

TEQUESTA PUBLIC SAFETY OFFICERSqPENSION TRUST FUND  
REGULAR BOARD MEETING MINUTES  
NOVEMBER 5, 2018

CALL TO ORDER

The Regular Quarterly Board Meeting of the Tequesta Public Safety OfficersqPension Trust Fund Board of Trustees was held at the Village Hall Council Chambers, 345 Tequesta Drive, Tequesta, Florida, on November 5, 2018. The meeting was called to order at 1:01 p.m.

ROLL CALL

A roll call was taken by Pension Administrator Kerry Dutton. In attendance at the meeting were: Chairman Ed Sabin, Board Member Ray Giblin and Board Member Kyle Stone.

Also in attendance were Attorney Bonni Jensen, Pension Administrator Kerry Dutton, Investment Monitor Jennifer Gainfort, Custodian Representative Amed Avila, and ASB Representative Georgette Baxter.

PUBLIC COMMENT

There was no public comment at this time.

APPROVAL OF AGENDA

Ms. Jensen requested the addition of Record Management Liaison under Legislative Update.

MOTION:

Board Member Giblin made a motion to approve the Agenda as amended. Board Member Stone seconded the motion, which carried by unanimous 3-0 vote.

APPROVAL OF MINUTES

1. Tequesta Public Safety OfficersqPension Trust Fund Board of Trustees Regular Quarterly Meeting Minutes . August 6, 2018

The Board requested the removal of Kyle Stone under attendance as a typographical error.

MOTION:

Board Member Giblin a motion to approve the minutes from August 5, 2018 as amended. Board Member Stone seconded the motion, which carried by unanimous 3-0 vote.

PRESENTATIONS

2. Annual Custodian Update . Amed Avila, Fiduciary Trust

Mr. Avila addressed the Board. He presented Fiduciary Trusts SOC 1 Report for the 9/30/16-10/1/17 period. Mr. Avila explained the SOC 1 report for the 9/30/17-10/1/18 period is currently under way. He reviewed the controls and procedures and stating a recommendation was made to update the signature authorization and authority page for all clients. The updated forms will be given to Pension Resource Centers to be circulated amongst the Board for signatures. Mr. Avila explained the

relationship between Fiduciary Trust and Price Water House. The processing time for invoices was reviewed and discussed. Mr. Avila stated the invoice issuance time has been refined. Mr. Avila also reviewed the insurance coverage that Fiduciary Trust carries which includes cyber liability. It was confirmed that Fiduciary Trust's compliance department will not allow for additionally insured. Mr. Avila thanked the Board.

### 3. ASB Annual Performance Report . Georgette Baxter, ASB Real Estate

Ms. Baxter approached the Board. She reviewed the changes to the Firm. There is currently \$7.8 billion under management. She reviewed the Firm's approach. The Public Safety Officer is in an open ended fund. She stated 2016-2017 was a market that reached a capped in rental tenants. She explained that the leverage was resized and is now just under 19% which helped the portfolio. Also the portfolio had a couple of assets pruned as they were no longer competitive. The funds from the assets were redeployed in to better asset opportunities one of which was a self-storage facility. She stated the occupancy has slightly increased to 92% at current. She reviewed the history of the fund and stated there has not been a foreclosure or default in the fund's history.

The Board thanked Ms. Baxter.

### 4. Quarterly Performance Report as of June 30, 2018- Jennifer Gainfort, And Co Consulting

Ms. Gainfort reviewed the market environment stating market returns stating the US Dollar has continued to strengthen. It was reported Domestic Equity posted positive returns for the quarter. Ms. Gainfort reported the performance as of September 30, 2018. The asset allocations were reviewed as follows; Domestic Equity 52.9%, International Equity 14.6%, Domestic Fixed Income 17.7%, Global Fixed Income 4.4%, total Real Estate 8.8% and Cash Equivalent 1.7%. The Plan is in compliance and therefore a rebalance is not necessary at this time. Ms. Gainfort reported that for quarter ending September 30, 2018 the Plan's market value was \$15,096,687. She reviewed the trailing returns for the quarter. There was discussion on Gamco's underperformance. There was discussion on the large and small cap equity managements. The Board request to have a analysis preformed and presented to the next board meeting. Ms. Gainfort reviewed and commented on individual manager performance. There are no recommendations at this time.

The Board thanked Ms. Gainfort.

## CONSENT AGENDA

### 5. Ratification of invoices paid since last quarterly meeting

<u>Check#</u>	<u>Paid Date</u>	<u>Vendor / Description</u>	<u>Amount</u>
1333	8/15/2018	Pension Resource Center Administrative Fee August 2018	\$950.00
1334	8/15/2018	Klausner, Kaufman, Jensen & Levinson Legal Services Rendered through 07/31/2018	\$2,862.00
1335	8/15/2018	Ellen Schaffer Programming & Consulting Services	\$1,287.50
1336	8/15/2018	Ghering Group, Inc Fiduciary Liability Insurance 10/01/18-10/01/19	\$3,523.49
1337	8/15/2018	Garcia Hamilton & Associates	\$1,670.52

Investment Management Fees- 2nd Quarter  
2018

1338	8/15/2018	GAMCO Investors Management Fees- 2nd Quarter 2018	\$3,404.00
1339	9/11/2018	Pension Resource Center Administrative Fee- September 2018	\$950.00
1340	9/12/2018	Klausner, Kaufman, Jensen & Levinson Legal Services Rendered through 8/31/18	\$2,343.00
1341	10/10/2018	Pension Resource Center Administrative Fee- October 2018	\$950.00
1342	10/10/2018	Klausner, Kaufman, Jensen & Levinson Legal Services Rendered through 09/30/18	\$318.00
1343	10/10/2018	Gabriel, Roeder, Smith & Company Actuarial Services Rendered throguh 09/30/18	\$3,881.00
1344	10/10/2018	AndCo Consulting Services 3rd Quarter 2018	\$4,500.00

**Total: \$26,639.51**

**Custodian**

ASB Capital Management 3rd Quarter 2018	\$4,151.26
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**Total: \$4,151.26**

## 6. Benefit Approvals

The Board reviewed the warrants paid and the benefit approvals presented for approval. There was a typographical error on the spelling of William Newbern's name listed on the benefit approval.

**MOTION:**

Board Member Giblin made a motion to approve the Consent Agenda as amended. Board Member Stone seconded the motion, which carried by unanimous 3-0 vote.

## NEW BUSINESS

### 7. Legislative Update . Attorney Bonni Jensen, Klausner, Kaufman, Jensen & Levinson

Ms. Jensen reviewed Amendment 6 and informed the Board of voting which is set for tomorrow. She explained the amendment would change the level of review. The amendment would require judges and hearing officers to independently interpret statutes and rules rather than deferring to government agency's interpretation. She explained the concern of a loss of judicial deference may harm municipal pension boards.

Ms. Jensen stated the Internal Revenue Service has issued a new tax notice. The notice explains the penalty, rollover treatment and more. Ms. Jensen stated this applies to Refund of Contributions. She stated the section of the notice referring to rollovers to Roth IRA will be removed since the Plan does not allow for it.

Ms. Jensen explained the State requires a liaison. She stated Pension Resource Centers would be appointed as Records Management Liaison. She stated there is a form that should be completed and submitted to the State. She stated this requires records to be kept for 5 years however the recommendation is to keep all records until no payments are left.

MOTION:

Board Member Giblin made a motion to appoint Pension Resource Centers as Record Management Liaison and record retention. Board Member Stone seconded the motion, which carried by unanimous 3-0 vote.

Ms. Jensen updated the Board on the status of the 185 money. She explained March 15<sup>th</sup> is the deadline for filing the annual report to the State. The question at hand is whether or not to include the newly added police officers to the plan. Ms. Jensen reviewed the plan and actions that have transpired up to this point. She confirmed the Plan language and Village Ordinance have not been updated to reflect the bargaining agreement. There was a discussion on the current holding pattern with the contributions being held in the plan of the police officers who are not yet participants in the plan until the Ordinance is passed. Ms. Jensen is to draft a memo summarizing the matter at hand with the current holding of contributions for nonmembers.

Ms. Jensen notified the Board is scheduled to present to the Village Council meeting on January 10, 2019. The Board is only to present once a year going forward. Chairman Sabin will present at the January 10, 2019 council meeting.

Ms. Jensen notified the Village's Finance Department has requested to have Gabriel Roeder Smith to have a cost study performed for the Firefighters multiplier to 2.75% due to the ~~one~~ too+ clause.

MOTION:

Board Member Stone made a motion to approve Gabriel Roeder Smith to work and perform the cost study for the ~~one~~ too+ clause for firefighters at the cost of the Village. Board Member Giblin seconded the motion, which carried by unanimous 3-0 vote.

BUDGET REPORT

8. Quarterly Budget Report . Plan Administrator Kerry Dutton, Pension Resource Centers

The Board acknowledged the receipt and filed the quarterly budget report.

ADMINISTRATIVE REPORT

9. Ellen Schaffer Computer Programmer Invoice. Plan Administrator Kerry Dutton, Pension Resource Centers

Ms. Dutton reviewed the invoice but was unable to confirm the process that the invoice resulted from. The Board Tabled until the next board meeting.

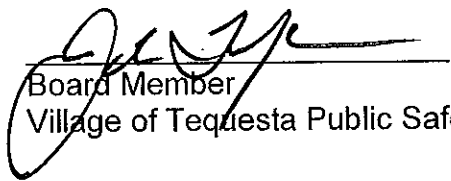
10. Draft 2019 Meeting Schedule . Plan Administrator Kerry Dutton, Pension Resource Centers

The Board reviewed and draft meeting schedule.

ADJOURNMENT

There being no further business, the meeting was adjourned at 2:52 p.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to be "J. J. [unclear]", written over a horizontal line.

Board Member

Village of Tequesta Public Safety Officers' Pension Plan