

**NORTH PORT FIREFIGHTERS' PENSION - LOCAL OPTION TRUST FUND
BOARD OF TRUSTEES
REGULAR QUARTERLY MEETING
THURSDAY, MAY 16, 2019**

Present: Scott Duff 5th Member Chosen by the Board, Secretary; Dylan Hamilton, Firefighter, elected by Firefighter members; Gerardo Rodriguez, Resident, appointed by the Commission; Kerry Richardville, Investment Consultant, AndCo Consulting; Christine O'Neal, Actuary, Foster & Foster; Attorney Jim Brantley (Donnelly & Gross); Dave Carroll, Plan Administrator; and Recording Secretary Susan Hale.

Absent: Tom Truesdale, Chair, Firefighter, elected by Firefighter Members; and David Ingalls, Resident, appointed by the Commission.

1. **CALL TO ORDER**

Secretary Scott Duff called the meeting to order in room 244 at 9:01 a.m.

2. **THE PLEDGE OF ALLEGIANCE.**

The Pledge of Allegiance was led by the Board.

3. **PUBLIC COMMENT**

There was no public comment.

There was a *consensus to move agenda item 7. The investment consultant before item 4.*

7. **INVESTMENT CONSULTANT REPORT: KERRY RICHARDVILLE**

Kerry Richardville, AndCo Consulting, provided the quarter's investment performance review, noting on page 2, the remarkable rebound from the previous quarter with most markets gaining from 10% to 16% and bonds doing slightly less than last quarter by approximately 2% across the board. Growth managers on page 3, did better than Value managers with all indices reporting a growth in double digits. Fixed income on page 9, posted almost 3% for the quarter and the lower-grade bonds outperformed higher-grade bonds. The Asset Allocation pie chart on page 10, showed that all of the Portfolio asset classes are in line with the Policy and no rebalancing is needed at this time, with Domestic Equity slightly overweight and Fixed Income slightly underweight. The quarter ended with gains totaling \$50,112,200. Page 18, the Trailing Returns showed a return of 9.15% for the quarter compared to 9.04% for the benchmark. Each Manager was compared to its benchmark.

Discussion ensued regarding two firefighter members who will be retiring soon, and an agenda item is needed for discussion and possible action regarding a new policy clarifying a time limit when the distribution of a member's Deferred Retirement Option Plan (DROP) funds must be made.

Ms. Richardville provided a review of GAMCO, the Board's Domestic Equity All CAP Manager, proposed to terminate GAMCO, move the funds into the Vanguard Equity Income Manger, and over the next six months review the structure of the Plan's domestic equity portfolio to determine a plan of action.

A motion was made by Dylan Hamilton; seconded by Gerardo Rodriguez to transfer the GAMCO holdings to Vanguard Equity. The motion carried unanimously on a voice vote.

Ms. Richardville will forward a letter to Mr. Carroll requesting that GAMCO liquidate and transition all funds into Vanguard Equity.

Ms. Richardville distributed an Asset Allocation Analysis report and explained how to develop an investment strategy, cited major asset classes and the long-term expected allocation return for each, and confirmed that the City's 15% funding ratio will be monitored along with the Board's 7.5% investment return assumption.

Handouts were distributed for PIMCO (a multi-asset fund) and a brief informational guide covering US Large Cap, US Mid Cap, US Small Cap, and International fund managers in anticipation of replacing the BlackRock manager.

Discussion ensued regarding the challenge to meet the expected return assumptions with stocks and bond portfolios, the characteristics of private infrastructure assets with return yields of 6 to 7%, a suggestion to consider adopting a lower risk "Core" strategy vs. "Value-added" vs. "Opportunistic" strategies, the three-year lock-up period for funds before the Board can make quarterly contributions or withdrawals, the minimum starting allocation of 5% from the total portfolio amount, dividing the BlackRock funds between PIMCO and the infrastructure strategies, and additional information will be provided at the next quarterly Board meeting.

4. **APPROVAL OF MINUTES**

A motion was made by Dylan Hamilton, seconded by Gerardo Rodriguez, to approve the February 21, 2019 Minutes as presented. The motion carried unanimously on a voice vote.

5. **APPROVAL OF DISBURSEMENTS**

After Mr. Carroll confirmed there was nothing irregular regarding the invoices or payments, a motion to approve was requested.

A motion was made by Dylan Hamilton, seconded by Gerardo Rodriguez to approve the Disbursements for May 16, 2019 in the amount of \$65,593.07. The motion carried unanimously on a voice vote.

6. **APPROVAL OF BUDGETED EXPENDITURES**

Plan Administrator Carroll reported that the Board's budget remains in line with expected expenses and since the budget was approved at the beginning of the year, there is no need for another motion to approve.

8. **FOSTER & FOSTER: CHRISTINE O'NEAL**

Ms. O'Neal distributed a letter from Foster & Foster addressing how an incremental reduction of the expected rate of return would affect the Pension's liability, and noted the City's required contribution as a percentage and as a monetary amount.

Discussion ensued including an anticipated increase in the City's contribution if the expected rate of return is reduced to 7%, the Board could wait until December 2019 to re-evaluate the situation, the

City's contribution to the Florida Retirement System (FRS) is 26% of payroll, how the 175 Plans came about and conditions that could precipitate opening the Plan again, and FRS is more expensive with inferior benefits than the Firefighters' Pension Plan.

There was a consensus to wait until the August Board Meeting to make a decision whether or not to reduce the investment plan's assumption rate of return.

9. **ATTORNEY REPORT: JIM BRANTLEY**

Nothing to discuss.

10. **SALEM TRUST: MARK RHEIN**

Not in attendance.

11. **UNFINISHED BUSINESS**

a. **Approval of Annual Audit**

Discussion ensued regarding the Audit Report including a finding from Mauldin & Jenkins that there were no issues with the information provided, and a motion to approve was requested.

A motion was made by Dylan Hamilton, seconded by Gerardo Rodriguez, to approve the Financial & Compliance Audit Summary dated September 30, 2018. The motion carried unanimously on a voice vote.

12. **NEW BUSINESS**

a. **Shawn Neely disability application**

Mr. Carroll provided background to the disability claim of Shawn Neely.

Attorney Brantley spoke to the need that the Board create a written procedure for processing disability claims, the fiduciary duty of the Board was explained as it applies to disability hearings, the disability hearing should be a closed meeting, requested a motion directing the attorney to obtain the information to begin the hearing process and to hire Dr. Eric Kaplan to perform the independent medical examination under the fees as quoted in the fee schedule.

A motion was made by Dylan Hamilton, seconded by Gerardo Rodriguez, to approve moving forward with the disability hearing of Shawn Neely and approving the use of Dr. Kaplan, located in Lutz, Florida, and to approve Attorney Brantley to move forward with this process. The motion carried unanimously on a voice vote.

Mr. Carroll will forward the information in his possession to Attorney Brantley; and will contact Mr. Neely and Dr. Kaplan.

13. **PUBLIC COMMENT**

There was no public comment.

Agenda
North Port Firefighters Pension – Local Option Trust Fund
Board of Trustees
Quarterly Meeting
May 16, 2019

Location: City of Northport City Hall
Committee Meeting Room 244
4970 City Hall Boulevard
North Port Florida 34286

Time: 9:00 AM

1. Call Meeting to Order/ Roll Call
2. Pledge of Allegiance
3. Public Comment
4. Approval of Minutes (February 2019)
5. Approval of Disbursements
6. Approval of Budgeted Expenditures
7. Investment Consultant Report : Kerry Richardville
8. Foster & Foster : Christine O'Neal, Not Attending
9. Attorney Report : Paul Donnelly
10. Salem Trust : Mark Rhein, Not Attending
11. Unfinished Business:
 - a, Approval of Annual Audit
12. New Business:
 - a, Shawn Neely disability application
13. Public Comment
14. Adjournment

Note: One or more Commissioners may be in attendance

The following Boards/Committees currently have or will have vacancies. If you are interested in service on any of those listed, please contact the City Clerk.

CITY OF NORTH PORT ADVISORY BOARD VACANCY LIST

Art Advisory Board 3 Regular Members, 2 Alternates	Audit Committee 2 North Port Citizens
Beautification & Tree/Scenic Highway Committee 3 Regular Members, 2 Alternates	Charter Review Advisory Board 2 Alternates
Citizens' Tax Oversight Committee 2 Regular Members	Community Economic Development Advisory Board 1 Financial Representative, 1 Home Owners Association Board Member Representative, 1 Diversified Light Industrial/Manufacturing Representative, 1 Higher Education/School Board Member Representative, 1 Development/Engineering Planning Representative, 1 Land Use Attorney Representative; 1 Public Relations Representative
Environmental Advisory Board 2 Alternate Members; 1 Youth Member	Historic and Cultural Advisory Board 2 Regular Members, 2 Alternates
Joint Management Advisory Board 1 North Port Citizen; 1 Citizen Representative of Sarasota County	Municipal Police Officers' Pension Board of Trustees 1 Member chosen by a majority of the other four members.
North Port Youth Council 6 to 11 Student Members	Parks & Recreation Advisory Board 2 Alternates; 1 Youth
Planning & Zoning Advisory Board 1 Regular Member, 2 Alternates	Public Utility Advisory Board 1 Regular, 2 Alternates, 1 Alternate may be a youth 14-17
Zoning Board of Appeals 1 Alternate	

UPCOMING EXPIRATION DATES FOR BOARD MEMBERS

2019		
05-08-19	Kody Parsotan	Parks & Recreation Advisory Board
05-08-19	Zhaneta Albritton	Art Advisory Board
05-23-19	Valerie LaBoy	Citizens' Tax Oversight Committee
05-23-19	Alice White	Citizens' Tax Oversight Committee
06-01-19	Josh Reid	Art Advisory Board
06-26-19	Shawn Singh	Art Advisory Board
06-26-19	Ashley Higgins	Environmental Advisory Board
07-11-19	Aron Walton	Community Economic Development Bd.

AMERICAN WITH DISABILITIES ACT OF 1990 - The North Port City Hall is wheelchair accessible. Special parking is available on the west side of City Hall and the building may be accessed from the parking area. Persons with hearing difficulties should contact the City Clerk to obtain a hearing device for use during meetings.

NONDISCRIMINATION: The City of North Port does not discriminate on the basis of race, color, national origin, sex, age, disability, family or religious status, marital status, sexual orientation, gender identity or expression, or physical characteristic in administration of its programs, activities or services.

No stenographic record by a certified court reporter is made of these recordings. Accordingly, anyone seeking to appeal any of the decisions involving the matters herein will be responsible for making a verbatim record of the meeting/testimony and evidence upon which any appeal is to be based. Copies of the tapes are available (for a fee) at the City Clerk's Office.

14. ADJOURNMENT

A motion was made by Dylan Hamilton, seconded by Gerardo Rodriguez, to adjourn the Meeting. The motion carried unanimously on a voice vote.

The Regular Quarterly Meeting of the Municipal Firefighters' Pension – Local Option Trust Fund Board of Trustees adjourned at 10:34 a.m.



TOM TRUESDALE
CHAIR

Minutes approved this 14 day of AUGUST, 2019.



City of North Port

4970 CITY HALL BLVD
NORTH PORT, FL 34286

Meeting Agenda - Amended #1

Municipal Firefighters Pension Trust Fund Board of Trustees

Wednesday, August 14, 2019

9:00 AM

CITY HALL ROOM 244

Added Attendance of Mark Rhein and New Business Item 13.B.

MEETING PROCEDURE: By submitting a "Request to Speak" card to the City Clerk, the Public may comment during the course of the meeting. Comments on all scheduled Agenda Items will be heard immediately following the presentation by the Staff or Petitioner. Please wait until you are recognized by the Presiding Officer, state your name and address so that your comments may be properly recorded and limit your remarks to a period of three (3) minutes or less. The Board will act on an Agenda Item after comments from the Staff, Petitioner and Public have been heard.

1. Call to Order

2. Roll Call

3. Pledge of Allegiance

4. Public Comment

5. Approval of Minutes

- A. [19-0851](#) Approval of Minutes for the May 16, 2019 Firefighters' Pension Board of Trustees Regular Meeting.

Attachments: [Minutes](#)

6. Approval of Disbursements

- A. [19-0855](#) Approval of Disbursements

Attachments: [Disbursements](#)

7. Approval of Budgeted Expenditures

- A. [19-0856](#) Approval of Budget Expenses

Attachments: [Budget Worksheet](#)

8. Investment Consultant Report: Kerry Richardville

- A. [19-0857](#) AndCo Quarterly Report Ending June 30, 2019.

Attachments: [Quarterly Report](#)

Re POSTED AS A PUBLIC NOTICE ON
BULLETIN BOARD AT CITY HALL
THIS 12th DAY OF Aug 2019
SH
-OFFICE OF THE CITY CLERK-

9. Foster & Foster: Christine O'Neal, Not Attending

10. Attorney Report: Paul Donnelly

11. Salem Trust: Mark Rhein

12. Unfinished Business

A. [19-0852](#) GAMCO Termination

Attachments: [GAMCO](#)

B. [19-0853](#) Review of Assumption Reduction

Attachments: [Letter from Foster & Foster](#)

13. New Business

A. [19-0854](#) Discussion and Possible Action Regarding Fifth Member of Firefighters' Pension Board of Trustees Elected by Firefighter Members of the Plan 175.

B. [19-0908](#) Approval of 2020 Meeting Schedule.

Attachments: [2020 Proposed Meeting Schedule](#)

14. Updates

15. Public Comment

16. Adjournment

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CURRENT VACANCIES FOR BOARDS AND COMMITTEES

Art Advisory Board 3 Regular Members, 2 Alternates, 1 Youth Member

Audit Committee 2 North Port Citizens

Beautification & Tree/Scenic Highway Committee 4 Regular Members, 2 Alternates

Charter Review Advisory Board 1 Regular Member, 2 Alternates

Citizens' Tax Oversight Committee 2 Regular Members

Community Economic Development Advisory Board 1 Financial Representative, 1 Home Owners Association Board Member Representative, 1 Diversified Light Industrial/Manufacturing Representative, 1 Higher Education/School Board Member Representative, 1 Development/Engineering Planning Representative, 1 Land Use Attorney Representative; 1 Public Relations Representative

Environmental Advisory Board 1 Regular, 2 Alternate Members; 1 Youth Member

Historic and Cultural Advisory Board 2 Regular Members, 2 Alternates

Joint Management Advisory Board 1 North Port Citizen; 1 Citizen Representative of Sarasota County

Municipal Police Officers' Pension Board of Trustees 1 Member chosen by a majority of the other four members.

North Port Youth Council 5 Student Members

Parks & Recreation Advisory Board 2 Alternates; 1 Youth

Planning & Zoning Advisory Board 2 Regular Member, 2 Alternates

Public Utility Advisory Board 1 Regular, 2 Alternates, 1 Alternate may be a youth 14-17

Zoning Board of Appeals 1 Alternate

UPCOMING EXPIRATION DATES FOR BOARD MEMBERS

Nothing in August

09-13-19	James Bonsky	Zoning Board of Appeals
09-13-18	Timothy Martin	Zoning Board of Appeals
09-19-19	Bill Diekman	Community Economic Development Bd,
09-19-19	Richard Suggs	Community Economic Development Bd.
09-26-19	Keith Brown	Police Pension Board of Trustees (Resident appointed by the Commission)
09-30-19	Jason Richter	Police Pension Board of Trustees (Elected by other Officers)
09-30-19	Tom Truesdale	Firefighter, elected by Firefighter members
10-10-19	Victor Dobrin	Public Utility Advisory Board



City of North Port

Meeting Agenda

Municipal Firefighters Pension Trust Fund Board of Trustees

4970 CITY HALL BLVD
NORTH PORT, FL 34286
POSTED AS A PUBLIC NOTICE ON
BULLETIN BOARD AT CITY HALL
THIS 7th DAY OF Aug 2019
-OFFICE OF THE CITY CLERK-

Wednesday, August 14, 2019

9:00 AM

CITY HALL ROOM 244

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4. Public Comment

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Attachments: Minutes

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- A. 19-0855 Approval of Disbursements

Attachments: Disbursements

7. Approval of Budgeted Expenditures

- A. 19-0856 Approval of Budget Expenses

Attachments: Budget Worksheet

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- A. 19-0857 AndCo Quarterly Report Ending June 30, 2019.

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Attachments: GAMCO

B. 19-0853 Review of Assumption Reduction

Attachments: Letter from Foster & Foster

12. New Business

A. 19-0854 Discussion and Possible Action Regarding Fifth Member of Firefighters' Pension Board of Trustees Elected by Firefighter Members of the Plan 175.

13. Updates

14. Public Comment

15. Adjournment

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10-10-19	Victor Dobrin	Public Utility Advisory Board