

**CITY OF PALMETTO
GENERAL EMPLOYEES'
PENSION BOARD OF TRUSTEES
August 27, 2018 - 8:30 A.M.**

Board Members Present:

Jim Freeman, Chair
Allen Tusing, Vice Chair
Matt Bloome, Secretary
Dale Hoffner
Ellen Leonard
Matt Misco
David Sylvester

Staff and Others Present:

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

Chair Freeman called the meeting to order at 8:30 a.m.

1. AGENDA APPROVAL

Motion: Mr. Misco moved, Mr. Sylvester seconded, and the motion carried 7-0 to approve the August 27, 2018 General Employees' Pension Board agenda.

2. PUBLIC COMMENT

No public comment.

3. APPROVAL OF MINUTES

Motion: Mr. Tusing moved, Mrs. Leonard seconded, and the motion carried 7-0 to approve the May 14, 2018 minutes.

4. APPROVAL OF EXPENSES

- A) Christiansen and Dehner: Invoices Dated May and June 2018
- B) Graystone Consulting: Quarter ending June 2018 (Investment Report)

Motion: Mr. Hoffner moved, Mr. Bloome seconded, and the motion carried 7-0 to ratify the paid expenses as presented.

5. INVESTMENT REVIEW

Scott Owens, Graystone Consulting, gave an economic update to the Board.

Mr. Owens then discussed each manager and their performance for the quarter, noting which managers were in compliance and which ones were not; an explanation was given for any of those not in compliance. The Portfolio is overweight in equity and underweight in fixed income and fund of hedge funds. He stated that a motion should be made to bring the Portfolio back into compliance. Mr. Owens recommended bringing Equity back down to 65 percent and put approximately half a percent into Blackrock Long and Short (L/S) Credit.

Discussion ensued regarding where the funds from Equity can be invested. Both Mr. Owens and Mr. Mulfinger explained why they were of the opinion that the small percentage of funds would be better utilized if invested in the L/S Credit.

Motion: **Mr. Tusing moved, Mr. Bloome seconded, and the motion carried 7-0 to bring Equity back in line with the Investment Policy Statement of 65 percent, and invest the funds into Blackrock L/S Credit [Mr. Mulfinger will take the amount from whatever is the most over weighted; probably Connors].**

Mr. Freeman discussed Wells. He questioned the expectation of Wells versus their actual performance. Mr. Mulfinger stated that their firm is watching Wells, and he noted that Wells outperformed by a small amount this quarter and is still being monitored.

6. BENEFITS DISBURSEMENT APPROVAL

A. DROP PARTICIPANT

- None

B. SEPARATED NON-VESTED EMPLOYEE

- Wesley Beauchamp
- Bonnie Bagry
- Jammie Jewell

C. SEPARATED VESTED EMPLOYEE

- None

D. RETIRED EMPLOYEES

- Richard Pittman
- Karen Simpson

E. DECEASED RETIREES

- None

F. DECEASED ACTIVE EMPLOYEE PAYOUT

- None

Motion: **Mr. Sylvester moved, Mr. Tusing seconded, and the motion carried 7-0 to approve the Benefits Disbursements as presented.**

7. NEW MEMBER ACKNOWLEDGEMENT (*Informational Only*)

- Dung Chau
- David Capalbo

8. ATTORNEY CHRISTIANSEN'S REPORT

Attorney Christiansen informed the Board that he is seeking a motion to authorize his firm to prepare a new Ordinance to comply with any Internal Revenue Code changes.

Motion: Mr. Hoffner moved, Mr. Misco seconded, and the motion carried 7-0 to authorize Attorney Christiansen to draft an Ordinance to present to the Board with any changes as needed based on the Internal Revenue Code.

Attorney Christiansen discussed the Internal Revenue Service (IRS) has made a requirement that a plan needs to be in place that outlines how a municipality will find a missing benefit recipient. The procedure could be a check list that identifies how, when, and where the recipient was contacted. He recommended adding this procedure to an ordinance and to the Operating Rules and Procedures. Attorney Christiansen asked for authorization to make the change to the Operating Rules and Procedures.

Motion: Mr. Tusing moved, Mr. Bloome seconded, and the motion carried 7-0 to authorize Attorney Christiansen to make the changes as required by the IRS to the Plan's Operating Rules and Procedures.

9. PLAN ADMINISTRATOR'S REPORT

Mrs. LaRowe informed the Board of the upcoming Fall Trustee School held by the Florida Public Pension Trustee Association. The School will be held in Bonita Springs from September 30th through October 3rd. Please contact Mrs. LaRowe if you would like to attend so that the proper arrangements can be made.

Chair Freeman adjourned the meeting at 9:47 a.m.

MINUTES APPROVED: NOVEMBER 26, 2018

Matt Bloome

MATT BLOOME, SECRETARY