

City of Boynton Beach Municipal Firefighters Pension Trust Fund

MINUTES

August 1, 2018
9:00 AM

The regular meeting of the Board of Trustees of the City of Boynton Beach Municipal Firefighters Pension Trust Fund was called to order on behalf of the Board by Chairman Matt Petty, on August 1, 2018 at 9:11 A.M. at 2080 High Ridge Road, Boynton Beach, Florida 33325

TRUSTEES PRESENT:

Mr. Matt Petty – Chairman; Mr. Jon Raybuck – Secretary; Mr. Stan Cale – Trustee; Ex-Official Chief Glenn Joseph (arrived at 9:50 A.M.)

ABSENT:

Mr. Robert Taylor – Trustee & Ms. Helen Bush - Trustee

OTHERS PRESENT:

Mr. Adam Levinson- Board Attorney; Mr. Bob Dorn, Plan Administrator – Precision Pension Administration, Inc.; Mr. David West – AndCo Consulting;

It should be noted that there was a quorum for the Board to have an official meeting.

PUBLIC DISCUSSION:

No public comments presented.

CONSENT AGENDA:

APPROVAL OF THE MINUTES:

The Board of Trustees reviewed the minutes for the May 2, 2018 meeting. A Motion was made by Trustee Raybuck to approve the minutes. The Motion was seconded by Trustee Cale. The Motion passed 3-0.

Mr. Dorn presented to the Board Warrants 085 through 110 for payment. The Board reviewed and discussed each Warrant and the attached invoices. A Motion was made by Trustee Raybuck to approve Warrants 085- through 110. The Motion was seconded by Trustee Cale. The Motion passed 3-0.

WARRANT 085

This Warrant is to Retiree Dennis Flushing for a partial DROP disbursement from his DROP account. This is a one-time payment. The amount of this Warrant is for \$25,000.00.

WARRANT 086

This Warrant is to Klausner, Kaufman, Jensen & Levinson for legal services rendered through 4/30/2018. The invoice number is 21662 The amount of this Warrant is for \$2,065.00.

WARRANT 087

This Warrant is to Retiree James Witt for a partial DROP disbursement from his DROP account. This is a one-time payment. The amount of this Warrant is for \$10,000.00.

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WARRANT 088

This Warrant is Mr. Joshua Gordon for a refund of his pension contributions. The amount of this Warrant is for \$3,530.53.

WARRANT 089

This Warrant is to Anchor Capital Advisors, LLC for investment management services rendered to the Fund from 1-1-2018 to 3-31-2018. The amount of this Warrant is for \$18,147.21.

WARRANT 090

This Warrant is Chairman Petty for reimbursement for travel, per diem and conference fees for NCPERS Pension Conference. All necessary travel forms have been submitted by Chairman Petty. The amount of this Warrant is for \$2,137.98.

WARRANT 091

This Warrant is to Retiree Luke Henderson for a partial DROP disbursement from his DROP account. This is a one-time payment. The amount of this Warrant is for \$25,000.00.

WARRANT 92

This Warrant is to Retiree Richard Baier for a partial DROP disbursement from his DROP account. This is a one-time payment. The amount of this Warrant is for \$25,000.00.

WARRANT 93

This Warrant is to Precision Pension Administration for colored copy charges from 5/2017 to 5/2018. The invoice number is 20-2756572. The amount of this Warrant is for \$206.30.

WARRANT 94

This Warrant is to Klausner, Kaufman, Jensen & Levinson for legal services rendered through 5/31/2018. The invoice number is 21662 The amount of this Warrant is for \$6,755.00.

WARRANT 95

This Warrant is to Brandon Brescia for a reoccurring monthly retirement benefit payment starting on 07/01/2018. The amount of this Warrant is for \$6,348.96. Mr. Brescia retired on 6/30/2018. This Warrant will continue each month until stopped by the Board of Trustees or the Plan Administrator.

WARRANT 96

This Warrant is to Brenton Tracy for a reoccurring monthly retirement benefit payment starting on 09/01/2018. The amount of this Warrant is for \$2,903.31. Mr. Tracy retired on 10/26/2011 and completed 12 years of service. This Warrant will continue each month until stopped by the Board of Trustees or the Plan Administrator.

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WARRANT 97

This Warrant is to Gabriel, Roeder, Smith & Company for actuarial services rendered through 5/31/2018. The invoice number is 438852. The amount of this Warrant is for \$2,422.00.

WARRANT 98

This Warrant is to AndCo Consulting, LLC for investment performance consulting services rendered from 4/1/2018 through 6/30/2018. The invoice number is 25479. The amount of this Warrant is for \$10,000.00.

WARRANT 99

This Warrant is to Retiree James Witt for a partial DROP disbursement from his DROP account. This is a one-time payment. The amount of this Warrant is for \$20,000.00.

WARRANT 100

This Warrant is to Elizabeth Rehr for a DROP loan in the amount of \$12,435.00. The repayment period starts on 8/1/2018 for a period of 60 months.

WARRANT 101

This Warrant is to Robert Rehr for a reoccurring monthly retirement benefit payment starting on 08/01/2018. The amount of this Warrant is for \$7,387.18. Mr. Rehr retired on 7/31/2018. This Warrant will continue each month until stopped by the Board of Trustees or the Plan Administrator.

WARRANT 102

This Warrant is to Klausner, Kaufman, Jensen & Levinson for legal services rendered through 6/30/2018. The invoice number is 21989. The amount of this Warrant is for \$455.00.

WARRANT 103

This Warrant is Chairman Petty for reimbursement for travel, per diem and conference fees for FPPTA Pension Conference. All necessary travel forms have been submitted by Chairman Petty. The amount of this Warrant is for \$1,538.08

WARRANT 104

This Warrant is to DSM Capital Partners, LLC for investment management services rendered to the Fund from 7-1-2018 to 9-30-2018. The amount of this Warrant is for \$38,844.05.

WARRANT 105

This Warrant is to Robert Dorn for reimbursement of postage expenses related to Pension fund business. The amount of this Warrant is for \$20.10.

WARRANT 106

This Warrant is to Retiree Edward Leamon for a partial DROP disbursement from his DROP account. This is a one-time payment. The amount of this Warrant is for \$10,000.00.

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WARRANT 107

This Warrant is to Brandon Brescia for refund of his rollover of sick and vacation time. The amount of this Warrant is for \$10,541.08.

WARRANT 108

This Warrant is to Robert Dorn for reimbursement of office supplies and postage expenses related to Pension fund business. The amount of this Warrant is for \$114.64.

WARRANT 109

This Warrant is to Anchor Capital for Investment Management Fees through 06-30-2018. The amount of this Warrant is \$18,510.25.

WARRANT 110

This Warrant is for the 10-01-2018 annual cost of living increase.

Chief Joseph arrived at 9:50 A.M.

NEW / UNFINISHED BUSINESS:

MONITOR REPORT:

Mr. David West made the presentation to the Board for AndCo Consulting. Mr. West gave an overview of the domestic and foreign markets to the Board. Mr. West advised that on 6/30/2018 the Fund's value was \$112,305,776. Mr. West reported to the Board the following investment reports for the portfolio:

RETURN PERIODS

<u>NAME</u>	<u>Quarter</u>	<u>Fiscal Year</u>	<u>1-Year</u>	<u>3-Year</u>
Total Fund Net	1.53%	5.43%	9.07%	8.23%
Total Fund Gross	1.63%	5.69%	9.43%	8.66%
<i>Domestic Equity</i>				
Anchor All Cap Value	2.23%	4.46%	8.37%	8.98%
Vanguard 500 Index	3.72%	9.44%	14.34%	11.88%
DSM Large Growth	4.72%	13.94%	21.47%	13.84%
Vanguard Mid-Cap	2.57%	8.37%	12.10%	9.22%
<i>International Equity</i>				
WCM Internat Growth	0.87%	7.95%	12.60%	10.57%
American EuroPacific	-2.87%	2.33%	9.35%	6.51%
<i>Domestic Fixed Income</i>				
Schroders Core fixed	0.06%	-1.16%	-0.54%	1.60%
Schroders TIPS	0.57%	0.82%	1.60%	1.73%
<i>Global Fixed Income</i>				
PIMCO Diversified Income Fund				

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-0.73% -0.77% 1.45% 5.22%

Real Estate

Intercontinental	2.89%	8.67%	11.42%	12.59%
ASB RE	1.99%	6.18%	7.01%	7.70%

Mr. West reported no recommendations for allocation of assets or changes in investment managers at this time. Mr. West advised that the active managers outperformed the index funds except for DSM.

Mr. West presented to the Board private infrastructure manager analysis. The role infrastructure assets provide current income and expected total return, diversification benefits from lower correlation, and inflation hedging characteristics. The performance evaluation is typically made on a relative basis with other infrastructure strategies of a similar vintage. The vintage is the calendar year the manager began investing the fund's capital. Infrastructure is defined as essential public services and facilities needed for the general economic operation of a region. Infrastructure assets typically fall in four main sectors: transportation, energy, utilities and communication. The Board and Mr. West discussed the infrastructure manager search. The Pension Fund has similar type investments in the real estate sector (Intercontinental & ASB RE managers). The Board decided at this time not to invest the Pension Fund's assets in the infrastructure sector.

Mr. West discussed with the Board about the expected incoming funds from the City's prepayment of their contributions to the Pension Fund and the Chapter 175 funds from the State of Florida. Mr. West advised that the funds are usually around five million each year. Mr. West made suggestions for the that 2 million be invested in International Equity, 2 million in Domestic Equity and 1 million in the Schrodgers' tips. The Board discussed this recommendation and agreed. Trustee Raybuck made a Motion to prorate the expected incoming funds to 40% to International Equity, 40% to Domestic Equity and 20% to the Schrodgers' Tips account. The Motion was seconded by Trustee Cale. The Motion passed 3-0.

ATTORNEY REPORT:

Mr. Levinson advised that he reviewed the Administrative Policy on the use of credit cards for the Board of Trustees and Plan Administrator. The Board reviewed and discussed the Administrative Policy. Trustee Raybuck made a Motion to approve the Administrative Policy on credit cards. The Motion was seconded by Trustee Cale. The Motion passed 3-0.

Mr. Levinson reviewed with the Board the City Ordinance, Union Contract and Summary Plan description on the factors that can be used in calculating the members Average Final Compensation (AFC). Mr. Levinson advised that based on his review, compensatory time has pension contributions deducted from this time and compensatory time should have been used in calculating members AFC. Mr. Dorn advised that compensatory time has been used in the AFC in the past and also in rollover amounts to the DROP. Mr. Dorn advised that this procedure was stopped on 09/30/2013. The Board discussed this issue and the aforementioned documents. Trustee Raybuck made a Motion that all members from 09/30/2018 who retired or entered the DROP have their

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AFC recalculated if compensatory time was not used. The Motion was seconded by Trustee Cale. The Motion passed 3-0.

Trustee Raybuck made a Motion that all members who entered the DROP after 09/30/2018 and did not have their compensatory time rolled over to their DROP account will have the option of having the interest on the compensatory time as if the funds were rolled over and added to their DROP account or the member can deposit the funds into their DROP and also have the interest added. The Motion was seconded by Trustee Cale. The Motion passed 3-0.

Chairman Petty advised that the members should be given a short period if they decided to deposit the funds into the DROP. Mr. Dorn advised that notification will be given to the members and a short period will be set for the members to make the deposit. Mr. Dorn that he will gather the information and send to the actuary upon payment being received from affected members.

PLAN ADMINISTRATOR:

Mr. Dorn advised that Louise Allen passed away in July/2018 and her benefit payment was stopped.

Mr. Dorn advised that there was one refund since the last meeting and that was for ex-member Joshua Gordon.

Mr. Dorn advised that Brandon Brescia retired on 6/30/2018 and his monthly benefit payment is \$6,348.96 which was approved previously in Warrant 95. Mr. Brescia benefit payment will start on 9/1/2018. Mr. Dorn advised that Brent Tracy had a deferred vested benefit and his benefit payment will start on 9/1/2018. Mr. Tracy's monthly benefit payment is \$2,903.31 and was previously approved in Warrant 96. Mr. Dorn advised that Robert Rehr retired on 7/31/2018 and his first benefit payment will start on 8/1/2018. Mr. Dorn advised that Mr. Rehr's monthly benefit payment is 7,387.18 and was previously approved in Warrant 101.

Mr. Dorn advised that there were no new DROP entry members since the last meeting. Mr. Dorn advised that retiree Elizabeth Rehr completed all necessary forms for a DROP loan in the amount of \$12,435.00. The Board acknowledged this.

Mr. Dorn advised that Crescent Direct Lending had a capital call due on 6/22/2018 in the amount of \$210,553.00. This transfer of funds was previously approved by the Board during the August 9, 2017 meeting. Mr. Dorn advised that all of the proper forms was sent to Regions Bank on 6/12/2018. The Bank notified me that the transfer occurred. On the following Monday, Mr. Dorn was contacted by Mr. Michael Rodgers (Crescent Direct Lending) who advise that the funds were never received. I contact Regions Bank representatives who advised that there was an issue in the wire room, but the funds will be transfer. Crescent Directing Lending received the funds on Tuesday which was two days after the Capital Call due date. There was no penalties or issues from Crescent Direct Lending.

Mr. Dorn advised that all of the Trustees State of Florida Financial Disclosure Form 1 has been received by the Supervisor of Elections and posted on the web site.

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The Board reviewed the SunTrust Certificate of Authority to authorize the use of credit cards by the Board of Trustees and Plan Administrator. Trustee Cale made a Motion to approve the Certificate of Authority from SunTrust Bank and to authorize Mr. Dorn to complete all necessary forms for the credit cards. The Motion was seconded by Trustee Raybuck. The Motion passed 3-0.

OPEN DISCUSSION:

None

ADJOURN:

Trustee Raybuck made a Motion to adjourn the meeting. Trustee Cale seconded the Motion. Motion passed 3-0. The meeting was adjourned at 11:45 A.M.



Matt Petty, Chairman

FOR THE BOARD