

VILLAGE OF TEQUESTA GENERAL EMPLOYEES' PENSION TRUST FUND
REGULAR BOARD MEETING MINUTES
November 1, 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 8:32 a.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, Village Manager Jeremy Allen, Investment Monitor Jennifer Gainfort, and ASB Real Estate Manager Georgette Baxter.

EXTRAORDINARY CIRCUMSTANCES FOR TRUSTEES JOINING ELECTRONICALLY

All Trustees were physically present.

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.

VILLAGE MANAGER MEMO AND RESPONSE

Scott Baur reviewed the Memo that Village Manager Jeremy Allen had sent to The Resource Centers regarding three applications submitted by three former employees of the Village with the Board of Trustees. Mr. Allen gave the Board a review of the reasons for the inquiry and expressed that he wishes to ensure that the Village is providing The Resource Centers with the data and information needed to ensure the timely processing of member requests and applications. Mr. Baur then reviewed his firm's response to the inquiry in detail with the Board along with the timelines for each application that had been asked about. Mr. Baur informed the Board and Mr. Allen that The Resource Centers had started to implement a new tracking system for all applications submitted for processing. Mr. Baur reviewed the new tracking system in detailed and explained how members would receive automatic email updates on the status of their application along with the system sending out notifications of any delays in the processing of the member's application. Chairman Michael Rhodes inquired if the new system has a reporting feature where the Board could be notified or review the status of any applications. Mr. Baur confirmed that there is a feature where reports can be produced for review by the Board. Mr. Baur, the Trustees, and Mr. Allen had a detailed conversation regarding the reporting capabilities of the new system and Board Member Julie Mitchell stated that she felt that the Board does not need to be involved in every step of a member's application

being processed. Chairman Michael Rhodes requested that the Board and the Village Human Resources Department be notified when there is a delay of a member's application.

APPROVAL OF MINUTES

1. Regular Quarterly Meeting Minutes – August 2, 2021.

The Board reviewed the Regular Quarterly Meeting Minutes dated August 2, 2021. Chairman Michael Rhodes requested a timely delivery of the minutes.

MOTION:

Board Member Julie Mitchell made a motion to approve the Quarterly Board Meeting Minutes dated August 2, 2021, as amended. The motion received a second from Secretary Bernard Ward, which carried by a 3-0 vote.

2. ASB Real Estate Quarterly Performance Report – Georgette Baxter – ASB Real Estate

Georgette Baxter started her presentation with reviewing her firm along with the office and retail dispositions of portfolio. Mrs. Baxter then reviewed the industrial, multifamily, and self-storage acquisitions with the Board and noted that ASB Real Estate has a major focus on workforce housing sector. Chairman Michael Rhodes noted the retooling of the portfolio over the next decade, noting that he is pleased with the Year End 2022 property type diversification target. As of September 30, 2021, the Fund's total gross assets were at \$7.9 billion, net assets of \$6.2 billion, with 79 separate investments with a total of 274 properties totaling over 18.6 million square feet of real estate. The Fund has over 325 investors with a leverage of 22.5%. Mrs. Baxter informed the Board that three years ago, the leverage was at 12% and the Fund's current property occupancy rate is at 95%. Mrs. Baxter then reviewed the diversification of the Fund with the Board along with the moderate risk profile and the major geographic exposure. Mrs. Baxter then reviewed the trimming of retail and office space with the Board and noted that self-storage is a very popular and high demand sector. Mrs. Baxter concluded her presentation by reviewing the ASB Allegiance Fund Capital Summary as of October 1, 2021, in detail with the Board. Attorney Bonni Jensen inquired if the 73.9% in fixed loans will increase, Mrs. Baxter confirmed that the fund will add more fixed loads to take advantage of and lock in low interest rates.

MOTION:

Secretary Bernard Ward made a motion to approve the ASB Real Estate Presentation dated October 1, 2021, as presented. Board Member Julie Mitchell seconded the motion, which carried by a 3-0 vote.

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

Mrs. Jennifer Gainfort started her presentation by reviewing the market environment with the Board in detail and noting the bottle necks in the supply chain along with the widespread employee shortages throughout the county. The Pension Fund assets had a total market value of \$8,800,526 on June 30, 2021 and closed with a total market value of \$8,858,794 on September 30, 2021. Mrs. Gainfort then reviewed the asset allocations of the Plan, noting that there is no need to rebalance at this time. For the third quarter, the Plan had a total of \$129,227 in contributions, \$46,616 in distributions, management fees of \$6,444, and other expenses of \$11,492. Income for the quarter totaled \$26,958 and capital losses totaled \$33,365, resulting in an ending balance of \$8,858,794 as of September 30, 2021. For the quarter ending September 30, 2021, the Plan earned -0.06%, compared to the benchmark of 0.23%. The Fiscal-Year-To-Date returns for the Plan was 20.55% compared to the benchmark rate of 21.01%, the One-Year trailing returns was 20.55% compared to the benchmark rate of 21.01%. The Three-Year trailing returns were 11.56%, compared to the 11.83% benchmark, the Five-Year returns were 11.54%, compared to the benchmark rate of 11.63%, and since inception, the Plan has earned 7.11%, beating the benchmark rate of

6.74%. Ms. Gainfort then reviewed the individual managers performance with the Board, noting that the Plan had a great year. Mrs. Gainfort then reviewed the compliance checklist with the Board in detail, noting that the markets did much better than the experts anticipated due to the ongoing pandemic. Attorney Bonni Jensen pointed out the long-term performance of the Plan on page 24 of the AndCo Performance Report. Secretary Bernard Ward inquired about the rising inflation rates, which Mrs. Gainfort reviewed in detail with the Board. Mrs. Gainfort concluded her presentation by informing the Board that as of Thursday, October 28, 2021, the Plan's total assets were at \$9.16 million.

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

Mrs. Gainfort informed the Board that the Investment Policy Statement is reviewed annually by the Board to ensure that it is up-to-date and current, considering that the Investment Policy Statement was recently updated and reviewed, she does not see a need to review it again this year.

CONSENT AGENDA

The Board reviewed the consent agenda.

4. Ratification of invoices paid since last quarterly meeting.

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

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 10-26-2021)
- 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, 5th sent 10-26-2021)
- Jennie Dilsa – Terminated 05-01-2020
(Notification Letter: 1st sent 10-26-2021)

7. Benefit Approvals:

VILLAGE OF TEQUESTA BOARD OF TRUSTEES GENERAL EMPLOYEES' PENSION TRUST FUND MEETING OF NOVEMBER 1st, 2021

BENEFIT APPROVALS

Section 1.01 APPLICATION FOR RETIREMENT

MICHELLE TERRIAULT
(Normal)

DATE OF BIRTH	06/ 2021
DATE OF HIRE	05/01/ 2000
DATE OF TERMINATION	06/28/ 2021
RETIREMENT COMMENCEMENT DATE	07/01/ 2021
YEARS OF SERVICE	21 YR 0 MO 26 DAY
AGE AT RETIREMENT	65 YRS
FORM OF BENEFIT	LIFE ANNUITY

MONTHLY BENEFIT AMOUNT

\$ 1,711.82

ACTION: **Approved**

MICHAEL SUDELL

(Terminated Vested to Normal)

DATE OF BIRTH	07/ 1957
DATE OF HIRE	09/10/ 2001
DATE OF TERMINATION	01/10/ 2018
RETIREMENT COMMENCEMENT DATE	07/01/ 2021
YEARS OF SERVICE	16 YR 4 MO 0 DAY
AGE AT RETIREMENT	63 YRS
FORM OF BENEFIT	LIFE ANNUITY
MONTHLY BENEFIT AMOUNT	\$ 1,743.90

ACTION: **Approved**

Section 1.02 REFUND OF CONTRIBUTIONS

MARTIAN MEEHAN

DATE OF BIRTH	02/ 1970
DATE OF HIRE	07/01/ 2015
DATE OF TERMINATION	02/13/ 2016
TYPE OF DISTRIBUTION	LUMP SUM
AMOUNT OF REFUND	\$ 1,562.26
VESTED	NO

ACTION: **Approved**

END /OF CONSENT AGENDA

Terminated non-vested member Simon Jamason was reviewed by the Board. Mr. Lovingood informed the Board that Mr. Jamason has been contacted several times and has spoken with him a few times; however, Mr. Jamason does not seem interest in completing the required paperwork to receive his refund. Attorney Bonni Jensen made the recommendation to have another letter sent to the member via FedEx with signature requirement to ensure that the Board has proof that the member was properly contacted.

MOTION:

Board Member Julie Mitchell made a motion to approve the Consent Agenda as presented and to contact Mr. Jamason again regarding his refund of contributions via FedEx signature confirmation delivery. The motion received a second from Secretary Bernard Ward, 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

Attorney Bonni Jensen informed the Board that she has no pending legislation to report on at this moment.

Mrs. Jensen informed the Board that there will be a fee increase coming soon from her firm and will review those increases in detail when the increase is presented to the Board.

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. Chairman Michael Rhodes reviewed the reports with the Board in Board Member Michelle Gload's absence.

Chairman Michel Rhodes informed the Board that at the next Board Meeting, the Fiscal-Year Budget for 2021-22 will be addressed.

ADMINISTRATOR REPORT

A. Annual Elections of Officers

Albert Lovingood informed the Board that the annual election of Officers is normally conducted during the November Board Meeting. Secretary Bernard Ward stated that he is willing to stay as the Secretary. Board Member Julie Mitchell stated that she is comfortable and pleased with the current structure of the Board Officers and Chairman Michel Rhodes stated that he is willing to be the Chairman for another year.

MOTION:

Secretary Bernard Ward made a motion to keep the Board Officer appointments as they currently are for the 2022 calendar year. The motion received a second from Board Member Julie Mitchell, which carried by a 3-0 vote.

B. GRS Benchmarking Study

Mr. Lovingood presented the Board with the GRS Benchmarking Study that was requested at the March Board Meeting, for informational purposes.

C. Resource Centers Fee Increase

Mr. Baur informed the Board that The Resource Centers is reviewing the current fees that are charged to the Plans that his Firm is the Administrator for. Mr. Baur stated that he wanted to make the Board aware that a fee increase will be coming, and he gave a general overview of the factors that will have a direct effect on the proposed increases.

ANY OTHER MATTER

Secretary Bernard Ward reported to the Board how the annual Pension Plan Presentation went before the Village Council. Mr. Ward reviewed the comments made by the Village Manager and the Council Members, noting that the Village Manager is pleased with the low required contributions and noted the concerns that were brought up with regards to the percentage of equities in the fund, the value vs growth allocations of the Plan, and the Plan Costs. Attorney Bonni Jensen noted that due to ADA Requirements, her firm was unable to include graphs and charts in the presentation. Mrs. Jensen stated that she feels that when graphs and charts are used, everyone viewing the presentation has a much better understanding of how well the Plan is doing.

Secretary Bernard Ward made an inquiry about having educational workshops for the members. There was some discussion regarding to the timing and location of the member workshops along with Mr. Baur's and Mrs. Jensen's availability. The Board ultimately requested that an educational workshop be done on March 31, 2022, or April 7, 2022.

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

The next Board Meeting is scheduled for February 7, 2022, at 12:00 p.m.

There being no further business, Board Member Julie Mitchell made a motion to adjourn the Board Meeting at 11:25 a.m. The motion received a second from Secretary Bernard Ward, which carried by a 3-0 vote.

Secretary, Village of Tequesta General Employees' Pension Plan