

**DRAFT  
CITY OF PALMETTO  
GENERAL EMPLOYEES'  
PENSION BOARD OF TRUSTEES  
June 2, 2014 - 8:30 A.M.**

Board Members Present:

Ray Dielman, Chair  
Matt Bloome, Secretary  
Ellen Leonard  
Allen Tusing—(Arrived 8:40 a.m.)  
Patty Persson

Board Members Absent:

Jim Freeman, Vice Chair  
Matt Misco

Staff and Others Present:

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

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

1. AGENDA APPROVAL

**Motion: Ms. Persson moved, Mr. Bloome seconded, and the motion carried unanimously to approve the June 2, 2014 General Employees' Pension Board agenda. Mr. Tusing was absent for the vote.**

2. PUBLIC COMMENT

No comment.

3. APPROVAL OF MINUTES

**Motion: Mr. Bloome moved, Ms. Persson seconded, and the motion carried unanimously to approve the February 24, 2014 minutes. Mr. Tusing was absent for the vote.**

4. APPROVAL OF EXPENSES

- A) Christiansen and Dehner: Invoices Dated 2/28/2014, 3/31/2014, and 4/30/2014
- B) Graystone Consulting: Quarter ending 12/31/2013 (Investment Report)

**Motion: Ms. Persson moved, Mr. Bloome seconded, and the motion carried unanimously to ratify the paid expenses as presented. Mr. Tusing was absent for the vote.**

5. INVESTMENT REVIEW

Mr. Owens, Graystone Consulting, presented the first quarter investment review. The Plan's portfolios was valued at \$11,226,423 as of March 31, 2014; a gain net-of-fees of \$84,697. All Equity assets are overweighted. At the last meeting, the Board made a motion to take \$300,000 from Equity and deposit into Private Advisors; once that occurs, the Portfolio will be balanced within Policy.

Mr. Owens gave a breakdown of returns, reviewing each manager's performance for the quarter. He reviewed the compliance checklist, noting that the only manager not in compliance was Franklin. Franklin will be in compliance once the rebalance takes place. A copy of the first quarter investment review is attached to and made a part of these minutes.

#### 6. 2013 ACTUARIAL VALUATION REPORT

Doug Lozen, Foster & Foster, reviewed the October 1, 2013 Actuarial Valuation Report. He noted a slight decrease to the City's contribution as compared to last fiscal year. The City's contribution for fiscal year 2015 will be 30.66% of payroll. There are 66 members in the Plan that are contributing 5% of their income.

Discussion ensued regarding the Comparative Summary and the Unfunded Actuarial Accrued Liabilities of the Valuation report. Board members questioned if the City could contribute more than the 30.66% of payroll to help pay down the unfunded liability more quickly; Mr. Lozen stated yes. Mr. Lozen noted that the total values listed are the total debt of the Plan. In the next five years, Mr. Lozen expects the City's contribution of payroll to be approximately 25%.

**Motion: Mr. Tusing moved, Ms. Leonard seconded, and the motion carried 4-1 to accept the October 1, 2013 Actuarial Valuation Report. Ms. Persson voted no.**

**Motion: Mr. Tusing moved, Ms. Leonard seconded, and the motion carried unanimously 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 7.5%, net of investment related expenses.**

#### 7. ATTORNEY CHRISTIANSEN'S REPORT

Attorney Christiansen updated the Board on the latest legislative session. No changes were made that affect this Plan.

He reminded the Board to fill out Form 1 Financial and mail it out so that no fines will be assessed.

#### 8. BENEFITS DISBURSEMENT APPROVAL

##### A. DROP PARTICIPANT

1. Rick Pittman

##### B. TERMINATED NON-VESTED EMPLOYEES

1. Richard Ferrell
2. Ellen Glenn
3. Juan Guerrero
4. Lorraine Lyn
5. Norberto Mercado
6. Beverly Minnix
7. Char Patterson

##### C. RETIRED EMPLOYEES

1. Richard Carter (exited DROP)
2. Sharon Jones (exited DROP)

##### D. DECEASED RETIREES

1. Harrison Adams
2. Jeff Hale

##### E. DECEASED ACTIVE EMPLOYEE PAYOUT

1. Willie Jones

**Motion: Ms. Persson moved, Mr. Tusing seconded, and the motion carried unanimously to approve the benefits disbursements as presented.**

#### 9. NEW MEMBER ACKNOWLEDGEMENT (*Informational Only*)

- A. Kurt Stokke
- B. Todd Simmons

10. FLORIDA PUBLIC PENSION TRUSTEES ASSOCIATION DATES

Staff asked which Board members would like to attend the Fall Trustees School in October and which Board members would like to attend the 2015 Winter or Fall Trustees School. The following Board members term expire at the end of this year and, as written in the Board's Operating Rules and Procedures, need to attend the Fall Trustees School to fulfill the requirement of attending one training per term:

- Patricia Persson
- Ray Dielman
- Matt Bloome
- Matt Misco

Chair Dielman, Ms. Persson, and Mr. Bloome all indicated to staff that they would like to attend the Fall Trustees School in October.

Chair Dielman adjourned the meeting at 10:10 a.m.

Minutes approved:

Matt Bloome  
Secretary