

POLICE PENSION BOARD

MINUTES

APRIL 17, 2014

1:30 P.M.

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

PRESENT:

Bob Rogers, Chairman
Tom Lange, Member
Jerry Gorup, Member

ABSENT:

James Baugher, Member (Excused)

ALSO PRESENT:

Rebecca C. Haynes, City Clerk
Jenine Thornley Recording Secretary
Lee Dehner, Christiansen & Dehner
John Thinnies, The Bogdahn Group

1. Changes to the Agenda

Agenda format requests from the Clerk's Office have been received and integrated.

2. Public Comments

There were no public comments.

3. Approval of January 16, 2014 Minutes

Member Gorup made a motion to approve the minutes of January, 16, 2014 as written. The motion was seconded by Member Lange and unanimously approved by a voice vote.

5. Election of New Board Member

Member Lange made a motion to appoint Mr. Alan Slakis as a new board member. The motion was seconded by Member Gorup and unanimously approved by a voice vote.

Mr. Slakis' appointment will be presented for approval.

6. Authorization of Payments

Attorney Dehner asked members for permission to direct Salem Trust to pay Items A through E according to the amounts listed.

Chairman Rogers pointed out that Attachment "F" represented a report duplication.

Member Lange made a motion to direct Salem Trust to pay Attachments A through E listed in the Authorization of Payments. The motion was seconded by Member Gorup and unanimously approved by a voice vote.

- Attachment "A" – Foster & Foster Invoice December 6, 2013 in the amount of \$10,079.00
- Attachment "B" – Anchor Capital Invoice January 1, 2014 in the amount of \$2,384.85
- Attachment "C" – Cutwater Asset Invoice January 17, 2014 in the amount of \$2,468.24
- Attachment "D" – Christiansen & Dehner Invoice (21595) February 28, 2014 in the amount of \$506.06
- Attachment "E" – Bogdahn Group Invoice (10199) March 17, 2014 in the amount of \$3,800.00
- Attachment "F" – Salem Trust Acknowledgement of deducted December 31, 2013 fee of \$2,425.00
(Duplicate – not paid)

Chairman Rogers shared conversations he had with Keith Brinkman's Office regarding duplication of annual report requirements. Mr. Rogers suggested board consolidation in order to save with reporting expenses. Attorney Dehner said the Police and Fire Pension Boards, as similar entities, could combine forces in order to save on annual reporting expenses.

7. Presentations

Bogdahn Group

Mr. John Thinnes, Bogdahn Group consultant, distributed copies of the St. Pete Beach Police Officers' Retirement System Investment Performance Review. Covering the time period through March 31, 2014, Mr. Thinnes presented highlights and explained the most recent percentages and significant market trends to board members.

Chairman Rogers commented that although the initial investment with Templeton was rather sketchy in 2011, last year ended with good results. Mr. Rogers said the fixed income accounts have proven positive to the portfolio and that Cutwater has done a good job of properly investing, avoiding the interest rate fluctuation. Mr. Rogers said the Board may want to modify their growth assumption with the City due to possible overestimating.

Mr. Thinnes agreed with using a more conservative approach, recommending the eventual lowering of the assumption rate. Mr. Thinnes said there is no immediate urgency for making the change soon unless Board members requested the action.

Consultant Thinnes asked Attorney Dehner if a letter to the State confirming the 7.75% rate is recommended at this time. Mr. Dehner agreed, noting the State has accepted our report and they have suggested we take a closer look at the City's portfolio investment selections.

Member Lange suggested board members be provided with documentation before commenting or voting on an issue, referencing a letter that Chairman Rogers quoted from the Department of Management Services (DMS) in Tallahassee. Mr. Rogers said the letter was addressed to Steve Stewart, a former Police Pension Board Chairman, and contained policy suggestions and comments to the Board. Member Lange suggested when the item is located, an agenda item will be created.

Christiansen & Dehner

Attorney Dehner reminded board members to submit completed statement of financial interest forms by July 1, 2014; new member Alan Slakes will have 30 days from the Commission confirmation date for submitting his form.

Regarding impacts resulting from this year's legislative session, Mr. Dehner said SB246, Use of State Monies, will probably have no impact on the City due to significant changes in our plan. Pending legislation that could impact the City is an amendment to public records and public meetings. Mr. Dehner said it has been 12 years since the rules and procedures were adopted. A workshop or special meeting for reviewing in the near future was suggested.

Mr. Dehner reminded members of the May 12 – 14, 2014 Annual Conference in Tallahassee, jointly sponsored by the Division of Retirement and Florida State University.

8. Fiduciary Liability Insurance

Member Lange said that last year the board completed an application and secured Fiduciary Liability Insurance at a total cost of \$4,768.19 for one million dollars coverage. Mr. Lange said the Fiduciary Liability Insurance will expire at the end of July of this year, and suggested bringing back several policy options to the board for discussion and selection at the July 17, 2014 meeting, which is prior to the policy's expiration date.

Member Lange made a motion for permission to pay Foster and Foster up to \$200 for application preparation to send to three agents for variable and competitive Fiduciary Liability policy offers. The motion was seconded by Chairman Rogers and unanimously approved by a voice vote.

9. Other Business

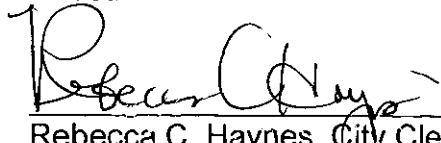
Share Plan Monies

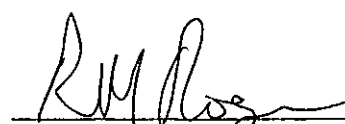
Chairman Rogers said that Ordinance 2012 – 27 appears to be written with the assumption that all retirees will collect their money upon retiring. Mr. Rogers said some retired employees leave their funds within the system for many years, especially those who participate with the DROP program. Attorney Dehner said it is the Board's authority to interpret the plan. Mr. Dehner said the Board should receive input on the intended end result of the Ordinance and then make a decision. Member Lange suggested the Chairman consult with the City Manager for clarification of legislation intent. The Chairman agreed and suggested a related item be placed on the agenda for the next meeting.

10. Adjournment

There being no further business to come before the Board, the meeting was adjourned at 2:45 p.m.

Attest:


Rebecca C. Haynes, City Clerk

 7/21/2014
Bob Rogers, Chairman

Minutes approved on: 7-21-2014