

**CITY OF PALMETTO
GENERAL EMPLOYEES'
PENSION BOARD OF TRUSTEES
November 28, 2016 - 8:30 A.M.**

Board Members Present:

Jim Freeman, Chair
Allen Tusing, Vice Chair
Dale Hoffner
Ellen Leonard
Matt Misco
Patty Persson

Board Members Absent:

Matt Bloome, Secretary

Staff and Others Present:

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

Chair Freeman called the meeting to order at 8:41 a.m.

1. AGENDA APPROVAL

Motion: Mrs. Persson moved, Mr. Hoffner seconded, and the motion carried 6-0 to approve the November 28, 2016 General Employees' Pension Board agenda.

2. PUBLIC COMMENT

None.

3. APPROVAL OF MINUTES

Motion: Mrs. Persson moved, Mr. Misco seconded, and the motion carried 6-0 to approve the August 29, 2016 minutes.

4. APPROVAL OF EXPENSES

- A) Christiansen and Dehner: Invoices Dated 8/31/2016 and 9/30/2016
- B) Graystone Consulting: Quarter ending 12/31/2015 (Investment Report)
- C) Florida Municipal Trust #0460
- D) FPPTA: Invoice Number 16-7050CPPT
- E) FPPTA Membership Renewal

Motion: Mr. Hoffner moved, Mrs. Leonard seconded, and the motion carried 6-0 to ratify the paid expenses as presented.

5. APPROVAL OF 2017 MEETING DATES

- 2/27/2017
- 5/22/2017
- 8/28/2017
- 11/27/2017

Motion: Mr. Tusing moved, Mrs. Persson seconded, and the motion carried 6-0 to approve the Board meeting dates for 2017.

6. INVESTMENT REVIEW

Scott Owens, Graystone Consulting, presented the economy review over the last quarter.

Mr. Mulfinger, Graystone Consulting, presented the end of quarter investment review. The Portfolio was valued at \$12,218,375 a gain net-of-fees of \$327,230 for the quarter. Total equity was valued at 61 percent of the total Portfolio with stocks being slightly overweight and bonds, hedge fund to funds, and private real estate slightly underweight.

Mr. Mulfinger reviewed the compliance checklist explaining any reasons for non-compliance. He then discussed the Valuation and Performance (page 10) explaining the performances of each manager as of November 21, 2016. No recommendations for rebalance of the Portfolio at this time.

Mr. Tusing exited the meeting at 9:00 a.m.

Mr. Mulfinger discussed the Index Ranking Versus Active Universe PSN handouts regarding large cap managers, small cap managers and international equity. This shows all the active managers ranked over a rolling 3 year and rolling 5 year spans. This shows that it may not be beneficial to put money into the index only. Discussion ensued regarding the handouts as well as the ranking of the Plan. The City's Plan is in the 65th percentile compared to similar Plans. This does not account for asset allocations, just public plans less than a billion dollars. All of the information discussed will be placed into the Summary of the Quarter that is presented at each meeting to the Board.

Mrs. Leonard exited at 9:30 a.m. and returned at 9:33 a.m.

7. BENEFITS DISBURSEMENT APPROVAL

A. DROP PARTICIPANT

- None

B. TERMINATED NON-VESTED EMPLOYEES

- Joel Carranza

C. TERMINATED VESTED EMPLOYEE LUMP SUM DISTRIBUTION

- None

D. RETIRED EMPLOYEES

- Patrick Douglas—was in DROP
- Reynaldo Moreno—was in DROP
- Jeff Scott

E. DECEASED RETIREES

- None

F. DECEASED ACTIVE EMPLOYEE PAYOUT

- None

Motion: Mrs. Persson moved, Mr. Hoffner seconded, and the motion carried 5-0 to approve the benefits disbursement as presented.

8. NEW MEMBER ACKNOWLEDGEMENT (*Informational Only*)

- Octavious Cole
- Collin Palmer

9. ORDINANCE 2016-18 INTERNAL REVENUE CODE CHANGES

Motion: Mrs. Persson moved, Mr. Misco seconded, and the motion carried 5-0 to recommend adoption of Ordinance 2016-18 by City Commission.

10. CERTIFICATION OF BALLOTS FOR THE TWO ELECTED TRUSTEES SEATS

An election was held from November 14th through the 16th. Ballots were collected by the Clerk and counted. Per the Operating Rules and Procedures, the ballots have been certified by the City Clerk and

the Clerk for the Board. Matt Misco and Matt Bloome were both reelected for another two year term for the Board.

Matt Bloome received 44 votes.

Matt Misco received 51 votes.

Javier Vargas received 27 votes.

Motion: Mrs. Persson moved, Mr. Hoffner seconded, and the motion carried 5-0 to approve the Clerk's certification of the election for the Pension Board Trustees.

11. ATTORNEY CHRISTIANSEN'S REPORT

Attorney Christiansen reminded Mr. Hoffner and Mrs. Persson that their terms are expiring at the end of the year and they would need to be reappointed by the City Commission if they wanted to serve another two year term. Mr. Hoffner would like to serve another term; however Mrs. Persson would like to step down.

Attorney Christiansen let Ms. Foley know that the reselection of the Board officers would need to be added to the February 2017 agenda.

He would like to work on the Summary Plan Description to present to the Board at the next meeting and requested a motion to authorize him to do that.

Motion: Mr. Hoffner moved, Mr. Freeman seconded, and the motion carried to authorize Attorney Christianson to prepare the Summary Plan Description and bring forward to the Board for approval at the next meeting in February.

Attorney Christiansen reminded Ms. Foley to send the PL-2 letter to the City Commission along with the end of the year report for the Plan (as presented by Mr. Mulfingher and Mr. Owens). Also, he reminded Mr. Mulfingher to have the managers sign the Investment Policy Statement.

12. PLAN ADMINISTRATOR'S REPORT

Ms. Foley announced the dates of the FPPTA Winter Trustees School is January 29-February 1 in Orlando. She asked who would like to attend and Mr. Hoffner was the only Board member at this time that requested reservations be made for his attendance.

Chair Freeman adjourned the meeting at 9:58 p.m.

Minutes approved: February 27, 2017

Matt Bloome

Matt Bloome
Secretary