

**WEST PALM BEACH FIREFIGHTERS' PENSION FUND**  
**MINUTES OF MEETING HELD**  
**April 4, 2019**

Brian Walker called the meeting to order at 1:30 P.M. in the Training Room at Fire Station 5, 700 N. Congress Avenue, West Palm Beach, Florida. Those persons present were:

**TRUSTEES**

Brian Walker  
Guy Montante  
Ron Frano

**OTHERS**

Scott Baur and Wanda Gordon, Administrator (Resource Centers)  
Bonni Jensen, Attorney (Klausner Kaufman Jensen & Levinson)  
Brendon Vavrica, Consultant (AndCo Consulting)  
Brad Armstrong, Actuary (Gabriel Roeder Smith)  
Tony Merek and Matt Weinstein (Blackrock)  
Rick Dorey

**MINUTES**

The Board reviewed the minutes of the March 7, 2019 meeting.

- ***Ron Frano made a motion to approve the minutes of the March 7, 2019 meeting. The motion received a second from Guy Montante, approved by the Trustees 3-0.***

**ACTUARY (Brad Armstrong, Gabriel Roeder Smith)**

Brad Armstrong reported that the Valuation now uses the 7.5% earnings assumption. Should the Special Act fail to pass, then the Valuation must be modified accordingly.

The normal cost for benefits at 21.87% of payroll hardly changed due to the assumption change. Payroll, however, increased by almost 10%, more than expected. The state requires the use of a lowered payroll growth assumption in situations where the 10-year payroll growth does not exceed the payroll growth assumption. The West Palm Beach Fire payroll for the last 10 years did not grow as expected so the City's contribution increased 4.3% due to the use of this lowered growth. The Pension Fund still has \$10.6 Million in gains to recognize. The assumption changes, including the lower return assumption, increased liabilities by about \$6 Million and decreased the funded ratio about 1.5% compared to the ratio prior to the changes. The Pension Fund has a 71.2% funded ratio, same as 2017.

The net City contribution increased from \$9,065,383 to \$9,737,863 after the assumption changes, the increase resulting almost entirely from payroll growth. Mr. Armstrong reviewed the demographic changes compared to the assumptions. He also reviewed the 4-year asset smoothing and risk measures. The Pension Fund had an average market return of 14.8% for the 12 months ending September 30, 2018 and 10.1% for the trailing 5 years.

- ***Ron Frano made a motion to approve the October 1, 2018 Valuation contingent on the assumed rate of return passing with the Special Act in the Florida legislature. The motion received a second from Guy Montante and passed 3-0.***
- ***Ron Frano made a motion on the advice of the Investment Consultant that the Board expected to achieve a 7.5% return on Pension Fund assets for the next year, for the next several years, and for the long term thereafter. The motion received a second from Guy Montante and passed 3-0.***

**BlackRock (Tony Merek & Matt Weinstein)**

Mr. Merek began by reporting, BlackRock is not only the largest world investment manager but the largest manager for Police and Fire Pension Funds.

WEST PALM BEACH FIREFIGHTERS' PENSION FUND

MEETING OF ~~March 7~~, 2019

April 4,

- ***Ron Frano made a motion to approve the Warrants dated April 4, 2019, for paid and pending disbursements. The motion received a second from Guy Montante, approved by the Trustees 3-0.***

The Interim Financial Statements were presented in the packet for review.

**BENEFIT APPROVALS**

The Board reviewed the benefit approvals presented by the Administrator for April 4, 2019.

- ***Ron Frano made a motion to approve the benefit approvals for April 4, 2019. The motion received a second from Guy Montante, approved by the Trustees 3-0.***

Retirement Dinner Update: Brian Walker

The retired plan members prefer that the Board hold the dinner at a hotel or location closest to a hotel. Embassy Suites still provided the most attractive cost at \$35.00 per person. Brian Walker needs \$500 to hold the date set as June 25, 2020.

- ***Guy Montante made a motion to approve the \$500 check to hold the date. The motion received a second from Ron Frano and carried 3-0.***

Mr. Baur reviewed two handouts from TMI Trust Company and Salem Trust Company. He went on to explain Salem Trust Company was purchased by TMI Trust Company. His firm does not foresee any immediate impact to the Pension Fund. Mr. Baur further noted that Brad Rinsem retired some time ago, and Salem Trust closed their Deerfield Beach Office.

The purchase of Salem Trust by TMI will not include any immediate system changes.

**PUBLIC COMMENTS**

No members of the public had any comment

**ADJOURNMENT**

There being no further business and the next Pension Board meeting having been previously scheduled for Thursday, May 2, 2019 @ 1:30 P.M, the meeting adjourned at 3:49 PM. The meeting may be held again at Station 5.

  
Brian Walker, Secretary