

VILLAGE OF TEQUESTA GENERAL EMPLOYEES' PENSION TRUST FUND
REGULAR BOARD MEETING MINUTES
August 1, 2022.

CALL TO ORDER

The Board of Trustees for the Village of Tequesta General Employees' Pension Trust Fund met in the Village Council Chambers on May 2, 2022. Chairman Michael Rhodes called the meeting to order at 12:01 p.m.

ROLL CALL

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

Also, in attendance were Attorney Bonni Jensen, Pension Administrator Scott Baur and A.C. Lovingood, Investment Manager Greg Peters. and Investment Monitor Jennifer Gainfort.

EXTRAORDINARY CIRCUMSTANCES FOR TRUSTEES JOINING ELECTRONICALLY

All Trustees were physically present.

APPROVAL OF AGENDA

The Board reviewed the agenda for approval. Chairman Michael Rhodes requested that the Village Council Presentation be added to the Agenda under Old Business.

MOTION:

Board Member Dennis Rick made a motion to approve the agenda as amended. The motion received a second from Secretary Bernard Ward, which carried by a 4-0 vote.

PUBLIC COMMENT

There were no public comments.

APPROVAL OF MINUTES

1. Regular Quarterly Meeting Minutes – May 2, 2022.
2. Regular Quarterly Meeting Minutes – February 7, 2022.

The Board reviewed the Regular Quarterly Meeting Minutes dated February 7, 2022.

MOTION:

Board Member Michelle Gload made a motion to approve the Regular Quarterly Board Meeting Minutes dated February 7, 2022, as amended. The motion received a second from Secretary Bernard Ward, which carried by a 4-0 vote.

The Board reviewed the Quarterly Board Meeting Minutes dated May 2, 2022.

MOTION:

Board Member Dennis Rick made a motion to approve the Regular Quarterly Board Meeting Minutes dated May 2, 2022, as amended. The motion received a second from Secretary Bernard Ward, which carried by a 4-0 vote.

PRESENTATIONS

3. Dana Investments Quarterly Performance Report as of June 30, 2022 –Greg Peters, DANA Investment

Greg Peters started his presentation by reviewing the portfolio summary and reported that as of March 31, 2022, the fund had a value of \$3,945,187.39 with a total of \$522.19 in withdrawals, \$19,738.35 in investment income, an unrealized loss of \$378,700.79, a realized loss of \$38,362.83, and an accrued income of \$1,822.01, which resulted in a total loss of \$395,443.26 for the quarter and the value as of June 30, 2022, was \$3,549,221.94. Mr. Peters then reviewed the portfolio allocation in detail with the Board and stated that the 1087cc Large Cap Equity Fund earned -15.20% for the quarter, compared to the S&P 500 benchmark rate of -16.10%, the Fiscal-Year-To-Date return was -14.00% compared to the benchmark rate of -11.13%, the Three-Year return was 9.08% compared to the benchmark rate of 10.60%, the Five-Year trailing returns were 10.09% compared to the benchmark of 11.31%, and since inception the fund has earned 9.02% compared to the benchmark rate of 9.23%. The 1087cb Fixed Income Fund earned -2.95% for the quarter compared to the Barclays Intermediate Aggregate benchmark rate of -2.93%, the Fiscal-Year-To-Date return was -7.70% compared to the benchmark rate of -7.95%, the Three-Year return was -0.50, beating the benchmark rate of -0.60%, the Five-Year returns were 0.93% which outperformed the benchmark rate of 0.88%, and since inception, the fund has earned 2.89% compared to the benchmark rate of 2.95%.

Mr. Peters then reviewed the US Treasury Yield Curve in detail with the Board along with the market-moving events since January 2021. The Federal funds rate expectations were then reviewed in detail with Mr. Peters pointing out that the market expectations of interest rates rising to 3.38% by the end of the year. The economic and market updates were reviewed along with the sector contributors and detractor for the quarter. Mr. Peters concluded his presentation by stating that there is more uncertainty ahead and informed the Board that if they wish, he could have the Portfolio Manager attend the next Board Meeting. The Board discussed having the Dana Investments Portfolio Manager present at the Quarterly Board Meeting scheduled for Monday, November 7, 2022, and requested that he make a presentation at that Board Meeting.

MOTION:

Secretary Bernard Ward made a motion to approve the DANA Quarterly Performance Report Dated June 30, 2022, as presented. The motion received a second from Board Member Michelle Gload, which carried by a 4-0 vote.

4. Quarterly Performance Report as of June 30, 2022 - Jennifer Gainfort, AndCo

Ms. Jennifer Gainfort started her presentation by reviewing the market environment executive summary and the market environment market rate and yield curve comparison with the Board in detail. Ms. Gainfort then reviewed the Plan's asset allocation by asset class with the Board, noting that the plan is currently in compliance with the policy targets. The Pension Fund assets had a total market value of \$8,899,406 on March 31, 2022, and closed with a total market value of \$8,006,197 on June 30, 2022. For the second quarter, the Plan had a total of \$124,163 in contributions, \$56,988 in distributions, management fees of \$7,257, and other expenses of \$17,401. Income for the quarter totaled \$32,711 and capital losses totaled \$968,437, resulting in an ending balance of \$8,006,197 on June 30, 2022. For the quarter ending June 30, 2022, the Plan earned -10.48%, compared to the benchmark of -10.86%. The Fiscal-Year-To-Date trailing returns was -11.20%, compared to the benchmark rate of -9.56%. The One-Year trailing returns was -11.25% compared to the benchmark rate of -9.36%. The Three-Year trailing returns were 6.05%, compared to the 6.88% benchmark, the Five-Year returns were 6.91%, compared to the benchmark

rate of 7.52%, and since inception, the Plan has earned 6.27%, beating the benchmark rate of 6.01%. Ms. Gainfort then reviewed the individual managers performance with the Board in detail, noting that ASB Real Estate did very well for the quarter earning 4.51%, which was just shy of the benchmark rate of 4.55%. Ms. Gainfort then reviewed the Long-Term Performance of the Plan, and the Compliance Checklist was reviewed with the Board in detail. Ms. Gainfort concluded her presentation with informing the Board that many Plans have been adding an International Value to their portfolios and that she will bring an International Value Comparison to review at the next Board Meeting.

MOTION:

Board Member Dennis Rick made a motion to approve the AndCo Investment Performance Report Dated June 30, 2022, as presented. The motion received a second from Secretary Bernard Ward, which carried by a 4-0 vote.

CONSENT AGENDA

The Board reviewed the consent agenda.

5. Ratification of invoices paid since last quarterly meeting.

VILLAGE OF TEQUESTA GENERAL EMPLOYEES' PENSION FUND				
WARRANT - PAID INVOICES				
AUUGUST 1ST, 2022				
TO:	Resource Centers, Plan Administrator			
FROM:	Board of Trustees			
Paid by Custodian:				
	Fiduciary Trust International			
	Custodian Fees for QE 03/31/22		\$	1,504.50
	Custodian Fees for QE 06/30/22		\$	1,434.61
<u>Date</u>	<u>Payee/Description</u>	<u>Check Number</u>		<u>Amount</u>
May 13, 2022	Pension Resource Center Administrative Fee- May 2022 Inv 19344	1491	\$	800.00
May 13, 2022	Klausner Kaufman Jensen & Levinson Legal Services through 04/30/22 Inv 30494	1492	\$	397.50
May 13, 2022	Dana Advisors, Inc. (1087cc) Investment Management Fees for QE 3/31/22 Inv 89950	1493	\$	3,985.24
May 13, 2022	Dana Advisors, Inc. (1087cb) Investment Management Fees for QE 3/31/22 Inv 89922	1494	\$	1,089.50
June 10, 2022	Pension Resource Center Administrative Fee- June 2022 Inv 19404	1495	\$	2,000.00
June 10, 2022	Klausner Kaufman Jensen & Levinson Legal Services through 05/31/22 Inv 30685	1496	\$	2,062.50
TOTAL:			\$	13,273.85

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

- Richard Martin – 05-09-2022

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

- 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, 6th FedEx sent 01-31-2022)
- Jennie Dilsa – Terminated 05-01-2020
(Notification Letter: 1st sent 10-26-2021)
- Meghan Arango-Lorick – Terminated 10-10-2020
(Member was sent Refund forms on 04-23-2021)
- Carolyn Flectcher – Terminated 04-23-2021
(Notification Email: 1st sent 04-21-2022, Notification Letter sent 06-22-2022)
- Kathleen Maloney-Pollack – Terminated 02-04-2022
(Notification E-Mail: 1st sent 07-07-2022)
- Michelle Thomas – Terminated 03-15-2022
(Notification Letter: 1st sent 06-22-2022)
- Hugh Dunkley – Terminated 03-18-2022
(Refund Application in Process)
- Donn Fowler Jr. – Terminated 06-17-2022
(Notification Letter: 1st sent 06-22-2022)
- Richard Martin – Terminated 06-22-2022
(Notification Email: 1st sent 05-11-2022 – Refund Application in Process)
- Matthew Hammond – Terminated 07-01-2022
(Notification Email: 1st sent 06-24-2022)
- Amber Krauss' – Terminated 08-04-2022
(Notification Email: 1st sent 07-21-2022)

8. Benefit Approvals:

Tequesta General Employees' Pension Fund

Benefit Approvals

Meeting of August 1, 2022

REFUND

Cooper, Maxwell

SSN	XXX-XX-XXXX
Date of Birth	XX/XX/XXXX
Pension Entry Date	12/30/2019
Termination Date	04/29/2022
Refund Amount	7,910.43
Refund Type	Rollover Distribution

Jamason, Simon

SSN	XXX-XX-XXXX
Date of Birth	XX/XX/XXXX
Pension Entry Date	04/26/2016
Termination Date	05/10/2016

Tequesta General Employees' Pension Fund**Benefit Approvals****Meeting of August 1, 2022****NORMAL RETIREMENT****Gibbs, Robert A**

SSN	XXX-XX-XXXX
Date of Birth	XX/XX/XXXX
Entry Date	01/14/2019
Retirement Date (Last day of Service)	01/19/2022
Benefit Commencement Date	02/01/2022
Monthly Benefit \$	322.88
Optional form of Benefit	Life Annuity
Partial Lump Sum Option	Not Applicable
Beneficiary Name	
Beneficiary DOB	

Wallace, John

SSN	XXX-XX-XXXX
Date of Birth	XX/XX/XXXX
Entry Date	10/10/2008
Retirement Date (Last day of Service)	03/04/2022
Benefit Commencement Date	04/01/2022
Monthly Benefit \$	1,024.40
Optional form of Benefit	Life Annuity
Partial Lump Sum Option	Not Applicable
Beneficiary Name	
Beneficiary DOB	

END /OF CONSENT AGENDA

The Board reviewed the consent agenda.

MOTION:

Board Member Michelle Gload made a motion to approve the Consent Agenda as amended to add the missing terminations and new hires. The motion received a second from Board Member Dennis Rick, which carried by a 4-0 vote.

OLD BUSINESS

Chairman Michael Rhodes gave the Board a summary of how the annual Village Council Presentation went, noting that the presentation went well and that he had no issues to report.

NEW BUSINESS

9. Attorney Update

a. Jensen Memo – IRS Milage Rate for Mid-Year

Attorney Bonni Jensen presented the Board with a Memo regarding the Internal Revenue Service releasing its updated Standard Mileage Rate for the final six months of 2022. The new rate is \$0.625 per mile for miles driven on or after July 1, 2022. The rate increased by \$0.04 from the rate effective at the start of the year.

MOTION:

Secretary Bernard Ward made a motion to approve the Attorney Report as presented. The motion received a second from Board Member Michelle Gload, which carried by a 4-0 vote.

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

Board Member Michelle Gload reviewed the accounting reports in detail along with the 2021-2022 Fiscal-Year Budget. The Board discussed the need to increase the Administrator Budget due to the recent retainer fee increase along with increasing the budget for refund of contributions.

MOTION:

Secretary Bernard Ward made a motion to increase the Administration Budget by \$2,400.00 and to increase the Refund of Contributions Budget from \$35,000.00 to \$60,000.00. The motion received a second from Board Member Dennis Rick, which carried by a 4-0 vote.

Mrs. Gload then informed the Board that it is time to review and approve the 2022-2023 Fiscal-Year Budget. The Board and Mrs. Gload reviewed the budget in detail, discussing the expected expenses, increased costs, along with historical and projected employee turnover within the Village.

MOTION:

Board Member Dennis Rick made a motion to approve the 2022-2023 Fiscal-Year Budget. The motion received a second from Secretary Bernard Ward, which carried by a 4-0 vote.

11. Administrator Report

a. Trustee Election Results

Mr. Lovingood informed the Board that the Trustee Seats for both Michelle Gload and Dennis Rick were up for re-election that that both Trustees ran unopposed.

b. 2023 Proposed Board Meeting Schedule

Mr. Lovingood presented the Board with the proposed 2023 Board Meeting Schedule. The Board reviewed the schedule in detail. The Board requested that the Annual Presentation to the Village Council be added to the 2023 Board Meeting Schedule

MOTION:

Secretary Bernard Ward made a motion to approve the 2023 Board Meeting Schedule as amended. The motion received a second from Board Member Michelle Gload, which carried by a 4-0 vote.

c. Enrollment and Beneficiary Forms

Mr. Lovingood presented the Board with the new Enrollment Form and Beneficiary Form for the Board to review and approve. Mr. Lovingood reviewed the modifications in detail with the Board, which included the option for members to list email addresses in addition to phone numbers and home addresses.

MOTION:

Board Member Michelle Gload made a motion to approve the Pension Enrollment Form and the Beneficiary Form as presented. The motion received a second from Board Member Dennis Rick, which carried by a 4-0 vote.

d. Fiduciary Liability Insurance Renewal

Mr. Lovingood informed the Board that he is still pending the Fiduciary Liability Insurance quote from Gehring Group and United Members Insurance and the Plan's Fiduciary Liability Policy expires on September 30th.

MOTION:

Secretary Bernard Ward made a motion to appoint Chairman Michael Rhodes to act on behalf of the Board for the renewal of the Fiduciary Liability Insurance Policy with a \$2,400.00 limit. The motion received a second from Board Member Dennis Rick, which carried by a 4-0 vote.

MOTION:

Board Member Michelle Gload made a motion to approve the Administrator Report. The motion received a second from Board Member Dennis Rick, which carried by a 4-0 vote.

ANY OTHER MATTER

12. Establishment of DROP Update

Chairman Michael Rhodes inquired on what the status of the inquiry into establishing a DROP option for the General Employees' Pension Plan. Board Member Michelle Gload stated that the previous Village Manager was the one who initiated the request; however, he had resigned, and she does not believe that the Village will move forward.

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 November 7, 2022, at 8:30 a.m.

There being no further business, Board Member Dennis Rick made a motion to adjourn the Board Meeting at 3:46 p.m. The motion received a second from Board Member Michelle Gload, which carried by a 4-0 vote.

Secretary, Village of Tequesta General Employees' Pension Plan