

**CITY OF WEST MELBOURNE
POLICE OFFICERS' RETIREMENT BOARD
APRIL 28, 2021**

The West Melbourne Police Officers' Retirement Board held its quarterly meeting on Wednesday, April 28, 2021 in the City Council Chamber, 2285 Minton Road, West Melbourne, Florida.

MEMBERS PRESENT: Chairman Scott Morgan (resident member)
Secretary Jennifer Curran (police member)
Pat Bentley (resident member)
James Parsons (police member)
Harvey Whitney (fifth member)

CONSULTANTS: Pedro Herrera, Board Attorney – *Sugarman & Suskind**
Kerry Richardville, Consultant – *AndCo Consulting*
Karan Rounsavall, Plan Administrator

Chairman Morgan called the meeting to order at 9:02 a.m. A quorum was in attendance. Trustees and consultants attended the meeting in physical presence and observed social distancing and wearing of masks. *Virtual presence – attorney attended meeting via communications media technology (Zoom platform hosted by the City of West Melbourne).

APPROVAL OF MINUTES

Member Curran moved to approve minutes of quarterly meeting January 27, 2021 as submitted. Member Whitney seconded the motion; it carried unanimously.

OFFICER AND TRUSTEE REPORTS - None

PROCESSED DISBURSEMENTS/RECEIPTS

Member Curran moved to approve plan expenditures for the second quarter of Fiscal Year 2020/2021 (January 1, 2021 through March 31, 2021) in the amount of \$32,998.29 and to acknowledge receipts to the plan in the amount of \$158,527.76. (Reference Plan Administrator's memo dated April 5, 2021 for detail.) Member Whitney seconded the motion which carried on an all-yes vote.

Total disbursements during the quarter were \$193,718.74 which included monthly benefit payments to retirees in the amount of \$146,923.74, refund of employee contributions (\$13,796.71) and expenses noted above.

CONSULTANT REPORTS

A. Kerry Richardville – AndCo Consulting (Investment Consultant)

- Performance Report for quarter ended March 31, 2021

Mrs. Richardville presented the performance report and economic commentary for the quarter ended March 31, 2021. The economy was in recovery mode with people getting back to work and consumers spending more. Domestic equity markets were positive with the S&P 500 returning 6.2 percent. Value stocks outpaced growth for the second consecutive quarter. Small capitalization stocks were doing quite well, and the energy sector was rebounding. There was a stunning comeback for markets compared to March 31, 2020 which posted a trailing one-year return of 56.4 percent. Fixed income

returns, however, were negative during the past quarter as long-term interest rates rose and the yield curve steepened.

All asset classes were within their target ranges. There was no recommendation for rebalancing.

Total market value as of March 31, 2021 was \$19,713,571 up from \$19,240,616 for the previous quarter ended December 31, 2020. On a percentage basis, the composite portfolio was up 2.47 percent for the quarter (gross) ranking in the 57th percentile of public plans slightly underperforming the fund policy. For the trailing 12 months, the fund was up 36.27 percent which ranked in the 70th percentile. Mrs. Richardville noted these were preliminary returns as final performance results from ASB Allegiance Real Estate Fund were not available when the performance reports were published. ASB's returns were reported the previous day; the real estate fund earned 2.41 percent (gross) for the quarter.

Quarterly performance results (i.e., quarter ending March 31, 2021) for the various investment styles/managers represented in the portfolio were as follows:

Garcia Hamilton & Associates (domestic fixed income) – negative return of -1.44% (29)*

EuroPacific Growth (international) – negative return of -0.43% (87)*

Vanguard Total Stock Market Index Fund – positive return of 6.43% (54)*

PIMCO Global Opportunities (global fixed income) – negative return of -0.25% (10)*

BlackRock Multi-Asset Income Fund (other assets) – positive return of 2.12% (57)*

ASB Allegiance Real Estate Fund (real estate) – positive return of 2.41% (30)*

(*Percentile rankings)

The EuroPacific Growth Fund was negative for the quarter due to its growth bias (as opposed to value). The Brookfield capital call was still pending. The fund previously committed \$1 million to the infrastructure asset class. The portfolio was valued at approximately \$20,240,000 as of the previous day.

The Board acknowledged receipt of the investment performance report as presented.

B. Pedro Herrera – Sugarman & Susskind (attorney)

- Legislative Update

Senate Bill 84 proposed to automatically enroll all new hires in the regular class of Florida Retirement System in the defined contribution plan. Currently there was no house companion bill for this initiative. This bill did not include police and fire members in the special risk class.

C. Karan Rounsavall - Plan Administrator Report

- Acknowledge refund of member contributions for Shawn Milian (non-vested member) in the amount of \$13,796.71

Member Curran moved to acknowledge the refund for Officer Milian. Member Whitney seconded the motion which carried on an all-yes vote.

- Annual Financial Disclosure Forms

Mrs. Rounsavall advised that financial disclosure forms were due to the Brevard County Supervisor of Elections no later than July 1, 2021.

The plan administrator also advised that the retirement plan's annual report was timely filed with the Florida Division of Retirement. Further, she received acknowledgement that the plan's service providers were compliant with the E-Verify statute.

OLD BUSINESS - None

NEW BUSINESS

A. Update to Salem Trust's standing letter of instruction to pay invoices directly

This letter of instruction authorized Salem Trust to pay invoices submitted directly to the custodian by professional service providers. This practice had been in place for many years. The update was needed to reflect new account numbers.

Member Whitney moved to authorize the new standing letter of instruction to Salem Trust. Member Curran seconded the motion which carried unanimously.

B. Periodic review of professional service provider agreements

Board members were in receipt of a listing of professional service providers and corresponding agreement dates. Pursuant to the Board's *Administrative Rules and Procedures*, these agreements were routinely reviewed to determine appropriateness and timeliness. The Board's agreement with Karan Rounsavall (plan administrator) was the next relationship to be reviewed. Her current agreement was executed in January 2017 and provided for a monthly fee of \$1,400. Mrs. Rounsavall did not seek an increase. Board members appreciated Mrs. Rounsavall's service to the retirement plan.

Member Bentley moved to retain all professional service providers. Member Curran seconded the motion which carried on an all yes vote.

PUBLIC COMMENT - None

ADJOURNMENT

The meeting adjourned at 9:38 a.m.

 JENNIFER CURRAN
FCR

Scott Morgan, Chairman



Karan Rounsavall, Plan Administrator