



City of North Port

4970 CITY HALL BLVD
NORTH PORT, FL 34286

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

Wednesday, June 15, 2022

9:00 AM

City Hall Room 244

1. Call to Order

Chair McCloud called the meeting to order at 9:00 a.m.

2. Roll Call

Present 5 - Chair McCloud, Board Member Duff, Board Member Kaskey, Board Member Bearse and Board Member Hawes

Also Present

Attorney Jim Brantley (Donnelly & Gross), Kerry Richardville (AndCo), Doug Lozen (Foster & Foster), Dave Carroll (Plan Administrator), and Recording Secretary Susan Hale

3. Pledge of Allegiance

The Pledge of Allegiance was led by the Board.

4. Public Comment

There was no public Comment.

5. Approval of Minutes

- A. [22-2891](#) Approval of Minutes for the March 16, 2022 Firefighters' Pension Board of Trustees Meeting.

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

6. Approval of Budgeted Expenditures

- A. [22-3010](#) 2021-2022 Budgeted Expenditures

Chair McCloud introduced the item.

Mr. Carroll provided a brief report regarding the budget and noted all items are in line with projected future expenditures.

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

7. Investment Consultant Report: Kerry Richardville

A. [22-3009](#) Quarterly Report Ending 03-31-2022

Chair McCloud introduced the item.

Ms. Richardville reported stocks were down for the quarter due in part to geo-political issues and inflation, indices of S&P showed a downward trend of -4.6% with Mid and Small Caps down between -5.3% and -7.5% respectively. The international market was also down for the same reasons. Emerging markets were down -7% and developed markets were down -6%. Fixed Income holdings reacted to the Feds raising interest rates sending Bonds down -5% to -8% and TIPS were down -3%. The 10-year yield curve continued their pattern of raising rates on short-term holdings. Real estate holdings showed an unsustainable 50% appreciation rate. Page 12 detailed the market values of each of the Portfolio's Managers, and the total market value of the fund for the quarter was \$64,238,678. The asset allocations are on target and no rebalancing is needed. Overall returns for the quarter showed a loss of -4.81% compared to the benchmark returns at -4.27%.

Ms. Richardville spoke to the bond market and the expected stabilization of bond prices.

8. Foster & Foster: Doug Lozen

A. [22-3103](#) Foster and Foster Actuarial Experience Study

Chair McCloud introduced the item.

Mr. Lozen provided a review including stable funding requirements, components of realistic investment assumptions, patterns of employee retirements, assumptions based on a 10-year average, salary, turnover, retirement assumptions, the pension fund benefits moving from contributions to investment returns, assumptions based on a 10-year average, the pension fund using a 6.75% investment rate, anticipated City contribution increases, funding withdrawal rates, disability rates, lowering current assumption rate incrementally, and impact of a 6.75% assumption rate to the City.

Attorney Brantley spoke to City being aware of short-term cost increases.

Discussion ensued regarding City's funding portion of the Firefighters' Retirement Plan and changing assumption rates.

Mr. Lozen addressed the City being required to fund according to the valuation report and spoke to reducing the assumption rate.

A motion was made by Board Member Duff, seconded by Board Member Hawes, to approve the Actuarial Experience Study, including the investment change Scenario No. 7 decreasing the Assumption Rate to 6.75%. The motion carried unanimously on a voice vote.

Yes: 5 - Chair McCloud, Board Member Duff, Board Member Kaskey, Board Member Bearse and Board Member Hawes

9. Attorney Report: Jim Brantley

Chair McCloud introduce the item.

Mr. Brantley stated he had nothing to report.

Mr. Carroll spoke to the Share Plan letter being ready to send.

Mr. Brantley addressed representing both the Firefighters' Pension Board and the International Association of Fire Fighters (IAFF) Union, and this Board's role after Union ratifies changes.

PUBLIC COMMENT

Chris Krajic: protocol of changing ordinances and Share Plan distributions.

Discussion continued regarding changes in State Share Plan funds and future distributions.

Mr. Lozen addressed premium tax fund distributions, potential future adjustments of State monies, and notice sent to Plan Administrator if a change is expected in State monies.

Mr. Carroll spoke to growth in State monies.

A motion was made by Board Member Kaskey, seconded by Board Member Hawes, to direct the Board Attorney to send a letter to the Union and the City requesting feasibility of adding the Pension Members back into the Annual Share Plan Distribution who were originally left out. The motion carried unanimously on a voice note.

10. Salem Trust: Not Attending

11. Public Comment

There was no public comment.

12. Adjournment

Chair McCloud adjourned the meeting at 10:36 a.m.

By: _____
Terry McCloud, Chair

Minutes approved on the ___ day of _____, 2022.