

POLICE PENSION BOARD

MINUTES

JULY 31, 2018

10:30 A.M.

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

PRESENT:

Bob Rogers, Chairman
Tom Lange, Secretary
Jack Frieder, Member
Robert Micklitsch, Member
Alan Slakis, Member

ALSO PRESENT:

Mary Jo Murphy, Deputy City Clerk
Lee Dehner, Christiansen & Dehner
Kerry Richardville, AndCo Consulting
Lynn Skinner, Salem Trust

1. Changes to the Agenda

The following changes were made to the agenda:

- Add to Item No. 6: Attachment "M" – three-page email from Geena Schwabe of Foster & Foster to Patrick Donlan of Foster & Foster on July 30, 2018
- Add to Item No. 6: Attachment "I" – two-page email from Patrick Donlan to Bob Rogers
- Add to Item No. 5: Attachment "F" – first page of Foster & Foster's Invoice 11889

2. Audience Comments

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

3. Approval of Minutes – Regular Meeting of April 19, 2018

Member Slakis made a motion to approve the minutes from April 19, 2018. The motion was seconded by Member Frieder and unanimously approved by a voice vote.

4. Appointments or Reappointments to the board

Secretary Lange listed the reappointments on the agenda to ensure everything was complete in regard to the City Commission approving Member Frieder and Member Slakis's terms that expired in March 2018. Attorney Dehner replied that there should be a record made of the appointments.

5. Authorization of Payments

Secretary Lange reviewed the invoices as delineated on the agenda with the Board.

- [Attachment "B"] Invoice No. 25688 from AndCo for services through June 2018 in the amount of \$3,800
- [Attachment "C"] Invoice No. 32383 from Christiansen & Dehner for services through June 30, 2018 in the amount of \$957.97 (Previous invoices included for itemization)
- [Attachment "D"] Invoice No. 1145-ISC-TRSA from Insight Investment dated April 24, 2018 for services through March 31, 2018 in the amount of \$2,031.69
- [Attachment "E"] Notice from Salem Trust advising that their fees through June 30, 2018 have been deducted from our account as agreed in the quarterly amount of \$2,875

Member Slakis made a motion to approve Attachment "B" for a total of \$3,800.00; Attachment "C" for a total of \$957.97; Attachment "D" for \$2,031.69; and Attachment "E" for a total of \$2,875.00 as stated by Secretary Lange. The motion was seconded by Member Micklitsch and was unanimously approved by a voice vote.

6. Foster & Foster

Secretary Lange reviewed the following topics with the board:

- Attachment "F," Foster & Foster Invoice 11889 in the amount of \$13,918.00
- Attachment "G," a spreadsheet of Invoices from Foster & Foster.

- Attachment "M," three-page email from Geena Schwabe of Foster & Foster to Patrick Donlan of Foster & Foster and Foster & Foster Invoice 12251 in the amount of \$3,125.00

Member Slakis made a motion to pay Attachment "F" to Foster & Foster for a total of \$13,918.00. The motion was seconded by Member Micklitsch and was unanimously approved by a voice vote.

Patrick Donlan, Foster & Foster, spoke in regard to Attachment "G" and explained the details for the invoices and addressed the possibility of lowering costs.

It was the consensus of the board that there will be a conference call made between Mr. Donlan of Foster & Foster, Chairman Rogers of the Police Pension Board and Keith Brinkman of the Division of Retirement in regard to the possibility of eliminating performing certain calculations.

After board discussion, it was decided that Brad Heinrichs of Foster & Foster will be listed on the October agenda to address the fees charged to the Police Pension Board.

Member Slakis made a motion to pay Invoice 12251 to Foster & Foster in the amount of \$3,125.00 as stated by Secretary Lange. The motion was seconded by Member Micklitsch and was unanimously approved by a voice vote.

Mr. Donlan clarified with Secretary Lange that moving forward he will send invoices by email to Secretary Lange and will copy Chairman Rogers.

7. Consideration of lowering the plan investment return assumption from the current 7% to 6.75%; and/or lowering the amortization of unfunded accrued actuarial liability from thirty years to seventeen years or fifteen years.

Member Slakis made a motion that effective with the 10/1/18 valuation report, we're going to consolidate the unfunded actuarial accrued liability to one 17-year mortgage and all future mortgages will be 17 years. The motion was seconded by Member Micklitsch and was unanimously approved by a voice vote.

8. Presentations

AndCo Consulting

Kerry Richardville, AndCo Consultant, reviewed with the Board the following reports entitled "City of St. Pete Beach Police Officers' Retirement System,

Investment Performance Review as of June 30, 2018" and "City of St. Pete Beach Police Officers' Retirement System, Glide Path Analysis."

Chairman Rogers asked Ms. Richardville to bring suggestions for investment policy changes to the October meeting. Ms. Richardville responded that she would be prepared for the next meeting to go forward.

Christiansen & Dehner

Attorney Dehner discussed the following with the Board:

- Annual Reporting of Insurance Coverage
- Form 1's
- IRS directives
- budget for Fiscal Year ending 9/30/19 to be approved and filed with the City by 10/1/18
- review and approve actual expenses incurred for the Fiscal Year ending 9/30/18 and file with the City
- file report of investment holdings with the City, which will be provided by Ms. Richardville

It was the consensus of the board to hold a Police Pension Board Special Meeting on September 12, 2018 at 9:00 a.m.

Salem Trust

Lynn Skinner, Salem Trust, gave a presentation to the Police Pension Board and reviewed the following documents entitled:

- Salem Trust Service Report Summary
- April 30, 2018 letter from Mark F. Rhein, President & CEO, in regard to pursuing securities class action lawsuits
- Salem Trust Company Information Technology Security
- Certificate of Liability Insurance
- USFS – Schedule of Insurance
- Electronic Communication

Ms. Skinner informed the board that she had a new signature authorization form that needed to be updated with Secretary Lange and Member Slakis's signatures which could be accomplished immediately following the meeting.

9. Fiduciary Liability Insurance

Secretary Lange suggested to the board having a motion to pay the premium from last year and to bill for any difference.

Secretary Lange made a motion for the board to authorize Secretary Lange to write a letter to Salem Trust advising them to pay the insurance provider the same amount for premium that was paid last year and to bill for any additional charge. The motion was seconded by Member Micklitsch and was unanimously approved by a voice vote.

10. Correspondence or actions since last meeting

Secretary Lange reviewed the following with the Board:

- Certificate of Liability Insurance for AndCo [Attachment "K"]
- Letter dated June 22, 2018 to this board from Patrick Donlan of Foster & Foster enclosing a copy of the "2017 ACTUARIAL CONFIRMATION OF THE USE OF STATE MONEYS" made to the State of Florida on behalf of this board [Attachment "L"].

11. Other Old Business

There was no old business presented.

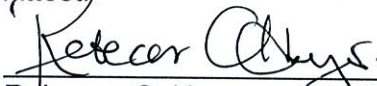
12. New Business

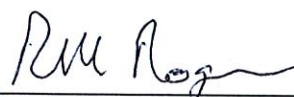
The board verified with members that the Police Pension Board will hold a special meeting on September 12, 2018 at 9:00 a.m.

13. Adjournment

There being no further business to come before the Board, the meeting was adjourned at 11:59 a.m.

Attest:


Rebecca C. Haynes, City Clerk


Bob Rogers, Chairman

Minutes approved on: 9/12/18

9/12/2018