

CITY OF KEY WEST POLICE & FIRE PENSION BOARD
REGULAR MEETING MINUTES
FRIDAY, SEPTEMBER 5, 2025 – 8:30 A.M.

1. Call to Order and Roll Call

The meeting was called to order at 8:30 a.m. by the Chairman, Terry Garcia. The following Trustees were present: Matt Haley and Chris Saunders. Kevin Cates and Alfredo Vazquez were excused. Service providers present were Susy Pita, Plan Administrator, Adam Levinson, Plan Attorney, John Thinnies, Investment Consultant, Steve Stack, Investment Manager, and Will Langley, Property Manager.

A motion was made by Matt Haley to re-appoint Terry Garcia as the 5th Member for another four year term. Seconded by Chris Saunders, the motion carried unanimously.

2. Approval of Minutes

A motion was made by Matt Haley to approve the minutes from regular meeting held June 6, 2025 and the special meeting held on July 11, 2025. Seconded by Chris Saunders, the motion carried unanimously.

3. Disbursements

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

4. Simonton Center Property Manager's Report

Will Langley briefed the Trustees on a recent breach of the operating account. A police report was filed and, ultimately, the funds were replaced by Centennial Bank. He is now in the process of establishing a new operating account at First State Bank.

Will continued his report by recommending that we transfer \$75,000.00 to the R&D Account at Salem Trust for investing. A motion was made by Matt Haley to transfer the funds as recommended. Seconded by Chris Saunders, the motion carried unanimously. The Plan Administrator will coordinate the transfer.

5. Investment Manager's Report

Steve Stack provided the Highland Capital Management report as of June 30, 2025. Ending market value was \$32,417,285 with an annualized return of 14.44%.

6. Investment Consultant's Report

John Thinnies began his report by reviewing the Addendum to the Investment Policy Statement adding language to comply with House Bill 1519: Entities that Boycott Israel, amending Chapter 215.4725, Florida Statutes. The Chairman affixed his signature to the addendum.

John continued his report by reviewing the portfolio results for the quarter ending June 30, 2025. The Asset Allocation (by manager) was as follows: Highland Capital - \$32,417,617, Fred Alger - \$20,079,437, Winslow Large Growth -\$20,306,052, Cambiar Investments - \$7,312,127, Rice James Equity - \$8,108,570, American Funds Euro Pacific - \$9,885,980, WCM Focused International Growth - \$13,210,013, Schrodgers Fixed Income - \$28,322,811, PIMCO Global Bonds - \$4,663,278, Churchill Middle Market Loan Fund - \$10,763,219, Real Estate-SC \$10,086,879, JPM Infrastructure - \$11,270,425, R&D Account/Escrow - \$1,268,636, and the Mutual Fund Account - \$626. The total market value of the portfolio was at \$177,695,671, an increase of \$14,230,158 since the last quarter end.

John concluded his report by handing out and reviewing his performance based fee proposal. Following a lengthy discussion, the Trustees agreed to postpone a decision until the next meeting when we may have a full quorum.

7. Actuary's Report

Don Dulaney was not needed at today's meeting.

8. Attorney's Report

Adam Levinson began his report to the Board by informing the Trustees that a few days ago Stu Kaufman reached out to Chairman Terry Garcia to approve the demand for records regarding the Sketcher's case. A motion was made by Matt Haley to ratify the Chairman's action approving the demand for records. Seconded by Chris Saunders, the motion carried unanimously. Adam continued his report to the Board under the agenda items requiring his input.

9. Old Business

There was none.

10. New Business

(a) The Plan Administrator reviewed the Annual Budget Projection for the Fiscal Year ending 09/30/2026. A motion was made by Matt Haley to approve the proposed budget 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 Chris Saunders to approve the retirement for Randall Smith effective 05/23/2025. Seconded by Matt Haley, the motion carried unanimously.

(c) A motion was made by Chris Saunders to approve the DROP entry for Thomas Anglin effective 06/01/2025 and David Zarate effective 08/01/2025. Seconded by Matt Haley, the motion carried unanimously.

(d) The 2026 Meeting Schedule was reviewed and approved.

11. Public Comments

Retiree David Hadas sent a letter to the Plan Administrator yesterday and asked that she pass it on to the Trustees as he was unable to attend the meeting today. The letter details the growing cost of health insurance, including Medicare. He respectfully requested that the Board continue to pursue with a Resolution to the City Commission requesting an increase in the annual Insurance Stipend. The Trustees asked the Plan Administrator to place this item on the Agenda for the December meeting.

12. Next Meeting Date

The next regular meeting date will be Friday, December 5, 2025 at 8:30 a.m.

13. Adjournment

The meeting ended at 10:00 a.m.