CITY OF PORT ORANGE
FIRE AND RESCUE PENSION BOARD OF TRUSTEES QUARTERLY MEETING
MINUTES
Monday, August 16, 2021, 4:30 PM

Members Present:	Jonathan Foley Joe Meeske, Secretary Chris Taylor
Members Absent:	Jim Reardon, Chairman and open position
Plan Administrator:	Julie Enright
Plan Attorney:	Pedro Herrera (via telephone)
Consultant:	Frank Wen, Burgess Chambers & Associates (BCA), Performance Monitor Doug Lozen, Actuary

CALL TO ORDER/DETERMINATION OF A QUORUM

The meeting was called to order at 4:30 PM. There was a quorum with three members present.

APPROVAL OF MINUTES – Quarterly Meeting, May 17, 2021

Member Foley moved to approve the quarterly minutes of May 17, 2021; the motion was seconded by Member Taylor and passed unanimously.

REPORTS (ATTORNEY/CONSULTANTS)

Mr. Frank Wen, Burgess Chambers (BCA), Performance Monitor, quarterly report as of June 30, 2021
Mr. Wen presented the June 30, 2021 total fund investment performance report. He reviewed the performance of the Plan noting that the 06/30/21 quarterly fund return was 4.6% and the fiscal year to date return was 20.7%. The fund value as of 03/31/21 was $40,276,365 and the fund value as of 06/30/21 was $41,938,900. BCA recommended an increase to American Realty of $500,000 and to pull funds from Fiduciary Management. They will submit paper for call when investment available. American Realty is invested in industrial and multi-family properties with 67 properties at 93% leased.

Member Meeske moved to approve increase to American Realty of $500,000 and to pull funds from Fiduciary Management, authorizing the submittal of the paper for call when investment available; the motion was seconded by Member Taylor and passed unanimously.

Also recommended a decrease in Fiduciary Management of $1.5 million as they are overweighted and move funds to Bonds, cash (to meet distributions) or where needed to meet target.

Secretary Meeske moved to rebalance up to $1.5 million to Bonds as needed from Fiduciary Management; Member Taylor second for discussion. Discussion ensued regarding options to put funds in other places as needed. Mr. Wen advised BCA recommended moving funds to Bonds. Motion carried.

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Pedro Herrera, Plan Attorney

1. Financial Disclosure form was due by July 1, 2021.
2. A portion of the State Budget was approved to give First Responders $1,000 bonus tax free from the Department of Economic Opportunity.
3. Educational opportunities: October 3-6 FPPTA and November 3-6 Division of Retirement

Julie Enright, Plan Administrator

A. PNC retiree death audit – no deaths reported by custodian bank
B. Received state approval of the 2020 Annual Report
C. Submitted the following documents to the city to be posted on the website: History of investment returns; Section 112.64 Compliance statement and Actuarial Valuation
D. Submitted Ordinance revision and Impact Statement to the Division of Retirement
E. Requested confirmation of payroll change for pensionable earnings based on approved Ordinance. Received confirmation from Human Resources
F. Requested annual verification of continued disability from retiree Jamie Wilds – received prior to meeting with confirmation of continued disability
G. Received annual confirmation of continued disability from Carol Calache
H. Posted with Fire Department open position for Vince Jones' remaining term as an elected member
I. Update of signature authorities for PNC custodian bank
J. Receipt of annual benefit statements for members from Plan Actuary
K. Next meeting scheduled for November 15

NEW BUSINESS
Consideration of annual administrative expense budget for submittal to the City and availability to Plan Members for Fiscal Year 2021/2022

Secretary Meeske moved to approve the FY 2021/2022 administrative expense budget; motion carried.

OLD BUSINESS
Continue discussion regarding actuarial analysis of reducing the investment rate of return

Discussion ensued with Actuary Lozen regarding the reduction of the investment rate of return using a phased in approach over the next couple of years. A reduction from 7.35% to 7.20% would cost $100,000; reducing by 10 basis points equals approximately $65,000. This would affect the City's FY 2022/2023 budget year.

Secretary Meeske moved to do a 10 basis point rate of return reduction; the motion was seconded by Member Taylor and the motion carried.

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RATIFICATION: DISBURSEMENTS/RETURN OF CONTRIBUTIONS AND DEPOSIT

1. Sugarman & Susskind, Professional Services dated 6/9/21 **$1,020.00**
2. PNC fees for custody, acknowledge corrected invoice for quarter end **3/31/21**, total fees: **$4,835.31 (original amount) corrected amount $4,731.32;** and amount for quarter end **6/30/21 $4,947.57**
3. Fiduciary Management Inc. **6/30/21** quarterly fee in the amount of **$13,579**
4. Burgess Chambers, Performance Monitor, **6/30/21** quarterly fee **$15,705.89**
5. SSI, quarterly fee, **6/30/21** quarterly fee - **$8,665**
6. American Realty Advisors – **6/30/21** quarterly fee -**$4,311.44**
7. Integrity Fixed Income Management – **6/30/21** quarterly fee in the amount of **$4,800.08**
8. Julie Enright, Professional Services - **$7,638.48** (quarterly administration fees paid for (May, June, July); mileage and copy charges in the amount of $43.68
9. Polen Capital Management quarter end **6/30/21** in the amount of **$6,386.45**
10. Foster & Foster, actuarial services dated 7/29/21 in the amount of **$6,821.35**
11. Distribution of annual COLA'S for June, July, August to: G. Bastian, Breedlove, Thomas, D. Bastian, Sheridan, Tufano

RETIREMENTS:

12. Vince Jones, 10 Year Certain, effective 7/1/21 and withdrawal from the DROP; Joe LaFond, 100% Joint Annuitant, effective 7/1/21 and withdrawal from the DROP; Christopher Endicott, 100% Joint Annuitant, effective 5/1/21

Member Taylor moved to approve Ratification: Disbursements/Return of Contributions, Deposist and Retirements as presented above; the motion was seconded by Member Foley and the motion carried.

STAFF REPORTS, DISCUSSION, AND ACTION - None

TRUSTEES' REPORTS, DISCUSSION, AND ACTION
Consensus of the Board for the Summary Plan Description update to be done by the Attorney, who will include changes, and the Actuary will update the chart.

REQUESTS FROM THE PUBLIC/EMPLOYEES PRESENT - None

ADJOURNMENT – There was no further business; meeting adjourned at 5:50 PM.

Respectfully Submitted:

Julie Enright

Julie Enright, Plan Administrator

Approved:

Jim Reardon

Jim Reardon, Chairman