

**WEST MANATEE FIRE & RESCUE DISTRICT
FIREFIGHTERS' RETIREMENT PLAN BOARD OF TRUSTEES
QUARTERLY MEETING MINUTES
701 63rd St. West, Bradenton, FL 34209**

Friday, May 19, 2023, at 9:00AM

TRUSTEES PRESENT: Dan Tackett
Stewart Moon
Andrew Powers
Burdette "Bud" Parent

TRUSTEES ABSENT: Scott Ricci

OTHERS PRESENT: Scott Christiansen, Christiansen & Dehner
Kerry Richardville, AndCo Consulting
Jennifer Gainfort, AndCo Consulting
Chrissy Stoker, Foster & Foster

1. **Call to Order** – Dan Tackett called the meeting to order at 9:02AM and a quorum was determined.
2. **Roll Call** – As reflected above.
3. **Public Comments** – None.
4. **Approval of Minutes**

The February 3, 2023, quarterly meeting minutes were approved as presented, upon motion by Stewart Moon and second by Bud Parent; motion carried 4-0.

1. **New Business**
 - a. Update on Trustee terms
 - i. Chrissy Stoker commented Andrew Powers replaced Chad Brunner as a Firefighter Trustee, and his term was effective through March 31, 2027. Chrissy reminded the Board they re-selected Scott Ricci as the Fifth Trustee at the February meeting, and the District Board of Commissioners ratified his appointment on February 21, 2023.
 - b. Election of Officers
 - i. Chrissy Stoker commented Board Officers were elected every two years, noting Dan Tackett was the Chair and Scott Ricci was the Secretary.

The Board voted to reselect the current Board Officers for another term, upon motion by Bud Parent and second by Andrew Powers; motion carried 4-0.

2. **Reports**
 - a. AndCo, Kerry Richardville/Jennifer Gainfort, Investment Consultant
 - i. Quarterly report as of March 31, 2023
 1. Jennifer Gainfort gave an overview of the market environment over the quarter commenting large cap funds led the way specifically those with a growth lean. Jennifer discussed interest rates and inflation.
 2. Jennifer Gainfort reviewed the domestic equity style index performance.
 3. Jennifer Gainfort briefly discussed the yield curve commenting it was inverted which was an indicator of a recession.
 4. The market value of assets as of March 31, 2023, was \$27,204,364.
 5. Jennifer Gainfort reviewed the Fund's asset allocations, commenting 45.9% was in Domestic Equity, 15.4% was in International Equity, 25.6% was in Domestic Fixed Income, 3.9% was in Global Fixed Income, 8.7% was in Real

- Estate, and 0.5% was in cash. Jennifer had no recommendations to rebalance.
6. Stewart Moon asked about the performance and cash flow of the real estate portfolio. Kerry Richardville commented rising interest rates had an impact on real estate, but their manager was in line with the index and only had about 22% allocated to office spaces. Kerry added multifamily and retail spaces were rebounding a bit even though office space was still suffering.
 7. The Board and the investments consultants further discussed real estate.
 8. Jennifer Gainfort reviewed the financial reconciliation of the Fund over the quarter and the fiscal year to date.
 9. Preliminary total fund net returns for the quarter were 4.76%, slightly underperforming the policy benchmark of 4.84%. Total fund preliminary net trailing returns for the 1-, 3-, and 5-year periods were -6.27%, 10.25% and 5.84%, respectively. Since inception (01/01/1999), total fund net returns were 5.68%, slightly outperforming the policy benchmark of 5.59%.
 10. Jennifer Gainfort reviewed the performance of each manager.
 11. Jennifer Gainfort recommended the Board to look at diversifying their investments in the international value space.
- ii. International Equity/Value Search
1. Jennifer Gainfort presented options for a manager to complement American EuroPacific Growth. Jennifer reviewed Ariel Institutional, DFA, Dodge & Cox, and TransAmerica, commenting all were mutual funds with long track records. Jennifer gave an overview of each firm and reviewed fees, strategy, team information, and portfolio construction.
 2. Jennifer Gainfort reviewed the current portfolio regional allocation and holdings-based style analysis for each manager.
 3. Jennifer Gainfort reviewed the trailing performance of each manager over the last 10 years, commenting DFA was the top performer across all time periods.
 4. Jennifer Gainfort recommended the Board to take their current international equity exposure with EuroPacific Growth and move 50% into the DFA International Value Fund.

The Board voted to split their current international equity allocation to the EuroPacific Growth Fund and move 50% into the DFA International Value Fund, upon motion by Dan Tackett and second by Andrew Powers; motion carried 4-0.

- b. Christiansen & Dehner, Scott Christiansen, Plan Attorney
- i. Scott Christiansen reviewed the annual Form 1 filing requirement.
 - ii. Scott Christiansen reminded the administrator to prepare the proposed budget for the upcoming fiscal year to present at the next meeting.
 - iii. Summary Plan Description (SPD)
 1. Scott Christiansen commented he would bring the updated SPD to the next meeting for Board approval pending adoption of the drafted ordinance.
 - iv. Proposed ordinance
 1. Scott Christiansen reviewed the changes proposed in the drafted ordinance, commenting the pension plan was tax-qualified so whenever the Internal Revenue Code was changed, he made updates to keep them compliant.
 2. Scott Christiansen reviewed the SECURE Act 2.0 gave the Board more discretion when seeking recovery of inadvertent overpayments so he added language to reflect this. Stewart Moon asked how overpayments occurred. Scott reviewed the forms of benefit that included future changes that could result in inadvertent overpayments if they were not monitored.
 3. Scott Christiansen commented the SECURE Act 2.0 made additional changes to the Required Minimum Distribution (RMD) age, so he added language to provide compliance with the RMD age "as amended from time to time".
 4. Scott Christiansen commented cancer presumption language was included in the drafted ordinance.

5. Scott Christiansen commented he added language to allow members to purchase prior service by way of payroll deductions in addition to the lump sum option.

The Board voted to approve the proposed ordinance amendment as presented and direct Scott Christiansen to send it to the District for consideration, upon motion by Stewart Moon and second by Bud Parent; motion carried 4-0.

- v. Scott Christiansen discussed House Bill 3 which prohibited the Board from considering any "ESG" (environmental, social, or governance) factors when making investment decisions.

3. **Old Business** – None.

4. **Consent Agenda**

a. Payment ratification

i. Warrant #88

1. Salem Trust, 4 th quarter, custodial services (AUTO DEDUCT)	\$2,306.26
2. Foster & Foster, invoice #25827, actuarial services	\$13,332.00
3. Christiansen & Dehner, invoice #35656, legal services	\$248.50
4. Dana, invoice #96071, investment management	\$2,195.30
5. Foster & Foster, invoice #26150, plan administration	\$1,040.00
6. Christiansen & Dehner, invoice #35709, legal services	\$1,162.75
7. Foster & Foster, invoice #26370, plan administration	\$1,045.88

ii. Warrant #89

1. Christiansen & Dehner, invoice #35750, legal services	\$1,391.60
2. Salem Trust, 1 st quarter, custodial services (AUTO DEDUCT)	\$2,481.17
3. Foster & Foster, invoice #26656, plan administration	\$1,040.00
4. Christiansen & Dehner, invoice #35784, legal services	\$99.40
5. Dana, invoice #100666, investment management	\$2,242.58

b. New invoices for payment

i. None

c. Fund activity report for January 28, 2023, through May 12, 2023

The Board approved the consent agenda as presented, upon motion by Stewart Moon and second by Bud Parent; motion carried 4-0.

5. **Staff Reports, Discussion, and Action**

a. Foster & Foster, Chrissy Stoker, Plan Administrator

i. Update on State Annual Report

1. Chrissy Stoker commented the District audit had been added to the Annual Report and we were now waiting on the approval letter from the State.

ii. Update on benefits overpayments

1. Chrissy Stoker commented she reviewed the future change dates for the applicable retirees and would provide the amounts adjusted for COLAs to Salem Trust when the July 1 COLA schedule was received from the actuary.

6. **Trustees' Reports, Discussion, and Action** – None.

7. **Adjournment** – The meeting adjourned at 10:05AM.

8. **Next Meeting** – August 18, 2023, Quarterly Meeting at 9:00AM.

Respectfully submitted by:

Chrissy Stoker
Chrissy Stoker, Plan Administrator

Approved by:

[Signature]
Dan Tackett, Chairman

Date Approved by the Pension Board:

August 18, 2023