THE SUNSET CAPITAL OF FLORIDA

GENERAL EMPLOYEES PENSION BOARD

CITY OF ST. PETE BEACH

155 Corey Avenue
St. Pete Beach, FL 33706

Thursday, 04/16/2015
10:30 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. January 15, 2015 - Quarterly Meeting

4. **Payment of Invoices**

Christiansen & Dehner, P.A.	**Inv# 26103 01-31-15**	**$ 1,009.05**
Anchor Capital Advisors	**10-01-14 to 12-31-14**	**$ 2,386.91**
Salem Trust	**01-01-15 to 03-31-15**	**$ 2,700.00**
Cutwater Asset Management	**10-01-14 to 12-31-14**	**$ 2,331.39**
Morgan Stanley	**01-01-15 to 03-31-15**	**$ 3,625.00**

5. **Reports**

Graystone (Morgan Stanley) Consultant – Quarterly Report

Salem Trust Company

6. **New/Old Business**

a. Mr. James Rossi – General Pension Board Seat Vacancy

b. Cutwater Asset Management –Consent to deal with our agent.

c. Foster & Foster – Actuarial Experience Study

d. Gibson & Wirt Inc. – Fiduciary Liability Insurance Renewal

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

JANUARY 15, 2015

8:30 A.M.

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

PRESENT:

William Palmer, Member
Joanne Lentino, Member
Ray Radvilavicius, Member

ABSENT:

William Schroeder, Chairman

ALSO PRESENT:

David Wheeler, Graystone Consulting Tampa
Lynn Skinner, Salem Trust
Mark Rhein, Salem Trust
Patrick Donlan, Foster & Foster
Lee Dehner, Christensen & Dehner
Mary Jo Murphy, Deputy City Clerk

1. **Changes to the Agenda**

There were no changes to the agenda.

2. **Audience Comments**

There were no comments from the audience.

3. **Approval of Minutes**

a. October 16, 2014 – Quarterly Meeting

Member Lentino made a motion to approve the minutes for 10/16/14. The motion was seconded by Member Radvilavicius and unanimously approved by a voice vote.

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

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

5. Reports

a. Graystone (Morgan Stanley) Consultant – Quarterly Report

David Wheeler, Graystone Consulting Tampa, provided handouts entitled "Quarterly Performance Summary as of December 31, 2014" and "Quarterly Performance Evaluation as of December 31, 2014" for the Board members. There was Board discussion in regard to the summaries.

Lee Dehner, Christensen & Dehner, asked Mr. Wheeler for an update in regard to Salem Trust and U.S. Fiduciary Services. Mr. Wheeler responded that he did not have an update but that Salem Trust representatives were present to specifically discuss the topic. Mr. Wheeler offered to prepare an independent appraisal for the next meeting. Attorney Dehner stated that he had previously asked Mr. Mulfinger to monitor the situation and to provide an update for today's meeting. Attorney Dehner stated he had also requested a synopsis in writing from Brad Rinsem, CEO of Salem Trust, to present to the Board. Mr. Wheeler offered his apologies but agreed the Board could be affected because the business itself could be at risk.

b. Salem Trust Company

Lynn Skinner, Salem Trust Company, introduced Mark Rhein, Chief Operating Officer of Salem Trust, to the Board.

Mark Rhein, Salem Trust Company, spoke with the Board in regard to the fraud perpetrated against one of Salem Trust's sister companies, Pennant Management, Inc. Mr. Rhein explained to the Board that the fraud is in the amount of approximately 180 million dollars. Salem Trust has identified 130 million dollars of the assets that were part of the fraud. As a potential future consequence, if there is nothing gained from the sale of the assets, it would be a significant negative event on Salem Trust, and Salem Trust will be sold. As Attorney Dehner requested, Brad Rinsem, CEO, has drafted a letter to provide information on the status of the fraud. The letter is currently under review by attorneys before distributing due to litigation.

There was Board discussion between Mr. Rhein and the Board in regard to Salem Trust being a victim of fraud.

Attorney Dehner commented that it is the responsibility for the consultants to do due diligence on the custodians and to make recommendations as required.

Ms. Skinner suggested tabling the discussion of custody fees to the next meeting. Member Palmer stated it would be put on the agenda for the next meeting.

c. <u>Foster & Foster - Actuarial Valuation Report</u>

Attorney Dehner suggested discussing Item 6b, Senate Bill 534, at this time in the meeting.

a. Senate Bill 534: decision on additional calculations

Attorney Dehner stated the issue that was tabled to today's meeting was Senate Bill 534 that requires certain calculations be performed, and the decision for the Board today is whether or not to authorize the actuary to do a calculation of what the liabilities and funding costs would be assuming that 2 percent more is earned than what the assumed rate is. The filing requirements are: (1) file with the Division of Retirement within 60 days of the approval of the valuation report and (2) publish on the City website.

Patrick Donlan, Foster & Foster, informed the board the fee to do the additional calculation is $500.

Member Radvilavicius made a motion to approve the additional $500 fee for the plus 2 percent calculation. The motion was seconded by Member Palmer and unanimously approved by a voice vote.

Patrick Donlan, Foster & Foster, reviewed the projection of all the future retirement benefits and his report entitled "City of St. Pete Beach General Employees' Retirement System, Actuarial Valuation Report as of October 1, 2014, Contributions Applicable to the Plan/Fiscal Year Ended September 30, 2016." Mr. Donlan asked the Board to approve the Valuation report, and he would submit it to the State and Ms. Elaine Edmunds, Administrative Services Director with the City of St. Pete Beach.

Member Radvilavicius made a motion to approve the valuation report. The motion was seconded by Member Palmer and unanimously approved by a voice vote.

Attorney Dehner instructed the Board that they needed to approve by motion the total expected annual rate of return for the fund and what is reasonable to expect for the current year, the next several years, and the long-term thereafter.

Mr. Wheeler's recommendation to the Board on the long-term is 7.75 at the high end of the expected range, and the current year would be approximately 50 percent probability based on modeling. Mr. Wheeler stated the current year had not been modeled for this particular plan and would have to be prepared for the next meeting.

Mr. Donlan suggested using 7.75 now for the declaration but to re-visit the amount this summer and lower it with the next year's report.

Mr. Wheeler reiterated to the Board that they were comfortable with 7.75 over the long-term within reasonable probability.

Attorney Dehner informed the Board that the statute called for the time periods of current, intermediate, and long-term and one number is generally used.

Member Lentino made a motion that the Board has determined the expected annual rate of return for the current year and the next several years, and the long-term thereafter will be 7.75 percent. The motion was seconded by Member Palmer and unanimously approved by a voice vote.

Attorney Dehner instructed the Board that this needs to go in correspondence to Tallahassee, a copy to the City, and a copy to Patrick Donlan.

6. <u>New/Old Business</u>

b. Vacant board seat

Member Lentino informed the Board the vacant board seat was in the St. Pete Beach E-Newsletter on November 21. The information stated the volunteer had to have a background in finance. Attorney Dehner informed the Board that the volunteer did not have to have financial experience. The person needs to be able to exercise reasonable judgment and make a determination based on the recommendations that the Board receives from their consultants. Member Lentino added there was some discussion as to how the seat was going to be put in a public statement and that the City Clerk is going to finalize the procedure for the recruitment of the vacant seat.

7. Attorney Report

Attorney Dehner informed the Board of a legislative update with regard to one bill that could impact the Board, Senate Bill 242. The bill would require the Board to use the same mortality table with mortality assumptions used by the Florida Retirement System. Attorney Dehner stated he would keep the Board updated in regard to Senate Bill 242.

8. Adjournment

There being no further business, the meeting was adjourned at 10:20 a.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

January 31, 2015

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 26103

Professional Services

		Hours	Amount
1/7/2015	Telephone conferences with Salem Trust representatives re: US Fiduciary Services, First Farmer and Pennant Financial; e-mail to B. Rinsem.	0.10	37.90
1/15/2015	Preparation and attendance at Board Meeting.	1.90	720.10
	Travel Time	0.60	113.70
1/26/2015	Preparation of Administrative Forms Table and transmittal to Board.	0.30	113.70
	For professional services rendered	2.90	$985.40

Additional Charges :

		Qty	
1/15/2015	Car Expense	1	15.53
	Food Expense	1	7.50
	Tolls	1	0.62
	Total additional charges		$23.65
	Total amount of this bill		$1,009.05
	Previous balance		$895.09
	Accounts receivable transactions		
1/28/2015	Payment - thank you. Check No. 14885		($895.09)
	Total payments and adjustments		($895.09)

City of St. Pete Beach General

January 31, 2015

	Amount
Balance due	$1,009.05

** 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.

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

January 1, 2015

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 10/1/2014 through 12/31/2014

12/31/2014 Portfolio Value:		$ 1,273,018.43
Quarterly Fee Based On:		
All Assets		
$ 1,273,018 @ 0.75% per annum	$ 2,386.91	
Quarterly Fee:		$ 2,386.91
	Paid by Debit Direct	($ 0.00)
	Please Remit	$ 2,386.91

SALEM TRUST
COMPANY

April 15, 2015

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

St. Pete Beach General

Fee Advice for Period **January 1, 2015** to **March 31, 2015**

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.

CUTWATER
ASSET MANAGEMENT

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

February 02, 2015

**INVOICE #
698-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:

October 1, 2014 - December 31, 2014	$2,331.39
TOTAL AMOUNT DUE	$2,331.39
Terms: Due and payable upon receipt	

Fee computed as follows:

Average Portfolio Market Value for period	$3,730,220.16
Multiplied by quarterly fee of 1/4 of .25 of 1%	$2,331.39

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
April 8, 2015
Billing Period
2015-01-01 thru 2015-03-31

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

Graystone
Consulting

April 8, 2015

William Schroeder - Chairman
City of St. Pete Beach General Employees' Pension
155 Corey Avenue
St. Pete Beach, FL 33706

Dear Mr. Schroeder,

The purpose of this letter is to address the expected annual rate of return assumption for the *City of St. Pete Beach General Employees' Pension.*

The 7.75% net actuarial assumption rate was based on historical and forward-looking returns and a 54%/40%/6% allocation of stocks/bonds/real estate (REITs) over the long-term. Projected long-term returns are expected to be lower than the previous historical returns. Based on the plan's current asset allocation, our asset allocation studies illustrate that a 7.75% net return is at the high-end of expectations.

For the 2013-2014, the plan posted a net return exceeding 8.7% for the year. However, despite this performance, our forward-looking asset allocation studies demonstrate that for the current 2014-2015 fiscal year, each of the next several years, and the long-term, the 7.75% return assumption would at the high-end of expected returns. Please call me if you have any questions.

Sincerely,

Charles H. Mulfinger II

Charles H. Mulfinger, II, CIMA
Managing Director -- Investments
Institutional Consulting Director
Alternative Investments Director

The above summary/prices/quote/statistics have been obtained from sources we believe to be reliable, but we cannot guarantee its accuracy or completeness. Past performance is no guarantee of future results.

CITIZEN TALENT BANK APPLICATION
CITY OF ST. PETE BEACH

If you are interested in serving the City either as a Board or Committee member, a poll worker or a volunteer, please select any of the following options.

If you need information on voter registration, please call: 727-464-3551

My preferences are:

Beach Stewardship Committee
Board of Adjustment
Code Enforcement
Finance and Budget Review Committee
Fire Pension Board
X General Pension Board ✓

Election Poll Worker: Call 464-6108

Historic Preservation Board
Library Advisory Board
Planning Board
Police Pension Board
Recreation Advisory Board

City Volunteer
Hurricane Response Team

Other: ______

Explain: ______

Please complete the following information:

Name: JAMES ROSSI

Street Address: 3805 GULF BLVD #401 St PETE BEACH FL 33706
St. Pete Beach. Florida 33706

Mailing address if different from above:
N/A

Phone No. (727 692 1756

Fax No. —

E-mail: jamesrossi@tampabay.rr.com

Work No.: 727 692 1756

Please return this form to:

Rebecca C. Haynes, City Clerk
155 Corey Avenue
St. Pete Beach, FL 33706
(727) 363-9220 Office
(727) 363-9236 Fax

Email: cityclerk@stpetebeach.org

8139179218

CUTWATER
ASSET MANAGEMENT

Cutwater Asset Management Corp. – Important information

Following completion of the acquisition of Cutwater by BNY Mellon, integration of the operational systems and processes is underway. As part of this exercise, we will be moving some back office activities.

For the most part, all of this will be seamless for you. However there are two areas where we will need your assistance and I would like to thank you in advance for your help:

1. **Providing consent for your custodian to deal with our agent regarding record keeping and reconciliations**

Your custodian will require your authority to allow Northern Trust (acting on behalf of Cutwater), to reconcile your positions and instruct holding and cash movements across your accounts. Northern Trust would like to contact your custodian directly in the next few days to set out our exact requirements, and we would be grateful if you could contact your custodian now to make them aware. Some suggested text is included at the end of this letter.

We will work with your custodian to minimize the need for your involvement but should they ask you to complete additional paperwork, please do let me know. We will provide any guidance or assistance necessary.

2. **Please note these important changes to payments and bank account details**

Effective March 1, 2015, payments will need to be made by either ACH, Fedwire, or CHIPS Transfers to the account details shown below. Checks will no longer be accepted.

Bank	BNY Mellon, N.A.
Account Name	Cutwater Asset Management Corp.
Branch Address	500 Ross Street, Pittsburgh, PA 15262
Currency	USD
Account Number	9040877
Transit Routing (ABA)#	043000261
SWIFT/BIC	IRVTUS3N

Please ensure that your records are updated such that all payments after the above date are made to this new account.

BNY MELLON

CUTWATER
ASSET MANAGEMENT

Please contact me at Sarah.Marks@InsightInvestment.com if you have any queries or concerns about the above changes or the integration more broadly.

Kind regards,

Sarah Marks
Global Head of Client Service

Suggested email instruction from you to your custodian

You will shortly be contacted by Northern Trust, acting in their capacity as agent for Cutwater Asset Management. They will request information and authority regarding accounts managed by Cutwater on our behalf.

Please act promptly to provide all requested information to Northern Trust relating to trade instruction, settlement, corporate actions and reconciliation, including copies of reconciliation messages (ie SWIFT).

Please confirm receipt and acceptance of this instruction, or contact me if you need anything further by way of instruction or confirmation.

St. Pete Beach General Pension

Lynn A. Skinner
Vice President
Salem Trust Company
1715 N. Westshore Blvd., Suite 750
Tampa, FL 33607

Dear Lynn :

I hope this email finds you both doing well.

In the near future Salem Trust will be contacted by Northern Trust, acting in their capacity as agent for Cutwater Asset Management. They will request information and authority regarding accounts managed by Cutwater on our behalf.

Please act promptly to provide all requested information to Northern Trust relating to trade instruction, settlement, corporate actions and reconciliation, including copies of reconciliation messages (i.e. SWIFT).

Please confirm receipt and acceptance of this instruction, or contact me if you need anything further by way of instruction or confirmation.

Thanks in advance for your assistance!

Sincerely,

Cc: Brian Bizzell, Salem Trust
Miriam Cleary, Cutwater Asset Management

Bill Palmer

From: Patrick Donlan <Patrick@Foster-Foster.com>
Sent: Monday, April 13, 2015 9:50 AM
To: Bill Palmer
Subject: Experience Study
Attachments: 10-20-08, Experience Study.pdf

Bill,

Attached is the last Experience Study we prepared for the Plan on October 20, 2008. One item of information that must be reported on the new GASB 67 and 68 statements is the date of the last Experience Study. For your plan, we disclosed the October 20, 2008 date. For smaller plans like yours, it is recommended to do experience studies about every 5 years. Additionally, I am aware that the Board wants to discuss amending the investment return assumption this summer.

Perhaps you would like us to prepare an experience study just looking at the investment return assumption. We would prepare an up-to-date look at the actual experience of the Plan's investment returns and then would determine the impact on the funding requirements if the Board were to make changes to the assumption. We could do this mini-Experience Study for a fee not to exceed $1,500. Please ask the Board if this is something they would like us to do. If that is the case, then we would have it ready for you prior to your July meeting.

Sincerely,

Patrick T. Donlan, ASA, EA, MAAA, *Consulting Actuary*

FOSTER & FOSTER
ACTUARIES AND CONSULTANTS

13420 Parker Commons Blvd
Suite 104
Fort Myers, FL 33912

239.433.5500 Phone
239.481.0634 Fax
www.foster-foster.com

Foster&Foster INC.
Actuarial Consultants for Public Pension Plans

October 20, 2008

Pam Prell
City of St. Pete Beach
General Employees' Pension Board
155 Corey Avenue
St. Pete Beach, FL 33706

Re: City of St. Pete Beach
General Employees' Retirement System

Dear Ms. Prell:

As requested, we have performed an experience study determined as of October 1, 2008. In the course of the analysis, we compiled plan experience from the annual valuations performed since October 1, 1993. The purpose of this study is to review the current actuarial assumptions to determine which changes, if any, are necessary in order to achieve the objective of developing costs that are stable, predictable, and represent our best estimate of anticipated experience. As you are aware, the ultimate cost of your retirement plan is independent of any actuarial assumptions or methods. This cost will be the sum of the benefits paid from the plan and the administrative expenses incurred, less any net investment gains received.

The specific assumptions investigated included salary increases, investment return, termination rates (turnover), retirement rates, disability rates and mortality rates.

The balance of this Report presents details of the experience analysis. The undersigned looks forward to meeting with the Board of Trustees in order to discuss the Report and answer any pending questions concerning its contents.

Respectfully submitted,

FOSTER & FOSTER, INC.

By:__________________
Patrick T. Donlan

CITY OF ST. PETE BEACH
GENERAL EMPLOYEES' RETIREMENT SYSTEM

ACTUARIAL EXPERIENCE STUDY
OCTOBER 20, 2008

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Experience Analysis

Salary Increases – Review of the program's experience indicates that the current assumed rates of salary increases have been in line with the assumption (see Exhibit A). The actual 11 year average is 6.1% which is consistent with the current assumption of 6.0%. We do not recommend modifying this assumption at this time.

Investment Return - As can be seen in Exhibit B, the net of fees investment returns during the last 16 years have failed to meet expectations. The current 8.5% assumption might be too aggressive given the actual investment experience. Excluding the most recent return, however, the 15 year average was 8.7%. For the purpose of this analysis, we have shown the impact of decreasing the assumption to 8.0% and 7.75%. The increased costs are shown on the following page (5.0% of payroll and 7.5% of payroll respectively).

Turnover Rates - The Plan's non-retirement termination rates have significantly exceeded expectations for the plan as a whole since October 1, 2002. During this period there were 244 members not eligible for Normal or Early Retirement. Of these 244 exposures, 41 occurred (for a 16.8% aggregate turnover rate). During this period we assumed there would be 17.7 terminations. For the purpose of this analysis, we have considered increasing the currently assumed rates by 65%. This would be approximately half way between our prior assumptions and the actual experience over the past 6 years. The costs savings associated with this change, as shown on the following page, would be 2.5% of payroll.

Retirement Rates - To the extent that members work beyond their normal retirement date, the program can experience actuarial gains resulting from deferring receipt of this benefit an extra year, as well as a decrease in the expected time period over which the benefit will be paid. Because we believe most of the General Employees who work beyond their Normal Retirement Date will elect to enter the DROP, it appears to be justified to keep the current assumption that members will retire on or before their Normal Retirement Date. No change is recommended at this time.

Disability Rates – There is currently only one Disability Retiree. We do not consider that to be enough data in order to justify a change at this time. However, if there is a trend towards disability retirements in the future, then this assumption would need to be addressed. No change is recommended at this time.

Mortality Rates – Currently, it is assumed that mortality rates follow the 1983 Group Annuity Mortality Table. However, as the name states, those rates are getting somewhat outdated. Therefore, it is our recommendation to change to the RP 2000 Mortality Table (Combined Healthy) with no projection. The annual cost savings associated with changing to the proposed assumed mortality rates is 0.4% of payroll, as shown on the following page. Females actually showed higher rates of mortality in the 2000 table than in the 1983 table.

Experience Analysis

Funding Requirements for Assumption Changes

The impacts of the proposed changes on the results of the October 1, 2008, actuarial valuation (as applicable to the fiscal year ending September 30, 2010) would be as follows:

	City Funding as % of Payroll	Change
Current Assumptions	31.7%	N/A
New Mortality Rates	31.3%	(0.4%)
Investment Rate – 8.00%	36.7%	5.0%
Investment Rate – 7.75%	39.2%	7.5%
New Turnover Rates	29.2%	(2.5%)
All Changes (8.00% Return)	33.4%	1.7%
All Changes (7.75% Return)	35.7%	4.0%

Exhibit A

SALARY INCREASES
10/1/1997 THROUGH 9/30/2008

Year Ending	Average Individual Salary Increase	Salary Scale Assumption
9/30/2008	6.9%	6.0%
9/30/2007	7.1%	6.0%
9/30/2006	2.3%	6.0%
9/30/2005	9.2%	6.0%
9/30/2004	3.8%	6.0%
9/30/2003	6.1%	6.0%
9/30/2002	7.0%	6.0%
9/30/2001	7.6%	6.0%
9/30/2000	6.0%	6.0%
9/30/1999	5.9%	6.0%
9/30/1998	5.9%	6.0%

11 Year Average	**6.1%**

Exhibit B

INVESTMENT RETURNS
10/1/1992 THROUGH 9/30/2008

Year Ending	Market Investment Return	Investment Assumption
9/30/2008	-11.3%	8.5%
9/30/2007	13.2%	8.5%
9/30/2006	9.3%	8.5%
9/30/2005	8.6%	8.5%
9/30/2004	7.6%	8.5%
9/30/2003	9.1%	8.5%
9/30/2002	-0.9%	8.5%
9/30/2001	-6.2%	8.5%
9/30/2000	8.3%	8.5%
9/30/1999	11.9%	8.5%
9/30/1998	5.2%	8.5%
9/30/1997	24.4%	8.5%
9/30/1996	14.9%	8.5%
9/30/1995	18.0%	8.5%
9/30/1994	-0.9%	8.0%
9/30/1993	11.4%	8.0%

16 Year Average	**7.3%**

Exhibit C

TURNOVER EXPERIENCE STUDY
10/1/2002 THROUGH 9/30/2008

AGE	Total Exposures Over 6 Year Period	Total Non-Retirement Terminations Over 6 Year Period	Actual Experience Percentages	Expected Percentages Current Assumption	Expected Percentages Proposed Assumption	Expected # Current Assumption	Expected # Proposed Assumption
15 - 19	0	0	0.0%	17.2%	28.4%	0.0	0.0
20 - 24	9	1	11.1%	16.9%	27.9%	1.5	2.5
25 - 29	19	6	31.6%	15.9%	26.2%	3.0	5.0
30 - 34	22	4	18.2%	13.8%	22.8%	3.0	5.0
35 - 39	20	4	20.0%	10.3%	17.0%	2.1	3.4
40 - 44	79	13	16.5%	6.8%	11.2%	5.4	8.9
45 - 49	67	7	10.4%	3.5%	5.8%	2.3	3.9
50 - 54	28	6	21.4%	1.2%	2.0%	0.3	0.6
55 - 59	0	0	0.0%	0.5%	0.8%	0.0	0.0
60+	0	0	0.0%	0.5%	0.8%	0.0	0.0
Total	244	41	16.8%	7.3%	12.0%	17.7	29.2

GIBSON & WIRT, INC.

P.O. Drawer 59, Bartow, FL 33831, Phone 863-533-3131, FAX 863-533-7038,Email:infor@gibsonandwirt.com

March 30, 2015

St. Pete Beach General Employees Pension Board
Attn: Bill Palmer
155 Corey Avenue
St. Pete Beach, FL 33706

Re: Fiduciary Liability Renewal
105972346; 7/31/2015

Dear Bill:

As you know, the above captioned policy is up for renewal on 7/31/2015. Please find enclosed is the renewal application with Travelers Insurance Company. In order to provide the Board with a renewal quote, please **complete the application and return the application back to my office along with the plan's most current CPA audit, CPA audit on the municipality (website address if available online), most current schedule of investments and actuarial report via surface mail or electronic mail.** When I receive this information, I will forward it to the company for a quote. Once the company receives this information, it will take approximately 3 weeks to receive a quote from the company.

I would appreciate it if you could let me know the date of your next Board meeting, so I can let the underwriter know that a quote is needed prior to that date. You can let me know when you send the above information to my office.

Thank you for the opportunity to provide this continued service. If you should have any questions regarding this matter, please feel free to contact our office via phone, fax or email (mlamb@gibsonandwirt.com).

Sincerely yours,

Melinda

Gibson & Wirt, Inc.
Melinda A. Lamb

Encl.