

ST. LUCIE COUNTY FIRE DISTRICT FIREFIGHTERS' RETIREMENT FUND



Minutes: July 21, 2023

1. Chairman Tony Napolitano called the July 21, 2023, Quarterly Board Meeting to order at 2:30 PM.

TRUSTEES

Tony Napolitano, Chair
Chief Jeff Lee, Secretary
Chief Nate Spera
Serge Greene
Ryan Sapp

OTHERS

Albert Lovingood, Administrator (Resource Centers)
Bonni Jensen, Attorney (Klausner Kaufman Jensen & Levinson)
Burgess Chambers, Consultant (Burgess Chambers Assoc)
Pete Strong, Actuary (GRS Consulting)
Roland Bergeron (Retired Firefighter)

2. EXTRAORDINARY (EXIGENT) CIRCUMSTANCES FOR TRUSTEES JOINING ELECTRONICALLY

All Trustees in attendance were physically present.

3. MINUTES

The Trustees reviewed the Quarterly Board Meeting Minutes Dated May 18, 2023.

Chief Spera made a motion to approve the Minutes for the Meeting of May 18, 2023, as amended. The motion received a second from Serge Greene, approved by the Trustees 5-0.

4. BENEFIT APPROVALS

The Trustees reviewed the Benefit Approvals Dated July 21, 2023.

Chief Spera made a motion to approve the Benefit Approvals Dated July 21, 2023. The motion received a second from Ryan Sapp, approved by the Trustees 5-0.

5. PLAN FINANCIALS

Interim Financial Statements

The Board received the interim financial statement through May 31, 2023.

Disbursements

The Board reviewed the Warrant Dated July 21, 2023.

Ryan Sapp made a motion to approve the Warrant Dated July 21, 2023. The motion received a second from Serge Greene, approved by the Trustees 5-0

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6. REPORTS

Investment Consultant (Burgess Chambers, Burgess Chambers & Associates)

Burgess Chambers started his presentation with providing the Board a review of the Real Estate investments of the Plan, noting that TA Realty is the best performer of the three Real Estate Investments with being 1.2% down compared to American Realty that is down 2.3%, and Intercontinental US Real Estate that is down 7.0%. TA Realty has a large exposure to Industrial Real Estate and this exposure is one reason for their performance. Mr. Chambers stated that Leitbox will come to the September Board Meeting to give a presentation on their fund. It is expected that the Real Estate sector will continue with write-downs through the end of the year with many of these write-downs mainly being focused on Commercial Office Space. The retail sector is on the rebound, COVID-19 Pandemic helped to eradicate weak performing retail companies. Mr. Chambers then recommended that the Pension Plan direct American Realty and Intercontinental to stop the DRIP Reinvestments and have those funds go into the Plan to help cover the costs of Pension Payments and Accounts Payable. Mr. Chambers stated that this change is a quick way to get access to cash from Real Estate investments, reminding the Board that there is still a que in place for requesting distributions. The Bond markets were reviewed along with the current inflation rates with the Board. Chief Spera inquired as to why the Plan should stop reinvesting in Real Estate while it is down? Mr. Chambers stated that he expects Real Estate markdowns to total 5-6% over the next year. Once those markdowns have been reached, the Plan will start reinvesting in Real Estate again.

Chief Spera made a motion based on the recommendation of the Investment Monitor to stop the reinvestment of the DRIP for TA Realty and Intercontinental Real Estate and have those funds deposited into the Plan. The motion received a second from Ryan Sapp, approved by the Trustees 5-0

Attorney Report (Bonni Jensen, Klausner Kaufman Jensen & Levinson)

Jensen Memo – California Man Hid Mother’s Death for 3 Decades to Collect Her Benefits: Attorney Bonni Jensen reviewed the New York Times article regarding a California man hiding his mother’s death from the Federal Government for over three decades so that he could collect more than \$800,000.00 in benefits intended for her. Mrs. Jensen stated that this individual was able to hide his mother’s death due to her passing way in Japan and that the fraud was uncovered with Medicare performed an audit on retirees over the age of 90 who have not been utilizing their health benefits. Mrs. Jensen recommended that in addition to using enhanced death search and notification products, the Plan should stay in constant communication with any retiree who lives outside of the Country as an additional safeguard to mitigate pension payments being made to a deceased member.

Jensen Memo – Klausner, Kaufman, Jensen & Levinson Fee Increase: Mrs. Jensen presented the Board with a fee increase request that updates the hourly rate from \$300.00 to \$350.00. Mrs. Jensen reviewed when the last legal services increase was requested and went into detail on how the new hourly rate was determined.

Chief Spera made a motion to approve the Klausner, Kaufman, Jensen & Levinson Free Increase as presented. The motion received a second from Rayn Sapp, approved by the Trustees 5-0

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PTSD Guest Speaker Update: Attorney Bonni Jensen informed the Board that Bryan Reuther, PsyD. Will give his PTSD Presentation at the September Quarterly Board Meeting. The Board and Mrs. Jensen had a detailed discussion regarding the PTSD Presentation with Chief Spera asking if it would be helpful. Mrs. Jensen stated that she believes that it will be helpful to the Board as the diagnosis process, treatments, and other important details will be discussed.

Administrator Report (Albert Lovingood, Resource Centers)

2023-2024 Annual Plan Budget: Albert Lovingood presented the Board with the 2023-2024 Proposed Annual Budget. The Budget was reviewed in detail with the Board making a few increases to add an additional layer of protection from needed to revisit this later in the upcoming Fiscal Year.

Ryan Sapp made a motion to approve the 2023-2024 Annual Budget as amended. The motion received a second from Serge Greene, approved by the Trustees 5-0

2024 Proposed Board Meeting Dates: Mr. Lovingood presented the Board with the 2024 Proposed Board Meeting Dates. Mr. Lovingood noted that the January Board Meeting date and July Board meeting dates were changed to a Friday due to a scheduling conflict with the Plan Attorney along with ensuring that none of the Board Meeting Dates conflicted with St. Lucie County School District's Spring Break.

7. NEW BUSINESS

Mr. Chambers informed the Board that he will be bringing a new Investment Policy Statement for review and approval at the September Board Meeting, noting that the changes are to update the IPS to be compliant with the recently passed House Bill 3.

8. OTHER BUSINESS

There was no other business to discuss at this time.

9. ADDITIONAL REPORTS

The following reports were included in the electronic version of the Board Meeting Packets and received by the Board of Trustees.

2022 Chapter 112.664 Compliance Report, 2022 Confirmation of use of State Moneys Form, 2022 GASB 67 & 68 Disclosures Report. And the Ceredex Advisors 07-07-2023 Compliance and Investment Guidelines Statement.

10. PUBLIC COMMENTS

No members of the public had any comment.

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11. NEXT MEETING

The next Quarterly Board Meeting is scheduled for Thursday, September 21, 2023, at 2:30PM.

12. ADJOURNMENT

There being no further business, Chief Spera made a motion to adjourn the meeting at 3:23 PM. The motion received a second from Serge Greene, passed 5-0 by the Trustees.

Respectfully submitted,

Chief Jeff Lee, Secretary

A handwritten signature in blue ink, appearing to be "Jeff Lee", written over a horizontal line that extends across the page.