CITY OF PORT ORANGE
FIRE AND RESCUE PENSION BOARD OF TRUSTEES QUARTERLY MEETING
MINUTES
Monday, November 16, 2020, 4:30 PM

Members Present:	Jim Reardon, Chairman
	Marilyn Ford
	Joe Meeske, Secretary
	Chris Taylor
Members Absent:	Vince Jones
Plan Administrator:	Julie Enright
Plan Attorney:	Pedro Herrera
Consultant:	Frank Wen, Burgess Chambers, Performance Monitor (BCA)

This meeting was held in the City Hall Council Chamber. Attorney Herrera attended via telephone.

CALL TO ORDER/DETERMINATION OF A QUORUM

Chairman Reardon called the meeting to order at 4:30 PM. There was a quorum with four members present.

APPROVAL OF MINUTES – Quarterly Meeting, August 24, 2020

Member Ford moved to approve the quarterly minutes of August 24, 2020; the motion was seconded and passed unanimously.

REPORTS (ATTORNEY/CONSULTANTS)

Mr. Frank Wen, Burgess Chambers (BCA), Performance Monitor, quarterly report as of September 30, 2020

A. Mr. Wen presented the September 30, 2020 total fund investment performance report. He noted the 09/30/20 quarterly fund return was up 6.2% with the FYTD fund return up 9.4%. The fund value as of 06/30/20 was $32,836,098 and the 09/30/20 fund value is $35,183,046. They are monitoring Real Estate and at this time no changes to the investment strategy are recommended.
B. Discussion of Globe Tax Services ensued, this is a firm that recovers taxes paid to foreign governments for investments held in American accounts. Custodian bank PNC requested the Board enter into a contract with them so that they can hire Globe Tax Services to recover any taxes paid from the fund. Globe Tax Services charges 20% of the refunded amount; there is no charge by PNC and the estimated amount of net recovery is $15,000. Mr. Wen will forward the necessary documents to Attorney Herrera.

Secretary Meeske moved for Attorney Herrera to confirm the rate and authorize the contract with Globe Tax Services, and to authorize the Board Chairman to sign said contract; Member Taylor seconded the motion which passed unanimously.

CITY OF PORT ORANGE
FIRE AND RESCUE PENSION BOARD OF TRUSTEES QUARTERLY MEETING
MINUTES
Monday, November 16, 2020, 4:30 PM

Pedro Herrera, Plan Attorney
Attorney Herrera presented his report as follows:

1. Reminder that the Florida Ethics Law applies to members of the Board. Regarding being given items of value: reject if item relates to an item before the Board, if value is $25 or less can accept, if value is $25 - $100 can accept and giver must report to the State, if value is $100 and more return or donate and member must report to the State.
2. Usually at the holidays the firm gives token gifts to each board member however this year the firm will be making a charitable donation to a local food bank on the pension fund's behalf.
3. Attorney will review the Summary Plan Description and submit at an upcoming meeting for Board review.
4. Florida Public Pension Trustee school may be coming up online – still pending date.

Discussion ensued regarding the Self-Directed Option in the pension ordinance. Mr. Wen noted that ICMA has the best option and that there are fees involved for the member. The City has negotiated a rate that the Board may be able piggyback on. Mr. Herrera advised the Board that the ordinance does not require the Board provide this option, and at past meetings the Board elected to not proceed with the option. Consensus of the Board is to not offer this option at this time.

Julie Enright, Plan Administrator

A. PNC retiree death audit – no deaths reported by bank
B. Submitted approved budget to City and members
C. Rebalance transfer of funds to the R&D account for payment of expenses and benefit payments 8/25/20 and 10/28/20
D. Rebalance portfolio due to receipt of premium tax distributions ($427,490.05)
E. Requested copy of signed agreement from the City regarding the insurance supplement change in order to provide the Actuary and Attorney documents for implementation to be included in the members calculations – signed document receipt pending
F. Change to retiree's deduction for health insurance premium
G. Submitted renewal application for Fiduciary Liability Insurance policy 10/5/20 to 10/5/21
H. Forwarded documents to terminated member Joshua Pollard for completion of withdrawal of employee contributions
I. Requested payroll data and forwarded to Actuary for DROP estimates on member McCraney
J. Approval of meeting schedule for 2021: February 16 (Tuesday for that meeting due to the holiday); May 17; August 16 and November 15

Member Ford moved to approve the meeting schedule for 2021; Secretary Meeske seconded the motion which passed unanimously.

NEW BUSINESS
Consideration/approval of detailed accounting of paid administrative expenses during Fiscal Year 2019/2020 for submittal to the City and availability to plan members (and Actuary for the Division of Retirement with the Annual Report)
Secretary Meeske moved to approve the paid administrative expenses during Fiscal Year 2019/2020 for submittal to the City and availability to plan members (and Actuary for the Division of Retirements with the Annual Report); Member Ford seconded the motion which passed unanimously.

CITY OF PORT ORANGE
FIRE AND RESCUE PENSION BOARD OF TRUSTEES QUARTERLY MEETING
MINUTES
Monday, November 16, 2020, 4:30 PM

OLD BUSINESS - None

RATIFICATION: DISBURSEMENTS/RETURN OF CONTRIBUTIONS AND DEPOSIT

1. Sugarman & Susskind, Professional Services dated 9/15/20 **$1,105.00**
2. PNC fees for custody, quarter end 9/30/20: FMI - **$1,012.42;** SSI -**$514.08;** Cash - **$0;** MCV - **$274.73;** Real Estate - **$80.22;** International - **$452.71;** Fixed income ETF - **$351.68;** Integrity **$866.70;** Polen Capital **$323.75;** Small Cap **$150.93** (total fees: **$4,027.22)**
3. Fiduciary Management Inc, 9/30/20 quarterly fee **$11,716.00**
4. Burgess Chambers, Performance Monitor, 9/30/20 quarterly fee - **$13,195.92**
5. SSI, quarterly fee, 9/30/20 quarterly fee - **$7,903.00**
6. American Realty Advisors – 9/30/20 quarterly fee -**$4,050.15**
7. Integrity Fixed Income Management – 9/30/20 quarterly fee **$4,323.94**
8. Julie Enright, Professional Services - **$7,416** (quarterly administration fees paid for August, September, October)
9. Polen Capital Management quarter end 9/30/20 in the amount of **$5,075.69.**
10. Fiduciary Insurance renewal premium for 10/5/20 to 10/5/2021 in the amount of **$4,266.00**
11. Distribution of annual COLA'S for September, October, November to: Binetti, Carter, DiBella, Parker, Zimmerman, Kondos, Largent
12. FPPTA annual membership renewal **$620**

Secretary Meeske moved to ratify the disbursements; Member Taylor seconded the motion which passed unanimously.

STAFF REPORTS, DISCUSSION, AND ACTION - None

TRUSTEES' REPORTS, DISCUSSION, AND ACTION - None

REQUESTS FROM THE PUBLIC/EMPLOYEES PRESENT - None

ADJOURNMENT – There was no further business; Chairman Reardon adjourned the meeting at 5:27 PM.

Respectfully Submitted:

Julie Enright

Julie Enright, Plan Administrator

Approved:

Jim Reardon

Jim Reardon, Chairman

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

Members Present:	Jonathan Foley
	Vince Jones
	Joe Meeske, Secretary
	Chris Taylor
Members Absent:	Jim Reardon, Chairman
Plan Administrator:	Julie Enright
Plan Attorney:	Pedro Herrera
Consultant:	Frank Wen, Burgess Chambers, Performance Monitor (BCA)
City Staff:	None Present
Public:	None Present

CALL TO ORDER/DETERMINATION OF A QUORUM

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

APPROVAL OF MINUTES – Quarterly Meeting, November 16, 2020

Member Taylor moved to approve the quarterly minutes of November 16, 2020; the motion was seconded by Member Jones and passed unanimously.

Consensus of Board to move Agenda Item III, 3.G. Expiring term of Chris Taylor – appointment of Fifth Member by Board and submittal to City Council for confirmation as a ministerial duty. Member Reardon reappointed and Member Meeske reelected for an additional term. Terms expire 12/31/2024.

Member Jones moved to approve appointment of Chris Taylor as fifth Member of the Board and submittal to City Council for confirmation as a ministerial duty; motion was seconded by Member Foley and passed unanimously.

REPORTS (ATTORNEY/CONSULTANTS)

Mr. Frank Wen, Burgess Chambers (BCA), Performance Monitor, quarterly report as of December 31, 2020

A. Mr. Wen presented the December 31, 2020 total fund investment performance report. He reviewed the performance of the Plan noting that the 12/31/20 quarterly fund return was up 12.3%. The fund value as of 09/30/20 was $35,183,046 and the 12/31/20 fund value is $39,440,195. He recommended a rebalancing to Fixed Income due to an overweight in stocks in the amount of $750,000 now and approval to rebalance $1.5 million in the future, if necessary.

   Member Foley moved to rebalance as recommended from large cap manager, Fiduciary, to Integrity Fixed Income in the amount of $750,000 now and approval to rebalance $1.5 million if necessary; the motion was seconded by Member Taylor and passed unanimously.

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

Pedro Herrera, Plan Attorney
Attorney Herrera reported that he would be discussing the E-Verify law at the next Board meeting.

Julie Enright, Plan Administrator
A. PNC retiree death audit – no deaths reported by custodian bank
B. Submitted the annual report of investment activity for FY 2019/2020 to the City
C. Submitted Fiscal Year 2019/2020 detailed accounting report to the City for posting and to the members via Department posting
D. Submitted completed document for Globe Tax to reclaim eligible foreign tax withholdings based on Board approval at the 11/16/20 meeting
E. Rebalanced $100,000 in portfolio to meet benefit payment requirements
F. Notified Human Resources (payroll) to stop pension contributions for DROP members J. McCraney 2/1/21 and John Ryan 1/1/21
G. Item moved to after "Approval of Minutes"
H. Florida Public Pension Trustees Association is working on a virtual Basic training program March 10 and a Certification program (April 6-9) – see website for updates
I. Next meeting scheduled for May 17
Member Taylor moved to approve ratification of invoices. Member Jones seconded the motion and passed unanimously.

NEW BUSINESS
1. Consideration/approval of the Actuarial Valuation
Foster & Foster presented the actuarial valuation noting the City's funding requirements for 09/30/21 is 72% and 09/30/22 is 74.4%, and the funding status is 70%. Noting the Average Final Compensation is applied to all benefit components and the grievance settlement from November 2020 will be in the next valuation. The Mortality Table has been changed to that used by the FRS. Assets values went from $15 million to $35 million, a $20 million increase over 20 years.
Member Taylor moved to approve the Actuarial Valuation as presented; the motion was seconded by Member Foley and passed unanimously.

2. Declare expected rate of return for this year, the next several years and the long term for submittal to the State and the City
Member Foley moved to declare the expected rate of return of 7.35%; the motion was seconded by Member Taylor and passed unanimously.

Member Taylor moved to have Foster & Foster prepare a study to see the cost for lowering the expected rate of return; the motion was seconded by Member Jones and passed unanimously. Noted is the Fee to Foster & Foster is $500.

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

3. Confirmation of effective date to be used for pension calculations to include supplement benefit pay as approved in the Grievance Settlement. The City agreed to January 1, 2013 effective date for the Grievance Settlement for benefit calculations. Consensus of the Board that they agree with the opinion letter from Attorney Herrera which outlines that only the portion of member's benefits after the effective date of change will be subject to modifications.
Member Taylor moved to authorize Foster & Foster to include the Supplemental Benefit for all retirements after January 1, 2013; the motion was seconded by Member Jones and passed unanimously.

4. Custodial Bank, PNC, fee increase for periodic payments effective 4/1/21
PNC, custodian bank, proposed a fee increase of approximately 10%. Discussion ensued regarding reasonable fees of other custodian banks. It was noted that PNC fees are approximately 5 basis points and the market is approximately 3.5 basis points for these services.
Member Foley moved to authorize the Plan Administrator to negotiate with PNC but to accept the fees if they decline; the motion was seconded by Member Jones and passed unanimously.

5. Approval for pension attorney to revise Pension Ordinance to include change to definition of salary as approved by changes to Union Agreement Article 22 – salary to include the additional item of all Specialty and Incentive Payments as pensionable as of the effective date of ratification of Ordinance and, also change to multiplier retro to hire date.
Consensus of the Board is to authorize Pension Attorney to prepare the draft ordinance and coordinate with Member Taylor for City staff review.
Member Jones moved to authorize Foster & Foster to do the actuarial impact study as of ratification date; the motion was seconded by Member Foley and passed unanimously.

OLD BUSINESS - None

RATIFICATION: DISBURSEMENTS/RETURN OF CONTRIBUTIONS AND DEPOSIT

1. Sugarman & Susskind, Professional Services dated 1/19/21 **$2,040.00**
2. PNC fees for custody, quarter end 9/30/20: FMI - **$1,155.52;** SSI -**$622.54;** Cash - **$0;** MCV - **$340.40;** Real Estate - **$86.66**; International - **$606.48;** Fixed income ETF - **$354.47;** Integrity **$878.77;** Polen Capital **$364.23;** Small Cap **$191.82** (total fees: **$4,600.89**
3. Fiduciary Management Inc. 12/31/20 quarterly fee in the amount of **$13,276**
4. Burgess Chambers, Performance Monitor, 12/31/20 quarterly fee **$14,783.79**
5. SSI, quarterly fee, 12/31/20 quarterly fee - **$8,803**
6. American Realty Advisors – 12/31/20 quarterly fee -**$4,096.32**
7. Integrity Fixed Income Management – 12/31/20 quarterly fee in the amount of **$4,347.32**
8. Julie Enright, Professional Services - $**7416** (quarterly administration fees paid for November, December, January); mileage and copy charges in the amount of $65.65
9. Polen Capital Management quarter end 12/31/20 in the amount of **$5,590.77**
10. Foster & Foster, actuarial services dated 1/26/21 in the amount of **$17,618.00 a**nd dated 12/13/20 in the amount of **$1,365.00**

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

11. Distribution of annual COLA for December, January, February to: Amos, Burgman, Shelton, Whalen, Ballinger, Calache, Campbell, Crouch (one-time payment), Dickerson, Ferda, Jania, Kinnamon, Miller, Price, Robertson, Sedacca, Staley, Vola, Weber, Whitaker, Carrasquillo, Fast, Hodgins, Hooker, Jennetten, Traster
12. Insurance deduction changes processed for retirees Carter, Sedacca, Carrasquillo

Member Taylor moved to ratify the disbursements, return of contributions and deposit items 1-12 above; motion was seconded by Member Jones and passed unanimously.

STAFF REPORTS, DISCUSSION, AND ACTION - None

TRUSTEES' REPORTS, DISCUSSION, AND ACTION - None

REQUESTS FROM THE PUBLIC/EMPLOYEES PRESENT - None

ADJOURNMENT – There was no further business; meeting adjourned at 5:40 PM.

Respectfully Submitted:

Julie Enright, Plan Administrator

Approved:

Jim Reardon, Chairman