

**CITY OF PALMETTO
GENERAL EMPLOYEES'
PENSION BOARD OF TRUSTEES
February 24, 2014 - 8:30 A.M.**

Board Members Present:

Ray Dielman, Chair
Jim Freeman, Vice Chair
Matt Bloome, Secretary
Ellen Leonard
Patty Persson
Matt Misco

Board Members Absent:

Allen Tusing

Staff and Others Present:

Scott Christiansen, Board Attorney
Charlie Mulfinger, Graystone Consulting
Amber Foley, Assistant City Clerk

Chairman Dielman called the meeting to order at 8:35 a.m.

1. AGENDA APPROVAL

Motion: Mrs. Persson moved, Mr. Bloome seconded the motion to approve the February 24, 2014 General Employees' Pension Board agenda.

Ms. Foley asked that the motion be modified to remove Item 6 from the agenda.

Mrs. Persson modified the motion to approve the February 24, 2014 agenda with the removal of item 6, Mr. Bloome seconded the modified motion. The motion carried unanimously.

2. PUBLIC COMMENT

None

3. APPROVAL OF MINUTES

Motion: Mrs. Persson moved, Mr. Freeman seconded, and the motion carried unanimously to approve the November 25, 2013 minutes.

4. APPROVAL OF EXPENSES

- A) Christiansen and Dehner: Invoices Dated 11/30/2013, 12/31/2013, and 1/31/2014
- B) Graystone Consulting: Quarter ending 12/31/2013 (Investment Report)
- C) Foster & Foster: Invoice #5753 \$9,611.00

Motion: Mrs. Persson moved, Mr. Freeman seconded, and the motion carried unanimously to ratify the paid expenses as presented.

5. INVESTMENT REVIEW

Mr. Mulfinger discussed the fourth quarter review summary. The Plan's portfolio was valued at \$11,267,875 as of December 31, 2013, a gain net-of-fees of \$702,529. He informed the Board that the Plan is over weighted in all equity asset classes. He recommends the portfolio be rebalanced to the maximum range for the Plan which is 65%. Mr. Mulfinger reviewed each manager for the quarter. The total return for the quarter was 6.89% versus the Policy Index of 5.84%. A copy of the fourth quarter summary is attached to and made a part of these minutes.

Discussion ensued regarding rebalancing the portfolio. Mr. Mulfinger suggested taking the 1.5% that is over weighted in Equity and moving that to Hedge Funds to balance the portfolio.

Motion: **Mr. Freeman moved, Mrs. Persson seconded, and the motion carried unanimously to rebalance and reduce Equity down to the range of 65%, take the dollars from rebalance and reinvest them into Hedge Fund of Funds.**

6. 2013 ACTUARIAL VALUATION REPORT

Doug Lozen, Foster & Foster, will review the October 1, 2013 Actuarial Valuation Report.

Action Request: **Motion to accept the October 1, 2013 Actuarial Valuation Report.**

Action Request: **Motion to declare that based on the advice of our investment professionals and/or actuary, the Board of Trustees declare that the total expected annual rate of investment return for the next year, next several years, and the long-term thereafter shall be _____%, net of investment related expenses.**

This item was removed from the agenda; Mr. Lozen will present the 2013 Actuarial Valuation Report at the June 2014 meeting.

7. ATTORNEY CHRISTIANSEN'S REPORT

No report.

8. NEW BUSINESS

Staff reminded the Board that according to the Operating Rules and Procedures, the Secretary and Chair are responsible for signing official contracts for the Board.

Mr. Freeman stated that Mr. Lozen will be present at the next meeting to discuss the Actuarial Valuation Report. Mr. Freeman has briefly reviewed the Report and noticed a small decrease in the amount that the City has to contribute to the Fund.

Chair Dielman reminded the Board members that they are to participate in training at least once per two year term. There is money allocated for them to attend these informational seminars. Board members can visit FPPTA.org to locate when and where the next training will be held.

Chairman Dielman adjourned the meeting at 9:44 a.m.

Minutes approved: June 2, 2014

Matt Bloome

Matt Bloome
Secretary