

**CITY OF FT. PIERCE POLICE OFFICERS' RETIREMENT TRUST FUND
MINUTES OF MEETING HELD
DECEMBER 19, 2013**

A quarterly meeting of the Board of Trustees was called to order on December 19, 2013 at 10:28 A.M. in the 1st Floor Engineering Conference Room located at the Fort Pierce City Hall, Fort Pierce, Florida.

TRUSTEES PRESENT

John Schramm
Carlos Villanueva
Dan Flaherty

OTHERS PRESENT

Bonni Jensen, Law Office of Perry & Jensen
Nick Schiess, Pension Resource Center
Christine Luna, City of Ft. Pierce
Burgess Chambers, Burgess Chambers & Associates

PUBLIC COMMENTS

There was no public comment.

MINUTES

The Trustees reviewed the minutes of the meeting held on September 19, 2013. Daniel Flaherty made a motion to approve the minutes of the meeting held on September 19, 2013. Carlos Villanueva seconded the motion, approved by the Trustees 3-0.

INVESTMENT CONSULTANT REPORT

Burgess Chambers provided a report on the performance of the investment portfolio for the quarter ending September 30, 2013. He reported that for the quarter, the investment return of the portfolio was 4.3% versus 5.1% for the blended index, and for the fiscal year the investment return was 10.9% versus 13.8% for the blended index. Mr. Chambers discussed the intricacies of the benchmark, noting that the portfolio is positioned much more conservatively than the index, which is more appropriate for a pension fund.

Mr. Chambers reviewed in detail the performance of the individual investment products, noting that the performance objectives for some of the investment products had not been attained. He reviewed performance of the individual investment products in great detail, noting that the recent performance of several products have lagged their respective benchmarks, which has pulled down their overall rankings. Mr. Chambers agreed to monitor performance closely and report back to the Board at the next meeting.

Mr. Chambers provided and reviewed a proposed Investment Policy Statement, which was revised to permit the recently approved master limited partnership product managed by Westwood Holdings. Bonni Jensen advised that a proposed Ordinance Amendment revising investment restrictions had been submitted to the City for consideration, which must be adopted before proceeding with implementing the proposed Investment Policy

Statement and new investment product. Carlos Villanueva made a motion to approve the revised Investment Policy Statement contingent upon the City's adoption of the proposed Ordinance Amendment revising the investment restrictions. Daniel Flaherty seconded the motion, approved by the Trustees 3-0.

ATTORNEY REPORT

Bonni Jensen requested the Board's favorable consideration for a fee increase and reviewed a proposed addendum to the legal services agreement. The Trustees expressed considerable satisfaction with the legal services provided by Ms. Jensen and Carlos Villanueva made a motion to approve the proposed fee increase and execute the addendum. Daniel Flaherty seconded the motion, approved by the Trustees 3-0.

Ms. Jensen reported reviewing and approving the investment manager agreement with Westwood Holdings.

Ms. Jensen reported that the inclusion of language implementing the new limitations on accrued leave time imposed by SB1128 was omitted from the Ordinance Amendment revising the investment restrictions recently submitted to the City for consideration. She provided and reviewed correspondence issued by the Division of Management Services that supplemental plans were exempt from these restrictions.

FINANCIAL REPORT

Christine Luna agreed to provide the financial report to the Trustees individually after the meeting.

BENEFIT APPROVALS

The Board considered the approval of retirement benefits for Cheryl Glenn Reed. Carlos Villanueva made a motion to approve the retirement benefits for Cheryl Glenn Reed. Daniel Flaherty seconded the motion, approved by the Trustees 3-0. A question arose whether Ms. Reed's benefits had been calculated with any restrictions on the amount of accrued leave time, which was just learned earlier in the meeting as not applicable in the calculation of retirement benefits from a supplemental plan. Christine Luna agreed to review the calculation.

ADMINISTRATIVE REPORT

Nick Schiess announced that the term of office for the Fifth Trustee held by Daniel Flaherty was expiring and the matter would appear upon the agenda of the next meeting.

A discussion arose regarding the vacant seat of City appointed Trustee and Mr. Schiess reported that he had sent notice on several occasions to the City Manager's office requesting the City to appoint another Trustee. It was noted that only the City could resolve this matter.

OTHER BUSINESS

There being no further business and the next meeting being scheduled for March 20, 2014, the meeting adjourned at 11:38 P.M.

Respectfully submitted,
