

EAST LAKE FIRE RESCUE PENSION BOARD REGULAR MEETING
April 20, 2022

The Chairman called the meeting of the Board of Trustees of the East Lake Fire Rescue Pension Plan to order at 7:30 a.m. on April 20, 2022 at 3375 Tarpon Lake Blvd. Palm Harbor, FL 34685.

TRUSTEES PRESENT: Chairman Doug Stryjewski, Michael Handoga, Scott Papes, Sharon Bonnem and Jeffrey Jackson.

OTHERS PRESENT:

Fund Attorney Adam Levinson of Klausner, Kaufman ETAL, John Thinnes of AndCo Consulting, Patrick Donlan of Foster and Foster, Lynn Skinner of TMICO and Pete Prior of Benefits USA, Inc.

Approval of Minutes

January 19, 2022 Quarterly Meeting

Chairman Stryjewski asked if there were any changes or corrections to the minutes. Trustee Bonnem noted that she was not present at the January meeting. With that being said, the Chairman said he would entertain a motion. Trustee Handoga moved to approve the minutes as amended, Trustee Bonnem seconded the motion and it passed.

Public Comments:

There were no public comments at this meeting.

NEW BUSINESS:

Authorized Signors (Attorney)

Attorney Levinson spoke on the Signatory Form for not only Salem Trust but for any other use that may be required by the board. The board decided to add the additional signee to the form and stated that they will sign the form upon completion of the meeting.

Foster and Foster Fee Increase

Mr. Donlan addressed the board to propose a fee increase and reviewed the different fees in question. Adam spoke in general about actuaries and their role. Trustee Handoga moved to approve the fee increase. Trustee Papes seconded the motion and the motion passed.

Consent Agenda:

For Ratification: Warrants #208 and 209

Benefits USA, Inc. (Flat Monthly Fee for February 2022)	\$1,600.00
KKJ&L (Legal Fees-(Bill #30022dated 1/31/2022)	\$2,146.50
Professional Indemnity Ins. (2022 Fiduciary Liability Insurance Renewal)	\$3,291.00
Salem Trust (Q4-2021 Custodian Fee-Invoice dated 1/10/2022)	\$1,750.00
Total	\$8,787.50
AndCo (Q1-22 Consulting Fee-Invoice #40670 dated 3/31/2022)	\$5,000.00
Benefits USA, Inc. (Flat Monthly Fee for March 2022)	\$1,600.00
Benefits USA, Inc. (Flat Monthly Fee for April, 2022)	\$1,600.00
Dana Inv Advisors (Q1-2022 Mgmt Fee-LC Inv #89948 dated 4/6/2022)	\$11,595.61
Dana Inv Advisors (Q1-2022 Mgmt Fee-FI Inv #89933 dated 4/6/2022)	\$1,829.42
Foster & Foster (Services Rendered; Invoice #23239 dated 4/6/2022)	\$18,211.00
Salem Trust (Q1-2022 Custodian Fee-Invoice #M28100 dated 4/11/2022; auto debited)	\$1,750.00
Total	\$41,586.03

Trustee Handoga moved to approve the Consent Agenda. Trustee Papes seconded the motion and the motion passed.

Investment Report: Quarter Ending 03/31/2022
AndCo Consulting

John addressed the board providing a brief report on the economy noting that since Russia invaded the Ukraine, it has a significant effect on the global economy. He noted that Russia provides most of Europe's energy supplies and both countries provide a large percentage of food supplies. For the 4th quarter of 2021 the GDP rose to 6.9%. For the first quarter of 2022, it varied from 0.5% to 2%. Equity markets posted negative returns during the first quarter; international equities also suffered negative returns and emerging markets declined -7.0%. Mr. Thinnes reported that the bond market has hurt the portfolio posting negative returns due to inflation. The Federal Reserve is talking about raising the interest rate 50bps, as well as raising the rate 8 more times. The Barclays Aggregate posted a negative return of -5.9% and the Corporate Bonds posted -7.7%. The best performing sector was TIPs which declined 3.0%. Mr. Thinnes reported that he is considering adding additional managers to complement the returns from Dana. He noted that he still has faith in Dana over the long term but would like to add another manager. He also said that he will invite Dana to the next meeting to report on their performance.

Mr. Thinnes reported on the returns noting that for the quarter the Fund was down -6.53% vs. the Fund policy of -4.91%. The equity portion of the fund declined -8.84% vs. the equity policy of -5.28%; Dana equity returned -7.23% vs. the domestic policy of -5.28%. Vanguard was down -9.34% in line with the S&P index. American Funds International Equity was down -12.23% vs. the MSCI AC index of -5.33%. Dana fixed income returned -4.10% vs. the Dana Fixed policy of -4.69%; Dodge and Cox returned -5.20% s. the Blmbg US Aggregate index of -5.93%, Intercontinental returned 5.75% vs. the NCREIF index of 0%.

Finally, Mr. Thinnes noted that he brought a DRAFT Investment Policy Statement for the Board to approve and adopt. He noted that he made some very small changes After a lengthy discussion Trustee Papes moved to approve the amended Investment Policy Statement, Trustee Bonnem seconded the motion and it passed.

Miscellaneous Correspondence
No Action Required

REPORTS:

Attorney

Attorney Levinson reported that 3 of Mr. Doyle charges were dismissed. He noted that they will know more at a later date and will keep the Board informed.

Attorney Levinson provided the board with a memo regarding Required Minimum Distributions and Cryptocurrencies Guidance. Mr. Levinson reported that on February 24, 2022, the IRS proposed revising the required minimum distribution age. The change would raise the age of the required distributions from 70 ½ to 72. On March 29, 2022 the House passed the SSRA (Securing a Strong Retirement Act) of 2022 which includes additional changes to the RMD's.

Attorney Levinson further reported on cryptocurrencies noting that the Department of Labor issued a compliance report regarding cryptocurrencies in 401(k) plans. The DOL expressed serious concerns about investing in crypto and other related products due to risks of fraud, theft and loss because of their speculative nature, custodial, recordkeeping and valuation concerns. He further noting that adding this product to DROP and Share plans could increase the liability.

Administrator

Mr. Prior reminded the board that the FPPTA Annual Conference is being held on June 26-29 at the Hilton Bonnet Creek and if anyone wishes to go, to contact the office.

Mr. Prior also noted that former member Matthew Doyle contacted the office inquiring about his benefits. After further review and report from the attorney, he may only be entitled to a refund of his member contributions.

TMI/Salem

Ms. Skinner reported on the Pensioner Portal noting that they are offering the retirees the options to confirm online the receipt of ACH deposits, make changes to their tax withholding, update an address and to view or print 1099 tax forms among other services. The Board did not approve this service and no action was taken.

Trustees

The Trustees had nothing further to report.

NEXT MEETING:

Mr. Prior reported that the next meeting is July 20, 2022 @ 7:30 am.

ADJOURNMENT: The meeting adjourned at 9:00 a.m.


Secretary