

**WEST MANATEE FIRE & RESCUE DISTRICT
FIREFIGHTERS' RETIREMENT PLAN BOARD OF TRUSTEES
QUARTERLY MEETING MINUTES
HOLMES BEACH CITY COMPLEX, COMMISSION CHAMBERS
5801 MARINA DRIVE, HOLMES BEACH, FL 34217**

Friday, February 16, 2024, at 9:00AM

TRUSTEES PRESENT: Dan Tackett
Drew Powers
Burdette "Bud" Parent

TRUSTEES ABSENT: Scott Ricci
Stewart Moon

OTHERS PRESENT: Scott Christiansen, Christiansen & Dehner
Jennifer Gainfort, AndCo Consulting
Chrissy Stoker, Foster & Foster
Sara Carlson, Foster & Foster
Members of the Plan

1. **Call to Order** – Dan Tackett called the meeting to order at 9:10AM and a quorum was determined.
2. **Roll Call** – As reflected above.
3. **Public Comments** – None.
4. **Approval of Minutes**
 - a. November 13, 2023, quarterly meeting

The November 13, 2023, quarterly meeting minutes were approved as presented, upon motion by Drew Powers and second by Bud Parent; motion carried 3-0.

5. **New Business** – None.
6. **Reports**
 - a. Foster & Foster, Sara Carlson, Board Actuary
 - i. October 1, 2023, actuarial valuation report
 1. Sara Carlson commented the minimum required contribution as a percentage of total annual payroll increased from 38.60% to 41.70%. The increase was mostly due to unfavorable actuarial experience. Even though they had a good investment return for the year, the actuarial return was 5.33%, which fell short of the 7.40% assumption. Salary increases were also higher than expected.
 2. In 2022 the Plan received \$413,430 from the State Monies distribution. Factoring in the State's contribution and member

contributions, the District's contribution was 28.70% as a percentage of total annual payroll.

3. Plan experience was unfavorable overall on the basis of the plan's actuarial assumptions. Sources of actuarial loss included an average salary increase of 11.70% (which exceeded the 5.17% assumption), and investment return of 5.33% (Actuarial Asset Basis) which fell short of the 7.40% assumption, and unfavorable retirement experience. There were no significant sources of actuarial gain.
4. Sara Carlson reviewed the comparative summary of principal valuation results.
5. Sara Carlson commented the Actuarial Value of Assets (AVA) was higher than the Market Value of Assets (MVA) which meant they were still realizing losses from prior years.
6. The MVA as of October 1, 2023, was \$27,292,425.
7. The funded ratio was 94.60%.
8. The payment to amortize the Unfunded Actuarial Accrued Liability (UAAL) was 4.30% of projected annual payroll.
9. Sara Carlson noted they had a Member Contribution Reserve which could be used to offset any actuarial losses. \$88,865 was used from the Member Contribution Reserve to offset the District's requirement for FY 2024-2025.
10. Dan Tackett commented the District should not be able to access the Member Contribution Reserve unless the members gave approval for the District to use the funds. Dan advised negotiations would begin soon and this was one of the things the members wanted to address.

The October 1, 2023, actuarial valuation report was approved as presented, upon motion by Dan Tackett and second by Bud Parent; motion carried 3-0.

11. Sara Carlson commented the 7.40% investment return assumption was a bit high and they should consider reducing it. Sara advised the last experience study was done in 2019 and it was good practice to have an experience study done every 5 years or so. Sara suggested the study be presented at the May or August meeting so the assumptions could be changed prior to the next valuation if necessary. Sara would complete the study for a not-to-exceed fee of \$10,000.

The Board authorized the actuary to prepare an experience study to be presented at either the May or August meeting for a not-to-exceed fee of \$10,000, upon motion by Dan Tackett and second by Bud Parent; motion carried 3-0.

- b. AndCo Consulting, Jennifer Gainfort, Investment Consultant
 - i. Organizational update
 1. Jennifer Gainfort announced AndCo Consulting was acquired by Mariner Institutional. Jennifer added the name of the company would change, but the people and processes would not.

2. Scott Christiansen commented they needed to acknowledge there was a change in control of the company as it was a stock purchase. Scott further recommended they authorize him to do a new contract for the newly named entity.

The Board approved the Consent for Assignment of Investment Advisory Services agreement and authorized Scott Christiansen to rewrite the contract, upon motion by Dan Tackett and second by Drew Powers; motion carried 3-0.

- ii. Quarterly report as of December 31, 2023
 1. Jennifer Gainfort gave a brief overview of the market environment over the quarter. Growth continued to dominate value as the “Magnificent 7” tech stocks drove the equities market.
 2. The market value of assets as of December 31, 2023, was \$30,424,671.
 3. Jennifer Gainfort reviewed the fund’s asset allocations, noting 48.50% was in Domestic Equity, 14.90% was in International Equity, 24.60% was in Domestic Fixed Income, 4.40% was in Global Fixed Income, 6.90% was in Real Estate, and 0.70% was in cash. Jennifer commented they were overweight to domestic equity and underweight in real estate, but she did not want to allocate more funds to real estate at this time as she expected additional drawdowns in the future.
 4. Jennifer Gainfort reviewed the financial reconciliation of the fund for the quarter. The market value of the fund was \$27,912,858 as of October 1, 2023, compared to the market value of \$30,424,671 as of December 31, 2023.
 5. Total fund gross returns for the quarter were 8.43%, compared to the policy benchmark of 8.47%. Total fund gross trailing returns for the 1-, 3-, 5-, and 10-year periods were 15.34%, 3.39%, 9.03%, and 6.72% respectively. Since inception (01/01/1999), total fund gross returns were 6.33%, compared to the policy benchmark of 5.78%.
 6. Jennifer Gainfort reviewed the performance of each manager and did not recommend any changes.
- c. Christiansen & Dehner, Scott Christiansen, Plan Attorney
 - i. Financial disclosure forms
 1. Scott Christiansen advised the trustees they would need to file their annual financial disclosure form online this year via the Electronic Financial Disclosure Management System (EFDMS) by July 1. The forms would no longer be submitted to the Supervisor of Elections in the county where each trustee resided. Scott confirmed the trustees did not need to file a Form 6.
 - ii. Scott Christiansen reviewed the requirement to declare the Board’s long-term expected rate of return after approval of the valuation report.

The Board voted the declaration of returns for the plan shall be 7.40% for the next year, the next several years, and the long-term thereafter net of investment related expenses, upon motion by Dan Tackett and second by Bud Parent; motion carried 3-0.

- iii. Scott Christiansen advised there were no bills pending in the state legislature that would impact the pension plan.
- iv. Scott Christiansen confirmed all requirements set forth by House Bill 3 had been fulfilled.
- v. Scott Christiansen advised the Board there was a potential forfeiture in the works, but there was no action to be taken at this time.
- vi. Proposed ordinance
 - 1. Scott Christiansen presented a proposed amendment to Sections 6, 7, and 29. Section 6 was amended to clarify that the retirement subsidy would be payable to a retiree's joint pensioner as well as his beneficiary. Section 7 was amended to include language regarding the Firefighter Cancer Presumption. Section 29 was amended to add new language for how to fund the Share Plan after recent Insurance Premium Tax Revenues exceeded the amount agreed upon in the Mutual Consent Agreement dated September 15, 2016.
 - 2. Scott Christiansen commented they must decide how to fund the Share Plan and presented two different methodologies: an equal amount for each firefighter or allocations based upon years of credited service. Scott noted most plans he worked with utilized the credited service methodology.

The Board approved the proposed ordinance utilizing the credited service methodology for Share Plan crediting and authorized the attorney to send it to the District for consideration, upon motion by Drew Powers and second by Dan Tackett; motion carried 3-0.

7. **Old Business** – None.

8. **Consent Agenda**

- a. Payment ratification
 - i. Warrant #93
 - 1. C&D, invoice #36044, legal services, \$1,032.00
 - 2. F&F, invoice #29159, plan administration, \$1,071.17
 - 3. C&D, invoice #36097, legal services, \$1,831.15
 - 4. Gibson & Wirt, invoice #4280, Fiduciary Liability, \$2,913.00
 - 5. F&F, invoice #29441, plan administration, \$1,141.26
 - b. New invoices for payment approval
 - i. Warrant #94
 - 1. AndCo, invoice #46977, investment consulting, \$4,711.25
 - 2. Dana, invoice #111583, investment mgt, \$2,305.45
 - 3. F&F, invoice #29868, plan administration \$1,071.17
 - 4. F&F, invoice #29949, actuarial services, \$14,807.00
 - 5. F&F, invoice #29978, plan administration, \$1,071.17
 - c. Fund activity report for November 7, 2023, through February 9, 2024

The consent agenda was approved as presented, upon motion by Dan Tackett and second by Bud Parent; motion carried 3-0.

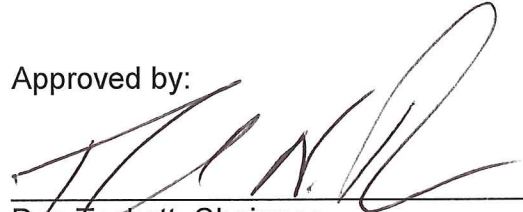
9. **Staff Reports, Discussion, and Action**
 - a. Foster & Foster, Chrissy Stoker, Plan Administrator
 - i. Update on State Annual Report
 1. Chrissy Stoker commented the State Annual Report had been submitted to the State well ahead of the March 15 deadline and the last outstanding item was the audit.
10. **Trustees' Reports, Discussion, and Action** – None.
11. **Adjournment** – The meeting adjourned at 10:07AM.
12. **Next Meeting** – Friday, May 17, 2024, Quarterly Meeting at 9:00AM.

Respectfully submitted by:



Chrissy Stoker, Plan Administrator

Approved by:



Dan Tackett, Chairman

Date Approved by the Pension Board:

May 17, 2024