODES

Chairman Michael Rhodes welcomed Trustee Julie Mitchell to the Board.

APPROVAL OF AGENDA

The Board reviewed the agenda for approval.

MOTION:

Secretary Bernad Ward made a motion to approve the agenda as presented. The motion received a second from Board Member Julie Mitchell, which carried by a 3-0 vote.

PUBLIC COMMENT

There were no public comments.

APPROVAL OF MINUTES

1. Regular Quarterly Meeting Minutes – May 3, 2021.

The Board reviewed the Regular Quarterly Meeting Minutes dated May 3, 2021. Chairman Michael Rhodes thanked Mr. Lovingood on the timely delivery of the minutes. Trustee Julie Mitchell requested that the Board Meeting Adornment time be added to the minutes and requested copies of the previous Board Meeting Minutes.

MOTION:

Secretary Bernard Ward made a motion to approve the Quarterly Board Meeting Minutes dated May 3, 2021 as amended. The motion received a second from Board member Julie Mitchell, which carried by a 3-0 vote.

2. Dana Investments Presentation – Greg Peters – Dana Investments

Greg Peters started his presentation with reviewing the Dana Investments Portfolio Summary with the Board with reviewing the account activity for the Quarter in addition to the Portfolio Allocation. For the quarter ending June 30, 2021, the Dana Large Cap Fund earned 8.03%, compared the benchmark of 8.55%. The Fiscal-Year-To-Date returns for the Plan was 30.50% compared to the benchmark rate of 29.25%, the One-Year trailing returns was 16.73% compared to the benchmark rate of 15.25%. The Three-Year trailing returns were 18.10%, compared to the 18.67% benchmark, the Five-Year returns were 17.71%, compared to the benchmark rate of 17.65%, and since inception, the Dana Large Cap Fund has earned 10.73%, beating the benchmark rate of 10.63%. For the quarter ending June 30, 2021, the Dana Intermediate Fixed Income Fund earned 0.79%, compared the benchmark of 80.78%. The Fiscal-Year-To-Date returns for the Plan was -0.37% compared to the benchmark rate of -0.43%, the One-Year trailing returns was -0.82% compared to the benchmark rate of -0.84%. The Three-Year trailing returns were 4.44%, compared to the 4.41% benchmark, the Five-Year returns were 2.57%, compared to the benchmark rate of 2.53%, and since inception, the Dana Intermediate Fixed Income Fund has earned 3.61%, compared to the benchmark rate of 3.71%. Mr. Peters then reviewed the Bond Characteristics as of June 30, 2021 along with the five year corporate bond spreads vs. the five and ten year treasury yields in detail with the Board. The equity economic and market update summary was then reviewed with the Board. Chairman Michael Rhodes inquired if the trend is continuing, which, Mr. Peters confirmed. There was a discussion between Chairman Rhodes, Secretary Ward, and Mr. Peters regarding low rates, the performance of value, and if inflation is a short- or long-term issue, along with Mr. Peters confirming that the Portfolios are well positioned. Mr. Peters then reviewed the historical value versus growth data with the Board, noting that growth has outperformed value in five of the last six years; however, after the extreme growth outperformed in 2020, value is now showing signs of leadership and has outperformed growth in the fourth quarter of 2020, along with year-to-date for 2021. The select contributors and detractors for the quarter were reviewed in detail with the Board. Trustee July Mitchell inquired as to why Dana has no investments in the Bio Sector. Mr. Peters state that the Bio Sector is expensive. Mr. Peters then reviewed the additions and deletions for the quarter, noting that trading was minimal and reviewed the reasons for selling Southwest Airlines and Mastercard. Mr. Peters concluded his presentation with reviewing the historical market capture of the Fund in detail with the Board. The Board thanked Mr. Peters for presenting and giving the Board insight into the current market environment for these two funds.

MOTION:

Secretary Bernard Ward made a motion to approve the Dana Investment Report dated June 30, 2021 as presented. Board Member Julie Mitchell seconded the motion, which carried by a 3-0 vote.

3. Quarterly Performance Report as of June 30, 2021 - Jennifer Gainfort, AndCo

Mrs. Jennifer Gainfort started her presentation by reviewing the market environment with the Board in detail. The Pension Fund assets had a total market value of \$5,717,940 on March 31, 2021 and closed with a total market value of \$8,800,526 on June 30, 2021. Mrs. Gainfort then reviewed the asset allocations of the Plan and reviewed the recent rebalance that was performed after the last Board Meeting. For the second quarter, the Plan had a total of \$150,530 in contributions, \$50,158 in distributions, management fees of \$6,298, and other expenses of \$14,017. Income for the quarter totaled \$24,402 and capital gains totaled to \$454,010, resulting in an ending balance of \$8,800,526 as of June 30, 2021. Mrs. Gainfort then noted that for the past three quarters of the fiscal year, the Plan has had a total of \$1,37,719 in Capital Gains. For the quarter ending June 30, 2021, the Plan earned 5.83%, beating the benchmark of 5.67%. The Fiscal-Year-To-Date returns for the Plan was 20.62% compared to the benchmark rate of 20.74%, the One-Year trailing returns was 27.35% compared to the benchmark rate of 27.85%. The Three-Year trailing returns were 12.87%, compared to the 13.20% benchmark, the Five-Year returns

were 12.03%, compared to the benchmark rate of 12.34%, and since inception, the Plan has earned 7.20%, beating the benchmark rate of 6.82%. Ms. Gainfort then reviewed the individual managers performance with the Board, noting the recent jump in International and the recent dip in ASB Real Estate. Mrs. Gainfort also noted that ASB Real Estate will be at the next Board Meeting.

Board Member Julie Mitchell made a motion to approve the AndCo Investment Performance Report Dated June 30, 2021 as presented. The motion received a second from Secretary Bernard Ward, which carried by a 3-0 vote.

CONSENT AGENDA

4. Ratification of invoices paid since last quarterly meeting.

VILLAGE OF TEQUESTA GENERAL EMPLOYEES' PENSION FUND WARRANT - PAID INVOICES AUGUST 2ND, 2021

TO: Resource Centers, Plan Administrator
FROM: Board of Trustees

Paid by Custodian:			
Fiduciary Trust International			\$ 1,364.98
Fees for QE 03/31/21 (3 Accounts)			
<u>Date</u>	<u>Payee/Description</u>	<u>Check Number</u>	<u>Amount</u>
May 13, 2021	Pension Resource Center Administrative Fee- May 2021 Inv 18607	1450	\$ 900.00
May 13, 2021	Klausner Kaufman Jensen & Levinson Legal Services through 04/30/21 Inv 28341	1451	\$ 1,872.50
May 13, 2021	Dana Advisors, Inc. (1087 cb) Investment Management Fees for QE 03/31/21 Inv 82344	1452	\$ 928.70
May 13, 2021	Dana Advisors, Inc. (1087 cc) Investment Management Fees for QE 03/31/21 Inv 82373	1453	\$ 3,664.27
June 17, 2021	Pension Resource Center Administrative Fee- June 2021 Inv 18663	1454	\$ 800.00
June 17, 2021	Klausner Kaufman Jensen & Levinson Legal Services through 05/31/21 Inv 28514	1455	\$ 1,580.00
July 15, 2021	Pension Resource Center Administrative Fee- July 2021 Inv 18720	1456	\$ 800.00
July 15, 2021	Klausner Kaufman Jensen & Levinson Legal Services through 06/30/21 Inv 28690	1457	\$ 390.00
July 15, 2021	AndCo Investment Consultant Fees for QE 06/30/21 Inv 38724	1458	\$ 3,125.00
TOTAL:			\$ 15,425.45

5. Reporting of new applicants for participation in Pension Plan.

- Michelle Thomas 05-10-2021
- Kathleen Maloney-Pollack 06-07-2021

6. Terminated Non-Vested employees who have not yet taken their contributions:

- Simon Jamason – Terminated 05/10/2016
(Notification Letter: 1st sent 04-24-17, 2nd sent 05-08-18, 3rd sent 05-07-19, 4th sent 07-06-2020, 5th sent 07-28-2020)
- Edward Black – Terminated 01/05/2018
(Notification Letter: 1st sent 05-08-18, 2nd sent 10-29-18, 3rd sent 05-07-19, 4th sent 07-06-2020)
- Jennie Dilsa – Terminated 05-01-2020

7. Benefit Approvals:

There were no Benefit Approvals at this time.

END /OF CONSENT AGENDA

The Board reviewed the Consent Agenda.

MOTION:

Secretary Bernard Ward made a motion to approve the Consent Agenda as presented. The motion received a second from Board Member Julie Mitchell, which carried by a 3-0 vote.

OLD BUSINESS

There was no old business to discuss at this time.

NEW BUSINESS

8. Jensen – Attorney Update

- A. **Jensen Memo – Form 1:** Attorney Bonni Jensen informed the Board that all of the members have submitted their Annual Form 1. Mrs. Jensen explained the Form 1 Requirement with New Trustee Julie Mitchell.
- B. **Presentation to Council:** Mrs. Jensen reminded the Board that the Plan has its presentation to the Village Council on August 12, 2021, and that Secretary Bernard Ward will give that Presentation to the Village Council.
- C. **Ordinance Request to Be Added to Municode:** Mrs. Jensen informed the Board that she is sending a request to the Village to add the Pension Plan Ordinance to Municode so that future revisions and updates to the Ordinance can be performed more efficiently.
- D. **Pending IRS Issue:** Mrs. Jensen reviewed the letter that the Pension Plan had received from the IRS last year and stated that the Plan has received a response indication that the issue has been corrected.

MOTION:

Secretary Bernard Ward made a motion to accept the Attorney Report as presented. The motion received a second from Board Member Julie Mitchell, which carried by a 3-0 vote.

ACCOUNTING REPORTS

9. Accounting Reports – *Board Member, Michelle Gload, Finance Department*

Board Member Michelle Gload was not present to review the accounting reports with the Board.

ADMINISTRATOR REPORT

A. Proposed 2022 Board Meeting Dates

Mr. Lovingood presented the Board with the Proposed 2022 Board Meeting Dates. The Board reviewed the meeting dates and times and had no objections.

MOTION:

Board Member Julie Mitchell made a motion to approve the 2022 Board Meeting Dates as presented. The motion received a second from Secretary Bernard Ward, which carried by a 3-0 vote.

B. 2021-22 Board Meeting Dates

Mr. Lovingood gave the Board that the 2021-22 Conference List is included in the Board Meeting Packets. Any Trustee that is interested in attending any of the Conferences can contact him to be registered.

ANY OTHER MATTER

Mr. Lovingood informed the Board that for the other Pension Plan's that he is the Administrator for, Cyber Security Insurance Policies have increased significantly. The Board inquired if they have their own Cyber Policy and it was confirmed that the Board is covered under the Village Cyber Policy. Attorney Bonni Jensen covered her concerns with the Board.

PUBLIC COMMENT

Mr. Lovingood informed the Board that there were no public comments or questions emailed before or during the Board Meeting, and no members of the Public attended the Board Meeting via video or audio conference.

ADJOURNMENT

Secretary Bernard Ward reminded the Board that the next Board Meeting is scheduled for August 2, 2021 at 12:00 p.m. and inquired as to the reason for the Board Meeting alternating between 8:30 a.m. and 12 p.m. Mrs. Jensen stated that the 8:30 a.m. timeslot was in high demand with both the General and Public Safety Boards which resulted in the Boards agreeing with the alternating schedule.

There being no further business, the meeting was adjourned at 10:29 a.m.

Secretary, Village of Tequesta General Employees' Pension Plan