

WEST PALM BEACH FIREFIGHTERS' PENSION FUND

MINUTES OF MEETING HELD

October 6, 2022

1. Dave Merrell called a workshop of the Board to order at 1:33 PM. Those persons present included:

TRUSTEES

Dave Merrell, Chair

Elizabeth Fugler (2:30 PM, Electronically)

Jeff Stefaniak

OTHERS PHYSICALLY

Scott Baur, Administrator (Resource Centers)

Bonni Jensen, Attorney (Klausner Kaufman Jensen & Levinson)

Rick Dorey, Plan Member

OTHERS ELECTRONICALLY

Brendon Vavrica, Investment Consultant (AndCo)

2. APPOINTMENT OF 5th TRUSTEE

The Board deferred the appointment of the 5th Trustee.

3. APPROVAL OF MINUTES

The Board reviewed the draft minutes for the September 8, 2022 meeting. Ms. Jensen advised the Board that the Special Act does not include any provisions allowing the Board to grant Mr. Curtis a benefit.

4. REPORTS

Investment Consultant: AndCo (Brendon Vavrica)

Mr. Vavrica reported that the assets returned an estimated -4.3% for the September 30 quarter and -14.9% for the fiscal year. The value managers substantially outperformed the growth managers for the fiscal year. The fixed income assets also posted double digit losses, with only the real estate holdings contributing positive results.

Mr. Vavrica deferred discussion of the Crawford Managed Income review book. The manager currently outperforms the current Blackrock & JP Morgan multi-asset holdings by managing a more equity-like portfolio with additional risk or volatility. Mr. Vavrica expressed continued confidence in the EuroPacific Growth international equity fund, although the Board may consider diversifying the international equity holdings with a value manager. The JP Morgan Strategic Property Fund is distributing only a small portion of the requested redemption.

September often marks the worst month for the market during the year. With both equities and fixed income assets down substantially, the portfolio had the worst fiscal year results in recent history. The best performing plans had the highest allocation of assets to real estate.

Attorney: Klausner, Kaufman, Jensen & Levinson (Bonni Jensen)

Ms. Jensen reviewed the order denying the application by Rick Curtis for a pension benefit. Mr. Curtis can request a formal hearing with evidence before the Board. After a formal hearing, the Board will issue a final order to grant or deny a benefit. The Board considered the content and the relevant case precedents cited in the order. Ms. Jensen outlined the process for the expected formal hearing. The Board will also retain special counsel in the case that Mr. Curtis requests a formal hearing. Ms. Jensen explained that the Board functions like an administrative judge or lower court. Should the Board deny the request by Mr. Curtis for a pension benefit, then Mr. Curtis will have a further appeal to the circuit court.

Ms. Jensen reported the City had a group of new hires, initially 22 in all, now down to 17. Jeff Stefaniak advised that the Fire Department will likely continue to hire more firefighters.

Administrator Report: Resource Centers (Scott Baur)

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MEETING OF OCTOBER 6, 2022

The Board reviewed the renewal of the fiduciary liability insurance with Markel and the proposed meeting dates for 2023.

Ms. Fugler joined the meeting electronically. Ms. Jensen again reviewed the details of the proposed order denying the application for a pension benefit by Rick Curtis. Ms. Jensen also noted that Mr. Curtis entered into a monetary settlement with the City of West Palm Beach when the Department did not reinstate him.

- Elizabeth Fugler made a motion to approve the order as amended, denying the application for a retirement benefit made by Rick Curtis. The motion received a second from Jeff Stefaniak, approved by the Trustees 3-0.
- Elizabeth Fugler made a motion to approve the Minutes for the meeting of September 8, 2022. The motion received a second from Jeff Stefaniak, approved by the Trustees 3-0.

5. PLAN FINANCIAL REPORTS

The Board received and reviewed the interim financial statement through August 31, 2022. The Trustees then reviewed the warrants for payment of plan expenses.

- Jeff Stefaniak made a motion to approve the Warrants dated October 6, 2022, for paid invoices. The motion received a second from Elizabeth Fugler, approved by the Trustees 3-0.

6. BENEFIT APPROVALS

The Board reviewed the benefits for approval. Mr. Baur provided additional details regarding the payment of the supplemental distribution to the beneficiaries of Hazel Grimes.

- Jeff Stefaniak made a motion to approve the benefits. The motion received a second from Elizabeth Fugler, approved by the Trustees 3-0.

7. OTHER BUSINESS

The Board considered additional details for the April 15, 2023 retirement dinner.

8. ADDITIONAL REPORTS

The Trustees received additional investment manager reports. Garcia Hamilton will attend the November 3, 2022 meeting, while DRZ will reschedule to the regular meeting scheduled for December 1.

9. PUBLIC COMMENTS

No members of the public had any comment.

10. ADJOURNMENT

There being no further business and the Board having previously scheduled the next regular meeting for Thursday, November 3, 2022 @ 1:30 PM, the Chair adjourned the meeting at 2:52 PM.

Brian Walker, Secretary