

**CITY OF AVON PARK FIREFIGHTERS' RETIREMENT SYSTEM
PENSION BOARD OF TRUSTEES QUARTERLY MEETING MINUTES
Fire Department, 98 S. Delaney Ave., Avon Park, FL 33825**

Tuesday, January 18, 2022 – 1:00PM

TRUSTEES PRESENT: Warren West
Jonathan Prevatte
Jason Simmons

TRUSTEES ABSENT: Dr. Robert Flores
Samantha Mootosammy

OTHERS PRESENT: Richelle Levy, Lorium, PLLC
Chrissy Stoker, Foster & Foster
Kerry Richardville, AndCo Consulting
Christopher Davis, Purvis, Gray and Company, LLP (via Zoom)
Barbara Boyd, Purvis, Gray and Company, LLP (via Zoom)
Pearce Hogan, Purvis, Gray and Company, LLP (via Zoom)
Michael Sandstrum, Purvis, Gray and Company, LLP (via Zoom)
Julie Fowler, CliftonLarsonAllen LLP (via Zoom)
Sarah Timmons, CliftonLarsonAllen LLP (via Zoom)
Chuck Landers, Saltmarsh, Cleaveland & Gund (via Zoom)
Jeanine Bittinger, Saltmarsh, Cleaveland & Gund (via Zoom)
Enrique Llerena, Caballero Fierman Llerena & Garcia, LLP (via Zoom)
Alison Wester, Mauldin & Jenkins (via Zoom)
Daniel Anderson, Mauldin & Jenkins (via Zoom)
Eric Leventhal, Kabat, Schertzer, De La Torre, Taraboulos & Co. (via Zoom)
Israel Diaz, Kabat, Schertzer, De La Torre, Taraboulos & Co. (via Zoom)

1. **Call to Order** – Warren West called the meeting to order at 1:05PM and quorum was determined.
2. **Roll Call** – As reflected above.
3. **Public Comments** – None.
4. **Approval of Minutes**

The October 19, 2021, quarterly meeting minutes were approved as presented, upon motion by Jason Simmons and second by Jonathan Prevatte; motion carried 3-0.

4. New Business

a. Actual expenses as of September 30, 2021

1. Chrissy Stoker presented the actual expenses and reminded the Board this report was an exercise done annually to compare anticipated administrative expenses set forth in the budget to the actual administrative expenses of the plan during the

fiscal year. Chrissy commented she would send this report to the City and to the State.

The Board approved the actual expenses as of September 30, 2021, as presented, upon motion by Jonathan Prevatte and second by Jason Simmons; motion carried 3-0.

- b. Records Management Liaison Officer designation
 - 1. Chrissy Stoker commented the current Records Management Liaison Officer (RMLO) designated for the plan was Michelle Rodriguez. Chrissy commented since she had taken over the relationship as the primary administrator, she requested the Board to designate her as the RMLO of the plan records. By consensus, the Board approved to designate Chrissy Stoker as the RMLO.

5. Reports

a. Auditor Presentations

i. Purvis & Gray, LLP

- 1. Barbara Boyd introduced herself and her experience.
- 2. Christopher Davis introduced himself and his experience, commenting he would be the primary contact for the plan if hired.
- 3. Pearce Hogan introduced himself and his role with the firm.
- 4. Michael Sandstrum introduced himself and his role with the firm.
- 5. Barbara Boyd gave a firm overview, commenting they had been around for 75 years, had 6 offices across the State, and had over 100 employees. Barbara commented they were licensed to practice in Florida and were members of multiple professional auditing organizations, which gave them access to extra guidance, training, and the most up-to-date information on the industry.
- 6. Christopher Davis gave an overview of the phases of their auditing work.
- 7. Michael Sandstrum gave an overview of the firm's cyber security, auditing software, servers, and Information Technology (IT) capabilities.
- 8. Barbara Boyd commented they had extensive field experience, high quality staffing, and were relationship oriented.

ii. CliftonAllenLarson, LLP

- 1. Julie Fowler introduced herself and Sarah Timmons. Sarah gave a brief history of the firm and commented the audit would be managed out of their Sebring office if hired.
- 2. Julie Fowler commented they had been around for 60 years, had more than 120 locations, and served more than 4,000 governments every year, including many municipal pension plans.
- 3. Sarah Timmons described the engagement team, commenting she would be the engagement director and lead manager who would assist in planning the audit and doing a technical review of any work done by other associates in their field work.
- 4. Julie Fowler discussed their strategic client communications, commenting they were a very innovative firm and were always looking for ways to do things better and/or differently.
- 5. Julie Fowler gave an overview of the four phases of their auditing services.
- 6. Julie Fowler commented they were in constant communication with their clients, as they did not want their clients to be surprised about anything. Julie stated they responded to all requests within 24 hours and focused on

developing relationships with clients, so they become trusted advisors, not just auditors.

7. Julie Fowler described how the transition would take place if hired.
8. Warren West asked about the “yes” response to the litigation note in the proposal. Julie Fowler commented she did not know of any ongoing litigation. Warren asked if they currently worked for the City of Avon Park and Julie commented that was correct. Julie commented from the pension plan’s audit perspective, there would be no impact. Richelle Levy clarified this would be a totally separate audit from the City’s audit. Julie commented that was correct.
9. Richelle Levy asked if they would sign a fiduciary agreement. Julie Fowler commented she would have to run this by their legal team, but they could likely do this.

iii. Saltmarsh, Cleaveland & Gund

1. Chuck Landers introduced himself and gave a firm overview, commenting they were one of the oldest Certified Public Accounting firms in the State of Florida. Chuck commented almost all the municipal plans they provided auditing services for were in Florida. Chuck gave an overview of the auditing team and the team’s experience.
2. Jeanine Bittinger introduced herself and discussed some of her client relationships. Jeanine commented they worked for the benefit of their clients. Jeanine commented they worked with many of the Plan’s current vendors, including Fiduciary Trust and Richelle Levy.
3. Warren West asked if the fees were negotiable, as their fees were the highest of those proposed. Chuck Landers commented the fees were not negotiable.

iv. Caballero Fierman Llerena & Garcia, LLP

1. Enrique Llerena introduced himself and gave a firm overview. Enrique discussed his role as the audit engagement coordinator and gave an overview of the rest of the audit team.
2. Enrique Llerena commented all they did was auditing. Enrique discussed their secure communication technology for the exchange of information.
3. Enrique Llerena gave an overview of their auditing approach and described the four phases of the audit process.
4. Enrique Llerena gave an overview of their systems of quality control.
5. Enrique Llerena commented their auditing team would always be accessible and would stay in close communication so there would be no surprises.
6. Enrique Llerena and the Board discussed possible future fee increases.

v. Mauldin & Jenkins

1. Alison Wester introduced herself and gave a firm overview, commenting they were a regional firm that provided services to a variety of governments and non-profit organizations. Alison commented she was the plan engagement partner and had 25 years of experience with a concentration in governmental pension plans.
2. Alison Wester introduced Daniel Anderson and his experience. Daniel commented he had 12 years serving governmental clients. Daniel commented he would be the senior manager and the primary contact throughout the audit process.
3. Alison Wester gave a brief history of the firm and provided service statistics.
4. Alison Wester gave an overview of their experience with pension plans.

5. Daniel Anderson discussed their experience with auditor transitions, commenting they maintained constant communication with their clients to ensure a smooth transition.
 6. Daniel Anderson described the three main segments of the engagement.
 7. Daniel Anderson commented they had capabilities for a remote audit approach, a hybrid approach, or in person, per the Board's wishes.
 8. Daniel Anderson described the firm's secure communication methods.
 9. Alison Wester commented they were a leader in the Southeast and dedicated to the industry and their clients.
- vi. Kabat, Schertzer, De La Torre, Taraboulos & Co. ("KSDT")
1. Eric Leventhal introduced himself and gave a brief firm overview.
 2. Israel Diaz introduced himself and gave a brief overview of his experience and his role with the firm.
 3. Eric Leventhal commented they had a good relationship with Lorium Law and their firm stuck out because they had a practice that focused solely on public pension plans. Eric commented they had 5 clients in common with Lorium Law; 3 clients in common with Foster & Foster, as well as several others where Foster & Foster was the administrator and not the actuary; 11 other plans that were mutual clients with AndCo; and 8 mutual clients in common with Fiduciary Trust. Eric commented they had great relationships with the plan's vendors which would give them an advantage for a timely audit.
 4. Richelle Levy asked if their fees were negotiable. Eric Leventhal commented they could bring the fee down to \$12,500 in the first year and for subsequent years 2022 and 2023 they would go down to \$11,000.
- vii. The Board discussed the auditor presentations. Richelle Levy recommended the Board to choose a firm today, as the sooner they retained an auditor the sooner they would get the audit done.

The Board voted to hire Kabat, Schertzer, De La Torre, Taraboulos & Co. ("KSDT") as the auditor for the pension plan, upon motion by Jonathan Prevatte and second by Jason Simmons; motion carried 3-0.

- b. AndCo, Kerry Richardville, Investment Consultant
- i. Quarterly Report through December 31, 2021
 1. Kerry Richardville reviewed a letter from Mike Welker and gave a firm update. Kerry thanked the Board for their continued business.
 2. Kerry Richardville gave an overview of the market environment over the quarter.
 3. The market value of assets as of 12/31/21 was \$8,736,944.
 4. Kerry Richardville reviewed the asset allocation of the fund.
 5. Kerry Richardville reviewed the asset allocation versus the targets commenting they were in line with the targets and no rebalancing was necessary at this time.
 6. The total fund net returns for the quarter ending 12/31/21 were 4.54% underperforming the policy benchmark of 5.66%. The 1-, 3- and 5-year trailing returns were 13.84%, 16.97%, and 12.28%, respectively. Since inception (4/1/1997), the total fund net returns were 7.00% underperforming the policy benchmark of 7.27%.
 7. Kerry Richardville reviewed the performance of each manager.
- c. Lorium, PLLC, Richelle Levy, Board Attorney
- i. Legislative/legal update

1. Richelle Levy reminded the Board the travel policy had been finalized and signed.
2. Richelle Levy commented she was keeping her eyes open for information on the firefighter cancer law and how it was being applied.

Note: Richelle Levy left the meeting at 2:51 PM.

6. Old Business – None.

7. Consent Agenda

1. Payment ratification
 - i. Warrants #25, #26 and #27
- viii. Payment approval
 - i. None
- ix. Fund Activity Report for October 13, 2021, through January 11, 2022

The Board approved the consent agenda as presented, upon motion by Jonathan Prevatte and second by Jason Simmons; motion carried 3-0.

8. Staff Reports, Discussion and Action

a. Foster & Foster, Chrissy Stoker, Plan Administrators

1. Educational opportunities

- i. Chrissy Stoker commented the FPPTA Winter Trust School would be held from January 23-26, 2022, in Orlando, Florida. Chrissy commented only Warren West was registered to attend, and Jonathan Prevatte's registration had been cancelled per his request. Chrissy reminded the Board of the reimbursement process.

9. Trustees' Reports, Discussion, and Action – None.

10. Adjournment – The meeting adjourned at 3:02PM.

11. Next Meeting – April 25, 2022, at 1:30PM, Quarterly Meeting

Respectfully Submitted By:

Approved By:



Chrissy Stoker, Plan Administrator



Warren West, Chairman

Date Approved by the Pension Board: April 25, 2022