

Pension Board of Trustees Meeting Minutes
3:00 p.m. – Tuesday, November 15, 2022
Keys Energy Services Board Room
1001 James Street, Key West, Florida

Due to technical difficulties, audio is not available for this meeting.

1. Call to Order and Roll Call

Present: Sylvia Adams (in-person), Manuel Estevez (in-person), Cagle Petit (in-person), Lynne Tejada (in-person), Joe Weldon (in-person), Steve Wells (in-person), Erica Zarate (in-person), Chairman; Harry Bethel Sr (in-person).

Absent: Thomas Grassi, Gricel Owen, Brittani Harden.

Also present at the meeting: Jack Wetzler, Plan Administrator (in-person); Jesse Perloff, Secretary/Treasurer (in-person); Ron Cohen, Lorium Law, Plan Counsel (virtual); Shelly Jones, GRS, Plan Actuary (in-person); Nick Batty (virtual), Jeanette Williams (virtual), Katherine Lansdown (virtual), Doug Borths, Wolf Popper, (virtual); Matthew Insley-Pruitt, Wolf Popper, (virtual); Frankie Holtkamp, Union President/ (in-person).

2. Set Agenda

Motion: To Set the Agenda, **Moved by:** Mrs. Lynne Tejada, **Seconded by** Mrs. Sylvia Adams

3. Informational Items

a. Financial Statements for the period ended September 30, 2022

Mr. Perloff highlighted change in plan net position restricted for Pension Benefits for the nine months ended September 30, 2022, was a decrease of \$27,934,784 compared to an increase of \$9,379,945 for the nine months ended September 30, 2021. Total Net Position Restricted for Pension Benefits was \$103,294,445 at September 30, 2022 compared to \$125,976,578 at September 30, 2021. The fair market value of investments was \$101,430,802 at September 30, 2022, compared to \$125,105,203 at September 30, 2021.

4. Items for Discussion

a. Attorney's Report, Ron Cohen, Lorium Law

Mr. Cohen addressed the error made during the October 11th, 2022, meeting in the counting of votes. The motion providing for two actuarial studies passed, and the motion providing for three actuarial studies is considered null and void. Memo provided by Mr. Cohen with the explanation will be attached behind the minutes to be posted on the website.

b. Investment Consultant Report – John Thinnes, & Co Consulting

Mr. Thinnes briefly summarized the Performance Report included in the Pension packet for the period ended September 30, 2022, showing negative performance during the 3rd quarter. At the last meeting, the Pension Board discussed the relative performance challenges that have been experienced by the T Rowe Price Large Cap Growth Fund and the Alger Capital Appreciation Fund. An analysis of the Large Cap Growth Universe has shown similar relative performance challenges. For the period ending September 2022, the Universe of nearly 350 Large Cap Growth Strategies had only 15% of managers outperform the Russell 1000 Growth Index over a 3-year and 5-year period. As a result, a research team in the category of Large Cap Growth Equity is engaged and expects to complete a review in early 2023.

5. Consent Agenda*

a. Approve Minutes – October 11, 2022, Meeting *

Motion: To Approve Minutes – October 11, 2022, Meeting along with Ron Cohen memo attached, **Moved by** Mrs. Lynne Tejada **Seconded by** Mr. Steve Wells

b. Approve Disbursement Report October 1 to 31, 2022.

Motion: To Approve Disbursement Report October 1 to 31, 2022, **Moved by** Mrs. Lynne Tejada **Seconded by** Mrs. Sylvia Adams

6. Action Items

a. Discuss Actuarial Impact Statements for Modifying the Annual Pension Benefit COLA and Possible Recommendation to the Utility Board

Trustee Discussed the Actuarial Impact Statement attached in the Pension Packet

Motion: To Approve Increasing the Annual COLA From 3% to 4% Effective January 1, 2023, **Moved by Mrs.** Sylvia Adams, **Seconded by Mr.** Harry Bethel

Vote: Failed (**summary:** Yes=2 No=6).

Yes: Sylvia Adams, Harry Bethel **No:** Manuel Estevez, Cagle Petit, Lynne Tejada, Joe Weldon, Steve Wells, Erica Zarate.

- b. Approve Executing an Updated Custodial Bank Authorization Form for Wolf Popper, Portfolio Monitoring Services Consultant

Motion: To Approve Executing an Updated Custodial Bank Authorization Form for Wolf Popper, Portfolio Monitoring Services Consultant, **Moved by Mrs.** Sylvia Adams, **Seconded by Mr.** Manuel Estevez

- 7. Trustee's Comments
None

- 8. Other Business (that may legally come before the board)

There was no Other Business come before the Board.

- 9. Meeting Dates for 2023
 - a. 2/14/2023
 - b. 5/16/2023
 - c. 8/15/2023
 - d. 11/14/2023

- 10. Public Comments

There was not Public Inpit to come before the Board

- 11. Adjournment 3:57 pm

APPROVED:

Brittani Harden, Chair

Jesse Perloff, Secretary / Treasurer
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