POLICE PENSION BOARD

MINUTES

JANUARY 21, 2016

8:30 A.M.

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

PRESENT:

Bob Rogers, Chairman
Tom Lange, Secretary
Jerry Gorup, Member
Alan Slakis, Member

ABSENT:

Robert Micklitsch, Member

ALSO PRESENT:

Lee Dehner, Christiansen & Dehner
Foster & Foster, Patrick Donlan
Tyler Grumbles, Bogdahn Consulting
Mary Jo Murphy, Deputy City Clerk

1. **Changes to the Agenda**

The following changes were made to the agenda:

- Member Lange distributed copies to the board and requested to add the following Cutwater Invoices to the agenda:
  No. 829-ISC-TRSA as Attachment "H-1"
  No. 868-ISC-TRSA as Attachment "H-2"

2. **Audience Comments**

Chairman Rogers asked for audience comments. There were no audience comments.

3. Approval of Minutes – Regular Meeting of October 15, 2015

Chairman Rogers informed Attorney Dehner he prepared and mailed the 2016 budget for the St. Pete Police Pension Plan to the Bureau of Local Retirement Systems.

Member Slakis made a motion to approve the minutes of October 15, 2015 as written. The motion was seconded by Member Gorup and unanimously approved by a voice vote.

4. Authorization of Payments

Member Lange read the following payments to the Board:

- (Attachment "B") Anchor Capital Invoice dated January 1, 2016 for services 1Oct15-31Dec15 in the amount of $1,749.24.
- (Attachment "C") Bogdahn Group invoice (13305) dated December 24, 2015 for services through 12/31/15 in the amount of $3,800.00
- (Attachment "D") Christiansen & Dehner Invoice (27481) dated October 31, 2015 for services through that date in the amount of $1,103.54
- (Attachment "E") Salem Trust fee advice dated October 15, 2015 for service 1Jul-30Sep15 in the amount of $2,875
- (Attachment "H-1") Cutwater Investor Services Corp. invoice dated October 22, 2015, Invoice No. 829-ISC-TRSA, for July 1, 2015 – September 30, 2015 for $3,542.26
- (Attachment "H-2") Cutwater Investor Services Corp. invoice dated January 15, 2016, Invoice No. 868-ISC-TRSA, for October 1, 2015 – December 31, 2015 for $3,508.30

Member Slakis made a motion to pay the following invoices stated by Member Lange: B, Anchor Capital; C, Bogdahn Group; D, Christiansen & Dehner; E, Salem Trust; and H-1 and H-2, Cutwater. The motion was seconded by Member Gorup and unanimously approved by a voice vote.

5. Actuarial Valuation Report

Patrick Donlan, Foster & Foster, distributed copies and reviewed a report entitled: "City of St. Pete Beach Police Officers' Retirement System, Actuarial Valuation Report as of October 1, 2015, Contributions Applicable to the Plan/Fiscal Year Ended September 30, 2017."

Patrick Donlan explained the 4-year smoothing technique to the board members. In regard to the 4-year smoothing technique and the possibility of using different amortization periods, Chairman Rogers asked Mr. Donlan to provide him the information in a letter. Chairman Rogers stated he will be writing the City

Commission a letter informing the Commission there is going to be an adjustment. Mr. Donlan replied yes to providing the information to Chairman Rogers.

In regard to Senate Bill 172 and state monies, Mr. Donlan advised the board he would research how the bill affects the St. Pete Police Pension Plan.

Chairman Rogers stated he would contact Human Resources in regard to the status of DROP memberships and distribution of any money.

Chairman Rogers asked the board for a motion to approve the Actuarial Valuation Report.

> **Member Gorup made a motion to approve the Actuarial Valuation Report as of October 1, 2015. The motion was seconded by Member Slakis and unanimously approved by a voice vote.**

Chairman Rogers requested Mr. Donlan to produce the report earlier next year. Mr. Donlan stated he would make a note to send the report for the October 2016 meeting and give his presentation in January 2017.

Attorney Dehner asked Mr. Donlan if he had estimated the impact of House Bill 1309 on the funding requirement. Mr. Donlan will research this topic and include his reply in the letter he will be sending to Chairman Rogers in regard to the 4-year-smoothing techniques and amortization periods.

After accepting the Actuarial Valuation Report, Attorney Dehner advised the board they needed to determine by motion, based on Mr. Grumbles' recommendation, what the expected rate of return will be over the next year, next several years and long-term thereafter. Furthermore, Attorney Dehner instructed the board that the expected rate of return data needs to be distributed to the following:

- Division of Retirement
- City of St. Pete Beach
- Mr. Patrick Donlan, Foster & Foster

Mr. Grumbles, Bogdahn Group, recommended that based on the current asset allocation of the St. Pete Beach Police Officers' Pension Plan, 7.0 percent is a reasonable expected rate of return over the next year, next several years and long-term thereafter.

> **Member Slakis made a motion based on the current asset allocation of the St. Pete Beach Police Officers' Pension Plan, 7.0 percent is a reasonable expected rate of return over the next year, next several**

years and long-term thereafter. The motion was seconded by Member Gorup and unanimously approved by a voice vote.

6. Presentations

Bogdahn Group

Tyler Grumbles, Bogdahn Consultant, reviewed with the Board reports entitled: "City of St. Pete Beach Police Officers' Retirement System; Investment Performance Review; December 31, 2015."

Christiansen & Dehner

Attorney Dehner discussed the following with the Board:

- Annual reminder to the board members to file their financial disclosure forms: Statement of Financial Interests, Form 1, 2015

Salem Trust

Secretary Lange noted that Ms. Skinner previously notified the board that she would not be present for the meeting today because she had no business to present to the board.

7. Correspondence or Actions Since Last Meeting

- Letter from the Florida Department of Management Services, Bureau of Local Retirement Services dated October 7, 2015 noting an accompanying warrant for premium tax distribution in the amount of $87,677.08, for deposit into the police pension fund. [Attachment "F"]
- A letter from Chairman Robert Rogers dated January 5, 2015 transmitting the budget adopted at the last meeting to the Bureau of Local Retirement Systems. [Attachment "G"]

Member Lange reviewed the above-mentioned letters with the board.

8. Other Business

There was no other business.

9. Adjournment

There being no further business to come before the Board, the meeting was adjourned at 9:43 a.m.

Attest:

Rebecca C. Haynes, City Clerk

Bob Rogers, Chairman

Minutes approved on: 4/21/16