



City of North Port

4970 CITY HALL BLVD
NORTH PORT, FL 34286

Meeting Minutes - Draft Municipal Firefighters Pension Trust Fund Board of Trustees

Wednesday, March 16, 2022

9:00 AM

City Hall Room 244

1. Call to Order

Plan Administrator Dave Carroll called the meeting to order at 9:00 a.m.

2. Roll Call

Present 4 - Board Member Kaskey, Board Member Bearse, Chair McCloud and Board Member Hawes
Absent 1 - Board Member Duff

Also Present

Attorney Paul Donnelly (Donnelly & Gross), Kerry Richardville (AndCo), Mark Rhein (Salem Trust), Plan Administrator Dave Carroll, and Recording Secretary Susan Hale.

3. Pledge of Allegiance

The Pledge of Allegiance was led by the Board.

4. Public Comment

Ellen Keho: concern regarding the Pension's Share Plan's 13th annual check to retirees.

Mr. Carroll spoke to the Board's Ordinance and the 13th check.

Discussion ensued regarding the Hanes City Fire Department, non-negotiable pension benefits, origin of the Share Plan, pension benefits subject to collective bargaining, changes brought to the bargaining table by the City or the International Association of Fire Fighters (IAFF) Union.

Mr. Donnelly spoke to Florida being the only state granting collective bargaining and Board of Trustees being an administrative body.

Discussion continued pertaining to the Board administering the current Pension Plan and the responsibility of the Board of Trustees to Pension members, initial distribution of Share Plan, and current money available from the annual insurance distribution.

Mr. Donnelly addressed the status quo and ensuring Pension Members receive benefits.

Discussion continued regarding Board administering the current Pension fund, requesting the Share Plan be reviewed, fiduciary duty of the Board, requesting information, and information in the Start/Stop Ordinance.

A motion was made by Board Member Kaskey, seconded by Board Member

Bearse, to direct Attorney Donnelly to write a letter to the City and the IAFF Union requesting they reevaluate the initial decision regarding Share Plan distribution and any financial impact. The motion carried unanimously on a voice vote.

5. Discussion and Possible Action Regarding Selection of Fifth Member

Mr. Carroll introduced the item and clarified the process in which the fifth member of the Board of Trustees is appointed.

PUBLIC COMMENT:

Chris Krajic requested to be considered for the open seat.

Nominations were opened. Chris Krajic and Scott Duff were nominated. A voice vote was taken wherein Scott Duff received three votes and Chris Krajic received one vote. Therefore, Mr. Duff was chosen as the fifth Member of the Firefighters' Pension Board of Trustees.

6. Discussion and Possible Action Regarding Selection of Chair and Secretary

Mr. Carroll introduced the item and reviewed the duties of the Chair and Secretary.

Discussion ensued regarding nominations.

Board Member Bearse nominated Terry McCloud as Chair of the Firefighters' Pension Board of Trustees. There were no other nominations. The nomination carried unanimously on a voice vote.

Chair McCloud nominated Scott Duff as Secretary of the Firefighters' Pension Board of Trustees. There were no other nominations. The nomination carried unanimously on a voice vote.

7. Approval of Minutes

- A. [22-2344](#) Approval of Minutes for the December 17, 2021 Firefighters' Pension Board of Trustees Minutes.

Chair McCloud introduced the item.

A motion was made by Board Member Bearse, seconded by Board Member Kaskey, to approve the Minutes as presented. The motion carried unanimously on a voice vote.

8. Approval of Budgeted Expenditures

- A. [22-2369](#) Budgeted Expenditures

Chair McCloud introduced the item.

Mr. Carroll spoke to the receivables, noted nothing out of the ordinary being paid out, and requested a motion to approve.

A motion was made by Board Member Kaskey, seconded by Board Member Bearse, to approve the Expenditures as presented. The motion carried unanimously on a voice vote.

9. Investment Consultant Report: Kerry Richardville

A. [22-2370](#) Quarterly Report Ending 12-31-2021

Ms. Richardville provided a review of the quarter including page 5 and the market environment, Standard & Poor's (S&P) was up by 11%, a handful of stocks responsible for strong results, Fixed Income stocks remained flat for the quarter, page 12 The Market Environment Trailing Returns focused on the Treasury Yield Curve and showed an increase in rates due to strong inflation, the portfolio's real estate holdings were the bright spot with Odyssey besting its own record with a 7.7% gain, page 14 Asset Allocations showed the market value at year's end being \$68,268,155, page 16 Asset Allocation Compliance compared targets and ranges showing all boxes comfortably within ranges, there were no recommendations for rebalancing, page 22-24 Trailing Returns had strong numbers and a 4.91% net gain was a good return for the quarter, looking back at the 1 year return (14.27%), 3-year return (15.84%), and 5-year return (11.88%) showed the portfolio in good standing, and strong domestic equity holdings helped exceed the target of 7.75% gain on returns, reviewed each manager's returns for the quarter, there is no direct exposure to Russia in the Euro-Pacific market but the Board will be notified if that situation changes, the MSF (Mutual Fund Investments) Growth Manager underperformed this quarter and AndCo will watch them through the end of year.

Mr. Carroll spoke to using money from the Fixed Income Fund for big Deferred Retirement Option Plan (DROP) payouts.

A motion was made by Board Member Kaskey, seconded by Board Member Bearer, to approve the Investment Quarterly Report Ending 12-31-2021. The motion carried unanimously on a voice vote.

10. Foster & Foster: Not Attending

Chair McCloud introduced the item.

Mr. Carroll noted that Foster & Foster is performing experience study which will be on the June meeting's agenda.

11. Attorney Report: Paul Donnelly

Chair McCloud introduced the item.

Mr. Donnelly had nothing to report, spoke to finding competent substantial evidence in a disability hearing, and the petitioner's rights to appeal disputed facts.

12. Salem Trust: Update from Custodian: Mark Rhein

A. [22-2586](#) Engagement Letter

Mr. Rhein provided an overview of Salem Trust's part as the Plan's financial custodian of funds, and distributed a Legal Representation Agreement specializing in bankruptcies.

Mr. Donnelly, addressed the Agreement, the Board required to hire a class action firm specializing in bankruptcy, and final Agreement being signed by the Board Chair.

B. [22-2791](#) Online Portal

Chair McCloud introduced the item.

Mr. Rhein distributed documents and explained the process for pensioners to access the online portal.

Mr. Donnelly spoke to using portals as a step toward paperless business.

Mr. Rhein noted which boxes are optional on the portal form.

Mr. Carroll expressed concern regarding the optional services.

Mr. Rhein spoke to leaving the optional service box unchecked, ability to modify the form, accounts only being accessible to the retiree, and reports being accessible to plan administrators.

There was a consensus to direct Mr. Carroll to review the Retiree Online Pensioner Portal for further discussion at the next meeting. The motion carried unanimously on a voice vote.

13. Discussion and Possible Action Regarding the Firefighters' Pension -- Local Option Trust Fund's Independent Audit

A. [22-2371](#) Independent Audit

Mr. Carroll introduced the item and requested a motion to approve an independent study by Foster & Foster.

A motion was made by Board Member Kaskey, seconded by Board Member Bearse, to approve the Mauldin & Jenkins Independent Auditor's Report ending September 30, 2021. The motion carried unanimously on a voice vote.

Discussion took place concerning the Board's codified legislation.

Mr. Carroll stated he will contact the City's Records Management Administrator.

A motion was made by Board Member Kaskey, seconded by Board Member Bearse, to direct Mr. Carroll to work on receiving the codified Board legislation. The motion carried unanimously on a voice vote.

Discussion ensued regarding a Letter to the Union regarding the Share Plan and Union contract negotiations being scheduled for 2024.

A motion was made by Board Member Kaskey, seconded by Board Member Hawes, to task Attorney Donnelly, the Board Chair and Mr. Carroll to draft a letter to be signed by the Board Chair to the City and Union requesting to consider opening the Share Plan to previously retired members that are not currently receiving it. The motion carried unanimously on a voice vote.

14. Public Comment

There was no public comment.

12. Adjournment

Chair McCloud adjourned the meeting at 11:06 a.m.

By: _____
Terry McCloud, Chair

Minutes approved on the ___ day of _____, 2022.