

Village of North Palm Beach Police and Fire Pension Fund

MINUTES OF MEETING HELD

May 10, 2022

Edwar

Chairman Robert DiGloria called the meeting to order at 2:00 PM in the Council Chambers of the North Palm Beach Village Hall located at 501 US Highway One, North Palm Beach, FL. Those persons present were:

TRUSTEES PRESENT

Robert DiGloria, Chairman
Erik Jensen
Robert Coliskey
Frank Winewski- Left at 2:30 PM
Edward Ciezak- Attend Electronically

TRUSTEES ABSENT

OTHERS PRESENT

Scott Baur, Resource Centers
Bonni Jensen, Klausner Kaufman Jensen & Levine
Steve Stack, Highland Capital
Kerry Richardville, AndCo
Chuck Landers, Saltmarsh
Sara Carlson, Foster & Foster

ITEMS FROM THE PUBLIC

There were no public comments.

Edward Ciezak attended the meeting virtually.

Robert Coliskey made a motion to approve Edward Ciezak electronic attendance. The motion n received a second from Frank Winewski was approved by the Trustees 5-0.

MINUTES

The minutes from the February 2022 had been presented for the Trustees review and approval.

Robert Coliskey made a motion to approve the minutes dated February 2022. The motion received a second from Frank Winewski and was approved by the Trustees 4-0.

DISBURSEMENTS

Mrs. Kish reviewed the disbursements which had been presented in the Trustees Packets.

Frank Winewski made a motion to approve all disbursements. The motion received a second from Robert Coliskey was approved by the Trustees 4-0.

2021 Actuarial Valuation Report (Foster & Foster)

Sara Carlson appeared before the Board to present the October 1, 2021, Actuarial Valuation Report. Mrs. Carlson reviewed the recent benefit changes that were included in the valuation. The employer contribution increased 1.35%. The Village has a prepaid contribution in the amount of \$4,932.61 that will offset their contribution. The plan experience was unfavorable the loss was due to a salary increase assumption of 7.18%. The loss was partially offset by an actuarial gain of 8.59% exceeding the 7.70%. The funding ratio with new assumption method is 93.3%. versus 95.0%. Mrs. Carlson reviewed the asset smoothing used for the plan. She continued to review the report.

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Robert Coliskey made a motion to approve the October 1, 2021 Actuarial Valuation Report as presented. The motion received a second from Edward Ciezak and was approved by the Trustees 4-0.

2021 AUDITED FINANCIAL REPORT

Mr. Landers appeared before the Board to present the audited financial report for the plan year ending September 30, 2021. He thanked all the service providers for their help. Mr. Landers explained they are providing an unqualified opinion, which is the highest opinion they can register for the report. He reviewed the signification gains in the report. The total assets for the plan were \$34,481,580.00. He reviewed the investment notes of the audit. The plan is now 101% funded. He continued to review the report. The auditors presented the auditor representation letter. He explained that the letter confirms that the information that was provided is accurate and reliable.

Robert Coliskey made a motion to accept the financial statements ending September 30, 2021. The motion received a second from Robert DiGloria and was approved by the Trustees 3-0.

HIGHLAND CAPITAL

Steve Stack of Highland Capital appeared before the Board to present the Quarterly Manger Report for the quarter ending March 31, 2022. He reported on the current market environment Growth out continued to outperformed value. He reviewed the total return summary stating the cumulative return for the quarter was -4.97% compared to the benchmark -1.06%. The asset allocation was \$ \$18,857,599.00 for the quarter ending March 31, 2022. The fiscal return was 8.35% % Mr. Stack did not recommend any changes to the portfolio and thinks that it is positioned nicely. Mr. Stack continued to review the report and an economic overview.

ANDCO

Mrs. Richardville appeared before the Board to present the Investment Report for the quarter ending March 31, 2022. The gains from the market were from utility, energy, and material sectors. Mrs. Richardville continued to review the market environment. The asset allocation increased from \$34,582,413 to \$36,157,028.00. Mrs. Richardville went on to review the quarterly report in detail explaining it was a negative return for the quarter which was -4.31 % placing in the 50th percentile. The fiscal year date return was 1.02% compared to the benchmark of 1.77 %. She further reported equities were down -6.03 % below the policy of -4.69%, total fixed income was down at -4.62 % versus the bench of -5.93 %. Real Estate was up for the quarter at 8.46% versus the benchmark of 7.97%. Mrs. Richardville continued to review the individual manager performances. She did not recommend any changes currently.

ATTORNEY REPORT

Form 1:

Mrs. Jensen informed the Board that the Form 1 needs to be submitted by July 1st to the supervisor of election in the City or Town you reside in.

IRS Mileage Rate:

Mrs. Jensen presented the IRS mileage rate. The rate increased 2.5 cents from last year. The mileage rate will be 58.5 cents.

Required Minimum Distributions (RMD) Proposed Regulations & Cryptocurrencies Guidance:

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Mrs. Jensen presented required minimum distribution. The proposed regulations increase the required minimum distributions age from 70 ½ to 72. Mrs. Jensen reviewed the Cryptocurrencies IRS guidelines in detail.

Generic Signature Authorization Memo:

Mrs. Jensen Presented the Signature Authorized Memo. She stated that the generic form can be provided to new managers the plan hires. The form will help with transition of the new managers.

ADMINSTRATORS REPORT

Fiduciary Liability Insurance:

Mr. Baur presented the Fiduciary Liability Insurance. He briefly reviewed the quote.

Robert Coliskey made a motion to approve the Fiduciary Liability. The motion received a second from Robert DiGloria and was approved by the Trustees 3-0.

Death Search Process:

Mr. Baur presented the death search memo. The memo outlines the PBI death search and the change in the company. Recently the company estimates that the Death Master File only verifies 23% of all member deaths, while the CertiDeath service provided by PBI identifies 95% of all member deaths. Since we make benefit payments for your plan, we will automatically include you in the CertiDeath monitoring service of our payment database.

Administrative Budget:

Mrs. Kish presented the Budget for fiscal year 2022-23. She stated that each category has increased by 25%. Mrs. Kish stated that the approved budget will be sent to the Village and posted on the Plan's website.

Robert Coliskey made a motion to approve the Administrative Budget The motion received a second from Robert DiGloria and was approved by the Trustees 3-0.

Robert Di Gloria made a motion to adjourn the meeting at 3:34 PM. The motion received a second from Robert Coliskey and was approved by the Trustees 3-0.

Respectfully submitted,

Robert Coliskey