

**CITY OF CRESTVIEW GENERAL EMPLOYEES' PENSION TRUST FUND  
PENSION BOARD OF TRUSTEES  
QUARTERLY MEETING MINUTES  
198 N. Wilson Street  
Crestview, FL 32536**

Tuesday, June 6, 2023, at 1:00pm

**TRUSTEES PRESENT:** Joe Carr  
Jerry Maughon  
Chuck Powell  
Wayne Steele  
Gene Strickland

**TRUSTEES ABSENT:** None

**OTHERS PRESENT:** Tyler Grumbles, AndCo  
Stu Kaufman, Klausner, Kaufman, Jensen, & Levinson  
Sean Sendra, Klausner, Kaufman, Jensen, & Levinson  
Joe Griffin, Foster & Foster  
Michelle Rodriguez, Foster & Foster

1. **Call to Order** – Chair Jerry Maughon called the meeting to order at 1:00pm.
2. **Roll Call** – As reflected above.
3. **Public Comments** – None.
4. **Approval of Minutes**
  - a. February 28, 2023, quarterly meeting

**The minutes from the February 28, 2023, quarterly meeting were approved as presented, upon motion by Wayne Steel and second by Joe Carr; motion carried 5-0.**

5. **Reports (Attorney/Consultants)**
  - a. Foster & Foster, Joe Griffin, Plan Actuary
    - i. October 1, 2022, Actuarial Valuation Report
      1. Joe Griffin reviewed the report and commented the purpose of the valuation was to take a snapshot of the financial health of the plan and determine the contributions required to fund the plan.
      2. Joe Griffin commented due to an overall unfavorable actuarial experience, the City's minimum required contributions increased by .5%.
      3. Joe Griffin commented there had been no changes in plan provisions or actuarial assumption since last year's report.

**The Board approved the October 1, 2022, actuarial valuation report as presented, upon motion by Joe Carr and second by Chuck Powell; motion carried 5-0.**

**The Board voted the declaration of returns for the plan shall be 7.0% for the next year, the next several years, and the long-term thereafter net of investment related expenses, upon motion by Wayne Steele and second by Gene Strickland; motion carried 5-0.**

- b. AndCo Consulting, Tyler Grumbles, Investment Consultant
  - i. Quarterly report as of March 31, 2023
    - 1. Tyler reviewed the market environment over the last quarter and commented that even with the Fed increasing its rates, longer term rates have decreased, and short-term rates have increased.
    - 2. Tyler commented the real estate market experienced a downturn.
    - 3. Tyler reviewed the asset allocations of the fund and commented he did not have any recommendations for rebalancing at this time.
    - 4. As of March 31, 2023, the market value of assets was \$22,600,703.
    - 5. The gross earnings for the quarter were 4.49%, slightly underperforming the benchmark of 4.68%. The fiscal year-to-date returns were 9.79%, underperforming the policy benchmark of 10.33%. The trailing returns for the 1, 3, 4, and 5-year periods were -4.22, 10.90%, 6.96%, and 6.51% respectively. Since inception (07/01/1998) returns were 6.41%, outperforming the policy benchmark of 6.02%.
- c. Klausner, Kaufman, Jensen, & Levinson, Stu Kaufman, Board Attorney
  - i. Proposed Ordinance Amendment – RMD Age
    - 1. Sean Sendra reviewed the proposed language and the board agreed by consensus to request a no impact letter from the actuary and send to the City for first reading.
  - ii. Legal/Legislation update
    - 1. Sean Sendra reviewed the memo and commented House Bill 3 recently passed the Florida House and Senate and went into effect July 1, 2023.
    - 2. Sean Sendra commented the bill stipulated that only pecuniary factors may be used when making investment decisions and specifically prohibited trustees to consider Environmental, Social and Governance (ESG) factors when making investment decisions. Sean commented the legislation did not prohibit any specific funds, but rather seeks to regulate the reason for choosing funds. Sean commented this board was already in compliance because they only used data points provided by their investment consultant to make all of their investment decisions.
    - 3. Sean Sendra commented the legislation would require additional reporting requirements and added his firm was waiting for the State to issue guidance on the process.

## **6. New Business**

- a. Outstanding Benefit Checks – Lia Randolph
  - i. Michelle Rodriguez advised the board beneficiary Lia Randolph receives a \$243.43 benefit payment and of that, \$200 was sent directly to the City to pay her health insurance premium. Michelle commented the remaining \$43.43 was sent to her as a paper check via US Mail and many of the checks have remained uncashed.

- ii. Michelle Rodriguez advised the board several attempts had been made to contact Ms. Randolph and she would now instruct the custodian to stop payment on all outstanding checks, discontinue sending any future checks and then send Ms. Randolph a certified letter to request she complete a direct deposit form.

7. **Old Business** – None.

8. **Consent Agenda**

- a. Payment ratification – Warrants #28
- b. Invoices for approval – None
- c. Fund activity report for February 22, 2023 – May 30, 2023

**The Board voted to approve the Consent Agenda as presented, upon motion by Chuck Powell and second by Wayne Steele; motion carried 5-0.**

10. **Staff Reports, Discussion and Action**

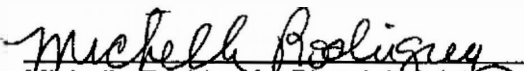
- a. Foster & Foster, Michelle Rodriguez, Plan Administrator
  - i. Financial disclosure forms
    - 1. Michelle reminded the board to submit their financial disclosure forms to the Supervisor of Elections in the County in which they reside by July 1<sup>st</sup>.
  - ii. Upcoming educational opportunities
    - 1. Michelle reviewed education opportunities that are available to the board.

11. **Trustee Reports, Discussion and Action** – None.

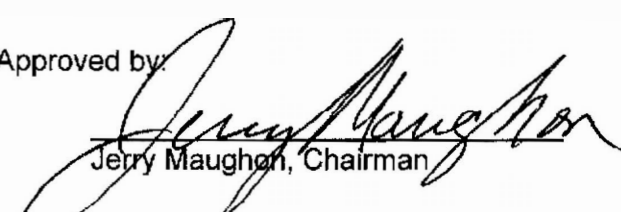
12. **Adjournment** - The meeting adjourned at 2:34 pm.

13. **Next Meeting** – August 29, 2023, at 1:00pm.

Respectfully submitted by:

  
Michelle Rodriguez, Plan Administrator

Approved by:

  
Jerry Maughon, Chairman

Date Approved by the Pension Board:

August 29, 2023