

**CITY OF KEY WEST POLICE & FIRE PENSION BOARD**  
**REGULAR MEETING MINUTES**  
**FRIDAY, MARCH 11, 2022 – 8:30 A.M.**

1. Call to Order and Roll Call

The meeting was called to order at 8:35 a.m. by the Chairman, Alfredo Vazquez. The following Trustees were present: Kevin Cates, Terry Garcia, and Chris Saunders. Bill Fortune was excused. Also present was Susy Pita, Plan Administrator, Don Dulaney, Plan Actuary, Steve Stack, Investment Manager, Eric Leventhall, Auditor, Bob Klausner, Plan Counsel, and Tim Nash, Investment Consultant. Retiree David Hadas was also in attendance.

2. Approval of Minutes

A motion was made by Chris Saunders to approve the minutes from regular meeting held December 10, 2021. Seconded by Terry Garcia, the motion carried unanimously.

3. Disbursements

A motion was made by Kevin Cates to approve the disbursement report as presented. Seconded by Alfredo Vazquez, the motion carried unanimously.

4. Simonton Center Property Manager's Report

Will Langley was unable to attend today's meeting but did provide a status report stating that the long term plan to move Subway to the end cap space and lease CVS the remainder of the building space has come to fruition. They were also able to double the price per square foot on the end cap space and get the full asking price of rent from CVS on the 3<sup>rd</sup> expansion space. They will continue to work with Subway and CVS over the next few months during the transition.

5. Annual Audit Presentation

Eric Leventhall of Kabat, Schertzer, DeLaTorre, Taraboulos & Co. presented the Annual Audit as of September 30, 2021. Following the review, and a brief discussion, a motion was made by Chris Saunders to approve the audit as presented and to authorize the Chairman to sign the Management Representation Letter. Seconded by Kevin Cates, the motion carried unanimously. The Trustees and the Plan Administrator thanked Eric and his team for the smooth transition that took place on this first audit with KSDT.

6. Investment Manager's Report

Steve Stack presented the Highland Capital Management report as of December 31, 2021. Ending market value was \$28,237,341 with an annualized return of 11.15%.

7. Investment Consultant's Report

Tim Nash began his report to the board by reviewing the portfolio for the quarter ending December 31, 2021. The Asset Allocation (by manager) was as follows: Schroders Fixed Income - \$37,873,795, Highland Capital - \$28,253,982, Fred Alger - \$14,848,441, Sawgrass Equity - \$12,815,732, WCM Focused International Growth - \$11,862,268, American Funds Euro Pacific - \$9,032,005, Rice James Equity - \$8,391,453, Cambiar Investments - \$7,788,159, PIMCO Global Bonds - \$7,400,071, Real Estate-SC \$6,984,551, JPM Infrastructure - \$4,950,081, R&D Account/Escrow - \$2,403,627 and the Mutual Fund Account - \$551. The total market value of the portfolio was at \$152,568,717.

Tim continued his report by informing the Trustees that the contract with Winslow Capital Management has been reviewed by the Attorney and the Plan Administrator will get it executed by the Chairman and provide any additional required documents. We expect to have the assets transferred from Sawgrass to Winslow before the end of this quarter.

He concluded this portion of his report with a portfolio update as of 03/11/22. Market value was \$138,299,298 which is a decrease of \$14,269,419 since the quarter ending 12/31/21 due to the current market volatility.

Because this was his last meeting, the Trustees took a few minutes to thank Tim for his many years of service to the Board as the Investment Consultant and wished him well on his new journey.

#### 8. Actuary's Report

Don Dulaney began his report by handing out and reviewing the 09/30/2021 Share Plan Distribution for the active members. Chris will provide the active Firefighters with their statements and Alfredo will see to the distribution for the active Police Officers.

Don concluded his report by handing out and reviewing the GASB 67 Report as of September 30, 2021.

#### 9. Attorney's Report

Bob Klausner discussed the Discovery Verification Affidavit and a motion was made by Terry Garcia authorizing the Chairman to sign on the Board's behalf so that we can preserve our standing in the Class Action. Seconded by Chris Saunders, the motion carried unanimously. Bob continued his report to the Board under the agenda items requiring his input.

#### 10. Old Business

There was none.

#### 11. New Business

Kevin Cates discussed the Insurance Stipend and asked that the Trustees consider another attempt at revising the current allocation parameters and sending it on in the form of a Resolution to the City Commission. The Trustees agreed to address this item at the next meeting.

#### 12. Public Comments

David Hadas thanked Tim Nash for his service to the Board and expressed his appreciation to Mr. Knight for selling the Simonton Street property to the Pension Board.

#### 13. Next Meeting Date

The next regular meeting date will be Friday, June 3, 2022 at 8:30 a.m.

#### 14. Adjournment

The meeting ended at 10:10 a.m.

*Approved by the Pension Board of Trustees at the regular meeting held on June 3, 2022.*