

**CITY OF KEY WEST POLICE & FIRE PENSION BOARD**  
**REGULAR MEETING MINUTES**  
**FRIDAY, DECEMBER 6, 2024 – 10:30 A.M.**

1. Call to Order and Roll Call

The meeting was called to order at 10:35 a.m. by the Chairman, Terry Garcia. The following Trustees were present: Kevin Cates, Matt Haley, Chris Saunders, and Alfredo Vazquez. Service providers present were Susy Pita, Plan Administrator, Stu Kaufman, Plan Attorney, John Thinnes, Investment Consultant, Steve Stack, Investment Manager, Don Dulaney, Plan Actuary, and Karen Russo from Salem Trust.

2. Approval of Minutes

A motion was made by Alfredo Vazquez to approve the minutes from regular meeting held September 6, 2024. Seconded by Matt Haley, the motion carried unanimously.

3. Disbursements

A motion was made by Matt Haley to approve the disbursement report as presented. Seconded by Chris Saunders, the motion carried unanimously.

4. Simonton Center Property Manager's Report

Will Langley informed the Board that the management and operations at the Simonton Center continue to go well. As of August 31<sup>st</sup>, the operating account balance was \$198,200. He recommended that the Trustees transfer \$100,000 into their R&D account. A motion was made by Alfredo Vazquez to approve the transfer for further investment according to the Investment Policy Statement. Seconded by Matt Haley, the motion carried unanimously. The Plan Administrator will coordinate the transfer.

5. Custodian's Report

Karen Russo began her report to the Board by reporting on the frequency of trades and the number of retirees that are utilizing the portal. She concluded her report by providing the Trustees with an overview of recent changes to the Company due to the retirement of President Mark Rhein.

6. Investment Manager's Report

Steve Stack provided the Highland Capital Management report as of September 30, 2024. Ending market value was \$31,964,463 with a cumulative return of 8.97%.

7. Real Estate Market Update

Tim Nash and Paul Nasser from Intercontinental Real Estate Corporation were invited to today's meeting to provide the Trustees with a Real Estate Market update. They began the presentation with an overview of the company and went on to discuss their current investments and their outlook for future investing in the Real Estate market. Following a lengthy discussion, a motion was made by Terry Garcia to proceed with an initial investment of \$5 million and to consider an additional \$5 million allocation in the near future. Seconded by Kevin Cates, the motion carried unanimously.

8. Investment Consultant's Report

John Thinnes reviewed the portfolio results for the quarter ending September 30, 2024. The Asset Allocation (by manager) was as follows: Highland Capital - \$31,964,796, Schroders Fixed Income - \$30,738,375, Fred Alger - \$18,300,683, Winslow Large Growth - \$17,584,196, WCM Focused International Growth - \$11,346,896, JPM Infrastructure - \$10,835,505, American Funds Euro Pacific - \$9,152,255, Real Estate-SC \$9,048,153, Cambiar Investments - \$8,661,296, Rice James Equity - \$8,173,478, PIMCO Global Bonds - \$6,991,950, R&D Account/Escrow - \$1,902,173, and the Mutual Fund Account - \$607. The total market value of the portfolio was at \$164,700,362; an increase of \$8,936,014 since the last quarter.

9. Actuary's Report

Don Dulaney handed out and reviewed the estimated Share Plan distributions for the retirees as of FYE 09/30/2024. He will work closely with the Plan Administrator to ensure that the distributions are done as soon as possible.

10. Attorney's Report

Stu Kaufman began his report by discussing the disability application for Jennifer Kouri and the upcoming

hearing that will take place immediately after the regular meeting. He concluded his report by discussing his Firm's memo regarding new withholding requirements for retirees who live outside of the U.S.A.

#### 11. Old Business

There was none.

#### 12. New Business

(a) The Plan Administrator reviewed the Annual Expense Report for the Fiscal Year ending 09/30/2024. Following a brief discussion, a motion was made by Matt Haley to approve the report as presented. Seconded by Chris Saunders, the motion carried unanimously. The Plan Administrator will see to the proper distribution.

(b) A motion was made by Alfredo Vazquez to approve the DROP entry for Michael Malgrat and Danyale Massoud effective 08/01/2024. Seconded by Matt Haley, the motion carried unanimously.

#### **ADDED ON:**

A motion was made by Matt Haley to approve of the DROP entry for Scott Standerwick effective 10/01/2024. Seconded by Alfredo Vazquez, the motion carried unanimously.

A motion was made by Matt Haley to approve of the DROP exit/retirement for Brian Leahy effective 12/13/2024. Seconded by Alfredo Vazquez, the motion carried unanimously.

Matt Haley asked the Administrator to place retirement benefit enhancements on the Agenda for the next meeting.

A motion was made by Terry Garcia to pay the Plan Administrator a \$1,000 Christmas Bonus. Seconded by Alfredo Vazquez, the motion carried unanimously.

#### 13. Public Comments

David Hadas asked that, as a respectful gesture to Mr. Knight, the Board continue to keep the Simonton Center property as an investment. He also asked that they make another attempt to approach the City regarding changes to the annual Insurance Stipend.

#### 14. Next Meeting Date

The General Employees' Pension Board has asked to swap starting times beginning in 2025. Following a brief discussion, the Trustees unanimously agreed *not* to change their starting time to 10:30 a.m. The next regular meeting date will be Friday, March 7, 2025 at 8:30 a.m.

#### 15. Adjournment

The meeting ended at 12:15 p.m.

*Approved by the Pension Board of Trustees at the regular meeting held on March 7, 2025.*