

**CITY OF PALMETTO
GENERAL EMPLOYEES'
PENSION BOARD OF TRUSTEES
November 30, 2015 - 8:30 A.M.**

Board Members Present:

Ray Dielman, Chair
Jim Freeman, Vice Chair
Matt Bloome, Secretary
Ellen Leonard—Arrived at 8:35 a.m.
Matt Misco
Patty Persson
Allen Tusing

Staff and Others Present:

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

Chair Dielman called the meeting to order at 8:32 a.m.

1. AGENDA APPROVAL

Motion: Mr. Tusing moved, Mr. Freeman seconded, and the motion carried 6-0 to approve the November 30, 2015 General Employees' Pension Board agenda. Mrs. Leonard was absent for the vote.

2. PUBLIC COMMENT

No public present.

3. APPROVAL OF MINUTES

Motion: Mrs. Persson moved, Mr. Bloome seconded, and the motion carried 6-0 to approve the August 24, 2015 minutes. Mrs. Leonard was absent for the vote.

4. APPROVAL OF EXPENSES

- A) Christiansen and Dehner: Invoices Dated 8/31/2015, 9/30/2015, 10/31/2015
- B) Graystone Consulting: Quarter ending 3/31/2015 (Investment Report)
- C) Florida Municipal Insurance Trust #0460
- D) Renewal to FPPTA \$600.00

Motion: Mr. Tusing moved, Mr. Freeman seconded, and the motion carried 6-0 to ratify the paid expenses as presented. Mrs. Leonard was absent for the vote.

5. PROPOSED 2016 MEETING DATES

- February 29, 2016
- May 23, 2016
- August 29, 2016
- November 28, 2016

Motion: Mrs. Persson moved, Mr. Tusing seconded, and the motion carried 6-0 to approve the 2016 Pension Board meeting dates as presented. Mrs. Leonard was absent for the vote.

6. INVESTMENT REVIEW

Mr. Owens gave a presentation on the current economic growth and the growth during the last quarter.

Mr. Mulfinger discussed the third quarter review. The portfolio was valued at \$11,277,347 with a loss net-of-fees of \$497,463. He reviewed each investment manager noting no rebalance is needed at this time.

Discussion ensued regarding the risk/return analysis to the Plan since inception. It was discussed about being less conservative. Mr. Mulfinger stated being less volatile is better for pensions and cities. Mr. Dielman questioned if the Plan should buy more index funds to better meet the benchmark. Discussion continued and it was decided that the Board should be looking into this in the near future.

Mr. Mulfinger discussed the Fiduciary Services vs. Select UMA Program Fee Comparison handout and the Asset Allocation handout for the Plan. This is attached to and made part of the minutes. The Fee Comparison handout shows proposal of lowered fees for each manager. Total investment fee will drop from .47% to .44% with total traditional managers lowering from .79% to .76%, with the alternative managers remaining the same at .22. The total fee (consulting fee and manager fees) for the Portfolio will go down from .95% to .92%. If the Board would like to implement this, it will go in effect January 1. Mr. Mulfinger presented a copy of this to Attorney Christiansen, and if he is okay with this, then a motion will need to be made to adopt and have effective January 1, 2016.

Motion: Mrs. Persson moved, Mr. Freeman seconded, and the motion carried 7-0 to adopt the proposed fee modification effective January 1, 2016.

7. BENEFITS DISBURSEMENT APPROVAL

A. DROP PARTICIPANT

- Geoff Seger

B. TERMINATED NON-VESTED EMPLOYEES

- Mike Alderman
- Lisa Byers

C. TERMINATED VESTED EMPLOYEE LUMP SUM DISTRIBUTION

- Jason Matthews

D. RETIRED EMPLOYEES

- Bruce Looman-left money in, now collecting retirement

E. DECEASED RETIREES

- Roosevelt Taylor
- Curtis Mathis (has joint annuitant)

F. DECEASED ACTIVE EMPLOYEE PAYOUT

- None

G. OVERPAYMENT FROM FUND

- Tracy Williamson

H. PAYMENTS ON HOLD

- Barbara Dishon-insufficient address, unable to locate

Motion: Mr. Tusing moved, Mr. Blome seconded, and the motion carried 7-0 to approve the benefits disbursement as presented and to continue to monitor the situation with Barbara Dishon's payments.

8. NEW MEMBER ACKNOWLEDGEMENT (Informational Only)

- Lawrence Hoffman
- Casey Odell
- Pedro Rios
- Tristan Szabo
- Donaciano Barajos

9. ATTORNEY CHRISTIANSEN'S REPORT

Attorney Christiansen informed the Board that Mr. Tusing and Mrs. Leonard's terms expire January 2016. Their seats are approved by the Board. Both Mr. Tusing and Mrs. Leonard would like to serve another term.

Motion: **Mrs. Persson moved, Mr. Bloome seconded, and the motion carried 7-0 to elect Allen Tusing and Ellen Leonard to the Board for another two-year term expiring 2018.**

Mr. Christiansen reminded Ms. Foley to send the fiscal yearend report, document PL-2, to the City Commission along with a copy of the Plan's performance end of year summary.

He stated that he is still working on the Internal Revenue Code Ordinance.

Attorney Christiansen provided articles that discussed defined contribution versus defined benefits plan. He asked staff to distribute to City Commission.

10. NEW BUSINESS

FPPTA Trustees School will be held January 31-February 3, 2016 in Orlando. Ms. Foley asked if any trustees were interested in going to let her know by end of December so arrangements can be made.

11. DISCUSSION: DECLARATION OF ANNUAL RATE OF RETURN

Discussion ensued regarding lowering the annual rate of return from 7.5%. Topics discussed were the cost to the Plan and to the City, and lowering it in small increments every year until a better rate is achieved. Mr. Tusing suggested reviewing the investment policy on how to increase money for the Plan instead of looking into lowering the annual rate of return at this time.

Chair Dielman announced that today is his last day serving on the Board. He is resigning effective today because he and his wife will no longer be living in the City of Palmetto. He stated he has enjoyed his time serving on the Board for as long as he has and will miss everyone.

Chair Dielman adjourned the meeting at 10:21 a.m.

Minutes approved: February 29, 2016

Matt Bloome

Matt Bloome
Secretary