

**CITY OF PALMETTO
POLICE OFFICERS' PENSION
BOARD OF TRUSTEES
August 28, 2017 - 11:00 A.M.**

Board Members Present:

Mike Stinson, Chair
Mike Fuller, Secretary
Michael Becks
Ryan LaRowe

Board Members Absent:

Coby Gaulien

Staff and Others Present:

John Thinnis, & Co Consulting
Scott Christiansen, Board Attorney
Amber LaRowe, Assistant City Clerk

Chair Stinson called the meeting to order at 11:03 a.m.

1. AGENDA APPROVAL

Motion: Mr. Becks moved, Mr. Fuller seconded, and the motion carried 4-0 to approve the August 28, 2017 Police Officers' Pension Board agenda.

2. PUBLIC COMMENT

None.

3. APPROVAL OF MINUTES

Motion: Mr. Becks moved, Mr. LaRowe seconded, and the motion carried 4-0 to approve the May 22, 2017 minutes.

4. APPROVAL OF EXPENSES

- A) Christiansen and Dehner: Invoices Dated April 2017 through July 2017
- B) Sawgrass Asset Management-High Quality Core Fixed Income Invoice
- C) Sawgrass Asset Management-Diversified Large Growth Equity Invoice
- D) &co Invoice #22303
- E) Anchor Capital Advisors Invoice for period 7/1/2017
- F) Salem Trust Invoice for period 6/30/2017
- G) Foster & Foster Invoice #10892

Motion: Mr. Fuller moved, Mr. LaRowe seconded, and the motion carried 4-0 to ratify the paid expenses as presented.

5. FY2017-2018 POLICE PENSION PLAN BUDGET

Motion: Mr. LaRowe moved, Mr. Becks seconded, and the motion carried 4-0 to adopt the fiscal year 2017-2018 Police Pension Plan Budget.

6. INVESTMENT REVIEW

Mr. Thinnies reviewed the quarter performance of the Plan. The Portfolio was valued at \$12,229,711 at the end of the quarter; this was an increase from last quarter's value of \$11,945,317. Domestic Equity was valued at 51.3 percent; this is 1.3 percent above the Investment Policy Statement of 50 percent. International Equity was valued at 12.2 percent which is below the Investment Policy Statement of 15 percent. Mr. Thinnies noted that it is possible to take some funds from Domestic Equity and move them into International Equity to make them both more balanced.

Mr. Thinnies reviewed the performance of each Manager for the quarter.

Motion: Mr. Fuller moved, Mr. Becks seconded, and the motion carried 4-0 to rebalance Domestic Equity by moving 2 percent of the value into International Equity.

Discussion ensued regarding the allocations of the Domestic Equity and Real Estate. Mr. Thinnies provided the Board with a Domestic Fixed Income Review. Discussion ensued regarding the different managers as outlined in the handout with Mr. Thinnies recommending the Board add Baird Aggregate to the Portfolio. He suggested that the Board take 50 percent from Sawgrass High Quality Fixed Income to invest in the new manager. He noted that Sawgrass has been paying for part of the custodial fees to Salem Trust and informed the Board it would be a good idea to stop that from happening (because the Plan should pay the fees).

Motion: Mr. Stinson moved, Mr. Fuller seconded, and the motion carried 4-0 to move 50 percent of the funds from Sawgrass High Quality Core Fixed Income into Baird Aggregate and remove the custodial payment from Sawgrass [that Sawgrass is paying on behalf of the Pension Plan to Salem Trust].

Mr. Thinnies is currently working on a value manager search and an asset allocation study and should be available for discussion at the November meeting.

7. BENEFITS DISBURSEMENT APPROVAL

- A. DROP PARTICIPANT
 - NONE
- B. TERMINATED NON-VESTED EMPLOYEES
 - NONE
- C. TERMINATED VESTED EMPLOYEES
 - NONE
- D. RETIRED EMPLOYEES
 - NONE
- E. DECEASED RETIREES
 - NONE
- F. DECEASED ACTIVE EMPLOYEE PAYOUT
 - NONE

No action necessary.

8. NEW MEMBER ACKNOWLEDGEMENT (Informational Only)

None.

9. ATTORNEY CHRISTIANSEN'S REPORT

Attorney Christiansen verified with Mrs. LaRowe that the State funds were received and transferred into the Pension.

He requested a motion to authorize him to update the Summary Plan Description (as is done every two years).

Motion: Mr. Stinson moved, Mr. LaRowe seconded, and the motion carried 4-0 to authorize Attorney Christiansen to update the Plan's Summary Plan Description.

Attorney Christiansen explained Senate Bill 80 regarding public records requests. His office provided the City with a memo to post for the public to easily read the information for the Pension Board's Records Officer that will facilitate any public records requests. Mrs. LaRowe confirmed that the information is provided on the City's website as well as the bulletin board outside City Hall.

Mr. Christiansen mentioned House Bill 455 that involves tax exemptions for first responders and surviving spouses; provides exemption from ad valorem taxation for certain first responders under specified conditions & surviving spouses of first responders who have died; specifies documentation required to receive exemption; provides criminal penalty for knowingly or willingly giving false information; specifies deadlines for applying for exemption for 2017 tax year.

10. PLAN ADMINISTRATOR'S REPORT

Mrs. LaRowe informed the Board about the upcoming Florida Public Pension Trustees School in October in Tampa and asked if anyone was interested in attending to let her know in the next couple of weeks so reservations can be made.

Per the Plan's Operating Rules and Procedures, a date has to be determined to allow Mrs. LaRowe to set up ballots for the upcoming trustee election for Mr. LaRowe's seat. Mrs. LaRowe asked for a motion to have the date for the election be set for November 6th.

Motion: Mr. Stinson moved, Mr. Fuller seconded, and the motion carried 4-0 to set the date for voting/ballots for November 6, 2017.

Mr. Thinner will be bringing a revised Receipts and Disbursements letter to the next meeting; this is for Salem Trust's information and to be consistent with the Investment Policy Statement.

Chair Stinson adjourned the meeting at 12:20 p.m.

Minutes approved: November 27, 2017

Mike Fuller

Mike Fuller, Secretary