

**CITY OF FT. PIERCE POLICE OFFICERS' RETIREMENT TRUST FUND
MINUTES OF MEETING HELD
MAY 15, 2014**

A quarterly meeting of the Board of Trustees was called to order on May 15, 2014 at 9:36 A.M. in the 1st Floor Conference Room located at the Fort Pierce City Hall, Fort Pierce, Florida.

TRUSTEES PRESENT

John Schramm
Carlos Villanueva
Daniel Flaherty
Frank Amandro

OTHERS PRESENT

Bonni Jensen, Law Office of Perry & Jensen
Nick Schiess, Pension Resource Center
Christine Paz, City of Ft. Pierce
Burgess Chambers, Burgess Chambers & Associates
Peter Strong, Gabriel, Roeder, Smith & Co

PUBLIC COMMENTS

There was no public comment.

APPROVAL OF MINUTES

The Trustees reviewed the minutes of the meeting held on March 21, 2014. Daniel Flaherty made a motion to approve the minutes of the meeting held on March 21, 2014. Carlos Villanueva seconded the motion, approved by the Trustees 4-0.

ACTUARY REPORT

Peter Strong appeared before the Board on behalf of Gabriel, Roeder, Smith & Co. to present a cost study for the implementation of a cap on accrued leave time and overtime as pensionable compensation. The analysis contained several scenarios with alternate limitations on accrued leave time and overtime along with the effects of releasing the excess state contribution reserve and a method change to combine all current amortization bases. Mr. Strong discussed other actuarial assumptions, noting that the mortality table will need to be updated soon. He recommended the preparation of an experience study, which he explained was a comparison of actuarial assumptions versus the actual experience of the Plan. He noted that the last experience study was prepared in the year 2000 and the Plan assumptions have not been updated in some time. After further discussion, Frank Amandro made a motion to authorize the preparation of an experience study. Carlos Villanueva seconded the motion, approved by the Trustees 4-0.

INVESTMENT CONSULTANT REPORT

Burgess Chambers provided a report on the performance of the investment portfolio for the quarter ending March 31, 2014. He reported that for the quarter, the investment return

of the portfolio was 2.3% and for the trailing one-year period the investment return was 11.1%.

Mr. Chambers reviewed in detail the performance of the individual investment products in great detail, noting all was satisfactory.

Mr. Chambers discussed the possible addition of a private real estate fund to the investment portfolio. He noted that the asset class was generally very stable and a great addition because it is not correlated with either equities or fixed income. He explained that a prohibitively high minimum investment level had prevented prior investment, but now there were prospective products and he agreed to provide additional information at a future meeting.

FINANCIAL REPORT

Christine Luna provided the financial report for the quarter ending March 31, 2014.

BENEFIT APPROVALS

There were no benefit approvals for consideration.

ATTORNEY REPORT

Bonni Jensen provided a legislative update, noting that no State legislation impacting governmental pension plans was passed before adjournment.

Ms. Jensen reminded the Trustees to file their annual Statement of Financial Interests.

Ms. Jensen reported being contacted by the PBA for consulting with a grievance between the Union and the City on overtime. John Schramm expressed a concern over confusion on the matter and recommended that Ms. Jensen be allowed to participate in the deliberations. Finding no conflict of interest, the Board by consensus agreed to permit Ms. Jensen to become engaged by the PBA for the settling of this specific matter

Carlos Villanueva departed the meeting at 10:45 AM.

ADMINISTRATIVE REPORT

Nick Schiess inquired with regards to whether the quarterly DROP administrative fee or interest earnings should be applied to the DROP account of Jimmy Aikens, whose account has been suspended because he remained employed beyond his maximum DROP participation date. After further discussion and finding no basis for exception, Frank Amandro made a motion to discontinue interest earnings and not exclude the DROP administration fee from the DROP account of Jimmy Aikens. Daniel Flaherty seconded the motion, approved by the Trustees 3-0.

A discussion arose whether to authorize Mr. Schiess to become a signor on the Plan's investment accounts, which was noted should facilitate and expedite asset rebalancing and funding of new investment accounts. Mr. Schiess acknowledged that this was the practice for the other pension plans he served. After further discussion Frank Amandro made a motion to authorize Mr. Schiess to become a signor on the Plan's investment accounts. Daniel Flaherty seconded the motion, approved by the Trustees 3-0.

OTHER BUSINESS

Nick Schiess reported that as a follow up to the last meeting, he had inquired with the City whether GASB 67 and 68 disclosures were required for its reporting and the City had responded that the additional disclosures were required. The Board again reviewed the proposal from Gabriel, Roeder, Smith & Co for the preparation of two new required reporting disclosures. It was noted that the disclosures were not necessarily required by the Plan, but instead by the City for its reporting and a discussion arose regarding which party should bear the cost. Daniel Flaherty made a motion to submit a request to the City for consideration of payment of the costs to prepare these GASB 67 and 68 disclosures. Frank Amandro seconded the motion, approved by the Trustees 3-0.

There being no further business and the next meeting being scheduled for September 18, 2014, the meeting adjourned at 11:25 AM.

Respectfully submitted,
