THE SUNSET CAPITAL OF FLORIDA

GENERAL EMPLOYEES PENSION BOARD

CITY OF ST. PETE BEACH

155 Corey Avenue
St. Pete Beach, FL 33706

Thursday, 01/15/2015
8:30 a.m.

Call to Order
Pledge of Allegiance
Roll Call

1. **Changes to the Agenda** – Agenda items to be added, moved or deleted will be addressed at this time. Added items will be assigned agenda items numbers and moved items should remain with the same item numbers. Notation will be made that those items will be taken out of order.

2. **Audience Comments**

3. **Approval of Minutes**

   a. October 16, 2014 - Quarterly Meeting

4. **Payment of Invoices**

Christiansen & Dehner, P.A.	**Inv# 25909 12-31-14**	**$ 895.09**
Anchor Capital Advisors	**07-01-14 to 09-30-14**	**$ 2,434.22**
Salem Trust	**10-01-14 to 12-31-14**	**$ 2,700.00**
Foster&Foster	**Inv# 6776**	**$ 14,297.00**
Cutwater Asset Management	**07-01-14 to 09-30-14**	**$ 2,373.85**
Morgan Stanley	**10-01-14 to 12-31-14**	**$ 3,625.00**

5. **Reports**

Graystone (Morgan Stanley) Consultant – Quarterly Report

Salem Trust Company

Foster & Foster – Actuarial Valuation Report

6. **New/Old Business**

   a. **Vacant board seat**

   b. **Senate Bill 534: decision on additional calculations**

7. **Attorney Report**

8. **Adjournment**

APPEAL

If a person decides to appeal any decision made at this meeting, he or she will need a record of the proceeding and, for such purpose, may need to ensure that a verbatim record of the meeting is made, which record includes the testimony and evidence upon which the appeal is to be based (F.S. 286.0105). The City does not furnish verbatim transcripts; interested parties should make the necessary arrangements for verbatim transcripts

AMERICANS WITH DISABILITIES ACT

In Accordance with the American with Disabilities Act and F.S. 286.26, persons with disabilities needing special accommodations to participate in this meeting should contact City Hall at (727) 367-2735 no later than four days prior to the meeting for assistance. The public is cordially invited to attend. All agenda material is available for review at City Hall.

GENERAL PENSION BOARD

MINUTES

OCTOBER 16, 2014

1:30 P.M.

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

PRESENT:

William Schroeder, Chairman
William Palmer, Member
Joanne Lentino, Member (entered meeting at 1:33 p.m.)
Ray Radvilavicius, Member

ALSO PRESENT:

Charles H. Mulfinger, II, Graystone Consulting Tampa
Tyler Grumbles, Bogdahn Group
Lee Dehner, Christensen & Dehner
Mary Jo Murphy, Deputy City Clerk

1. Changes to the Agenda

Chairman Schroeder suggested making a change to the agenda by adding a discussion of filling the fifth vacant seat and a related workshop of fiduciary duty in the New/Old Business section, No. 6.

Member Palmer made a motion to amend the agenda as discussed. The motion was seconded by Member Radvilavicius and unanimously approved by a voice vote.

2. Audience Comments

There were no comments from the audience.

Chairman Schroeder stated to let the record reflect that Member Lentino arrived at this time and is present for the meeting.

3. Approval of Minutes

Member Radvilavicius made a motion to approve the minutes for 04/17/14 and 07/17/14. The motion was seconded by Member Palmer and unanimously approved by a voice vote.

4. Payment of Invoices

Christiansen & Dehner, P.A.	Inv # 25219, 07-31-14	966.92
Anchor Capital Advisors	04-01-14 to 06-30-14	2,381.66
Salem Trust		2,700.00
Foster & Foster	Inv # 6457	1,645.00
MorganStanley	07-01-14 to 09-30-14	3,625.00

Member Palmer made a motion to approve the invoices as presented. The motion was seconded by Member Radvilavicius and unanimously approved by a voice vote.

5. Reports

a. Graystone (Morgan Stanley) Consultant – Quarterly Report

Charles Mulfinger, Graystone Consulting, provided a handout entitled "Quarterly Performance Summary as of September 30, 2014" for the Board members. There was Board discussion in regard to the summary.

Mr. Mulfinger informed the Board that Salem Trust has a parent company and sister companies. One of the sister companies had a repurchase agreement which held collateral on the entity. The collateral was in the amount of $170 million, and they were defrauded. They believed they had government backing but did not. Therefore, this could be a large potential loss. Most importantly, the Board's assets are not at risk, but the Board could be affected because the business itself could be at risk.

b. Salem Trust Company

Lynn Skinner, Salem Trust Company, confirmed Mr. Mulfinger's comments and added it is an ongoing litigation. Ms. Skinner explained there are three sister companies and one holding company. Ms. Skinner stated that she would be glad to invite the president or chief operating officer to the next meeting to update the Board on the situation. The Board and Attorney Dehner asked Ms. Skinner to please schedule someone to speak during the January meeting.

Ms. Skinner updated the Board in regard to Phillip Thorne completing the payments that were due.

Ms. Skinner distributed a spreadsheet in regard to custody fees to the Board. There was Board discussion in regard to the spreadsheet. Due to the recent activity of the parent company, Chairman Schroeder recommended not voting on the custody fees and postponing the decision until the next board meeting. Member Palmer suggested obtaining other proposals.

Attorney Dehner posed questions to Ms. Skinner in regard to the potential fraudulent loans. Ms. Skinner explained the issues involved with U.S. Fiduciary Services, the parent company of GreatBanc Trust, Salem Trust and Pennant Management.

6. New/Old Business

Chairman Schroeder reported that there had been no applications for the vacant seat on the Board. Member Lentino informed the Board that she was instructed she could not make an announcement for the vacant seat during a City Council meeting and the announcement went through Colette Graston, Executive Assistant to the City Manager, in a weekly newsletter. Member Lentino planned to ask for the announcement to be made in the weekly newsletter once again and to meet with the City Clerk in regard to the vacant seat. There was Board discussion in regard to the procedure of promoting the vacant seat. Attorney Dehner advised the Board members the following: if any applications are received, the information should be included in the agenda package for January so they can be reviewed and the appointment of the seat will need to occur during a special meeting.

7. Attorney Report

Attorney Dehner explained to the Board an action item to be taken with regard to Senate Bill 534. Senate Bill 534 is in effect and the Board is required to comply with the bill. A report needs to be filed with the Division of Retirement within 60 days of when the Board approves the next valuation report and posted on the City website. To present a more balanced calculation, Attorney Dehner recommended the Board authorize the actuary to do an additional calculation assuming that 2 percent more is earned than the actuary's assumed rate. This action would entail a $500 charge. After Board discussion, the decision of performing the additional calculation was postponed until the January 2015 meeting.

Attorney Dehner explained GASB 67 and GASB 68 to the Board. Attorney Dehner informed the Board that in regard to GASB 67, an action item needed to be taken today and with regard to GASB 68, no action needed to be taken.

Attorney Dehner recommended for the Board to authorize Foster & Foster to use liabilities reported in the 10/1/13 valuation report and then roll forward the liabilities and use the asset value as of 9/30/14 for timely presentation to the City for their audits and financial statements.

Member Radvilavicius made a motion to authorize Foster & Foster to do the GASB 67 calculation utilizing liabilities from the 10/1/13 valuation report and then roll forward to include the asset market value as of 9/30/14, if necessary, for timely presentation to the City. The motion was seconded by Member Palmer and unanimously approved by a voice vote.

Attorney Dehner advised the Board the Division of Retirement fall conference will be November 17, 18 and 19 in Lake Buena Vista and there is no fee for registration. Attorney Dehner added there are workshops designed for trustees that cannot attend the statewide conference and that the minimum statutory requirement is that trustees receive education at least once a term.

8. Adjournment

There being no further business, the meeting was adjourned at 3:15 p.m.

Attest:

____
Rebecca C. Haynes, City Clerk

____
Bill Palmer, Secretary

Minutes approved on: _________________

Christiansen & Dehner, P. A.

63 Sarasota Center Boulevard
Suite 107
Sarasota, FL 34240-

941-377-2200
Phone

941-377-4848
Fax

December 31, 2014

City of St. Pete Beach General
Employees' Pension Fund
155 Corey Ave.
St. Pete Beach,, FL 33706
ATTN: Bill Palmer

Invoice Number

In Reference To: General Employees' Pension Fund 9117 25909

Professional Services

		Hours	Amount
12/8/2014	Memorandum to Board enclosing Records Retention Schedule GS1-SL, edited for pension plans.	0.10	37.90
	For professional services rendered	0.10	$37.90
	Previous balance		$857.19
	Balance due		$895.09

** Please note that the "Balance Due" figure at the end of this bill reflects both "Total New Charges - Current Period" and any previous balances due. In most cases, if the previous balance(s) have already been approved for payment but not yet received in our office, you should be paying only the "Total New Charges - for services and/or expenses" . Thank you.

Current	30 Days	60 Days	90 Days	120+ Days
$75.80	$819.29	$0.00	$0.00	$0.00

Please indicate account number(s) with payment.
(Please Deduct any payments not reflected in Balance due)

Anchor Capital Advisors LLC
One Post Office Square
Boston, MA 02109-2103
Tel: (617)338-3800 Fax: (617)426-6871
www.anchorcapital.com

October 1, 2014

Cust: Salem Trust Company
Acct: 3040069573

Palmer, Bill
St. Pete Beach G.E Retirement System
155 Corey Avenue
St. Pete Beach, FL 33706

MANAGEMENT FEE: **City of St. Pete Beach General Employees Retirement System 3212**

For the Period 7/1/2014 through 9/30/2014

9/30/2014 Portfolio Value:		$ 1,229,257.11
Quarterly Fee Based On:		
All Assets		
$ 1,229,257 @ 0.75% per annum	$ 2,304.86	
Quarterly Fee:		$ 2,304.86
	Paid by Debit Direct	($ 0.00)
	Please Remit	$ 2,304.86

Outstanding Invoices

04/01/14 to 06/30/14 (payment shortage)	$ 129.36
Grand Total	**$ 2,434.22**

SALEM TRUST
COMPANY

January 14, 2015

City of St. Pete Beach
Bill Palmer
155 Corey Avenue
St. Pete Beach, FL 33706

St. Pete Beach General

Fee Advice for Period **October 1, 2014** to **December 31, 2014**

Detail of Calculation:

		Annual Fee	Quarterly Fee
Flat Fee	$	10,800.00	$2,700.00
	TOTAL DUE		**$2,700.00**

These fees will automatically be charged to your account.
If you have any questions, please contact Lynn Skinner at 877-382-5268.

FOSTER & FOSTER
ACTUARIES AND CONSULTANTS

Invoice

Date	Invoice #
1/9/2015	6776

Phone: (239) 433-5500
Fax: (239) 481-0634
data@foster-foster.com
www.foster-foster.com

Bill To
City of St. Pete Beach General Employees' Retirement System 155 Corey Avenue St. Pete Beach, FL 33706

Terms	Due Date
Net 30	**2/8/2015**

Description	Amount
October 1, 2014 Actuarial Valuation and Report; preparation of member certificates.	11,047.00
Preparation of GASB 67 Statement.	1,250.00
Preparation of GASB 68 Statement.	2,000.00

Balance Due $14,297.00

Thank you for your business!

Please make all checks payable to:
Foster & Foster, Inc.
13420 Parker Commons Blvd, Suite 104
Fort Myers, FL 33912

CUTWATER
ASSET MANAGEMENT

113 King Street
Armonk, NY 10504
914-765-3362
www.cutwater.com

October 17, 2014

**INVOICE #
652-ISC-TRSA**

Mr. Bill Palmer
Trustee General Pension Board
City of St. Pete Beach
155 Corey Avenue
St. Pete Beach, Florida 33706

Invoice for Investment Advisory Services for the City of St. Pete Beach General Employees:

July 1, 2014 - September 30, 2014	$2,373.85
TOTAL AMOUNT DUE Terms: Due and payable upon receipt	$2,373.85

Fee computed as follows:

Average Portfolio Market Value for period	$3,798,161.65
Multiplied by quarterly fee of 1/4 of .25 of 1%	$2,373.85

Please reference the above invoice number when remitting a check or wiring funds to:

Cutwater Investor Services Corp.
General Post Office
P.O. Box 30824
New York, NY 10087-0824

JPMorgan Chase Bank, NA
ABA Transit # 021000021
Credit Account # 532-1-534140
FFC to Account Name & Invoice Number

Investment Advisory Services
Client Fee Invoice

MorganStanley
SmithBarney

City of St. Pete Beach General
Employees' Pension Plan
ATTN: Bill Palmer
155 Corey Ave.
St. Pete Beach, FL 33706

Date
January 12, 2015
Billing Period
2014-10-01 thru 2014-12-31

This service fee for the period indicated is due upon receipt of this notice. Please forward your check for this amount to: **Morgan Stanley Smith Barney**
100 N. Tampa St. Ste. 3000
Tampa, FL 33602
Attn: Charlie Mulfinger

Account Name	Account Number	Amount Due
City of St. Pete Beach General Employees' Pension Plan	745-038963	$3,625.00

Market Value: $12,235,972.67