

**CITY OF FT. PIERCE POLICE OFFICERS' RETIREMENT TRUST FUND**  
**MINUTES OF MEETING HELD**  
**JANUARY 15, 2015**

A quarterly meeting of the Board of Trustees was called to order on January 15, 2015 at 10:00 A.M. in the 1st Floor Conference Room located at the Fort Pierce City Hall, Fort Pierce, Florida.

**TRUSTEES PRESENT**

John Schramm  
Daniel Flaherty  
Frank Amandro  
Carlos Villanueva

**OTHERS PRESENT**

Bonni Jensen, Klausner Kaufman Jensen & Levinson  
Nick Schiess, Pension Resource Center  
Burgess Chambers, Burgess Chambers & Associates  
Christine Luna, City of Fort Pierce

**PUBLIC COMMENTS**

There was no public comment.

**SELECTION REAL ESTATE INVESTMENT MANAGER**

Burgess Chambers recapped the benefits of adding a real estate fund asset class with the primary benefit of lower volatility and increased diversification of the overall portfolio because it is generally uncorrelated to other asset classes. He also discussed the disadvantages of this asset class, specifically illiquidity, noting that generally a queue existed to redeem the investment sometimes lasting a year or even longer.

Mr. Chambers reviewed the presentations received at the last meeting from New Tower Trust Company and Intercontinental Capital Management on their respective real estate funds. He reviewed the firms' qualifications and experience, presentations, investment strategies, management fees, long-term performance and other factors important in the selection of an investment manager. Mr. Chambers contrasted the styles of each manager, noting that the leverage and fees were lower for the fund managed by the New Tower Trust Company. He explained that while greater leverage allows superior returns during up market cycles, it also detracts from performance during down market cycles. A discussion arose regarding the amount to invest and Mr. Chambers recommended the amount of \$300,000.

After a lengthy and thorough discussion, Frank Amandro made a motion to invest \$300,000 into the Multi-Employer Property Trust Fund managed by the New Tower Trust Company contingent upon the successful negotiation of an Agreement by the Plan's Attorney, authorize the Chairman to execute the Agreement and immediately fund the mandate after execution of the Agreement. Carlos Villanueva seconded the motion, approved by the Trustees 4-0.

Mr. Chambers presented a revised Investment Policy Statement containing revisions to permit investment into real estate funds and changing the target performance ranking from within the top 40<sup>th</sup> percentile to the 50<sup>th</sup> percentile. Frank Amandro made a motion to adopt the revised Investment Policy Statement. Carlos Villanueva seconded the motion, approved by the Trustees 4-0.

### **BENEFIT APPROVALS**

The Board reviewed the final retirement benefit calculation for Jeffrey Lashorne. Frank Amandro made a motion to approve retirement benefits for Jeffrey Lashorne. Carlos Villanueva seconded the motion, approved by the Trustees 4-0.

The Board discussed the commencement date for the recurring benefits of DROP participant James Aikens, who had terminated employment on December 1, 2014. It was noted that Mr. Aiken's DROP deposits had been previously suspended because he had remained employed after his maximum DROP participation period. It was then noted the Ordinance was silent as to whether his December 1, 2014 should be classified as a DROP or recurring payment. Bonni Jensen presented a provision within from Florida Statutes establishing that payment should commence on the first day of the month coincident with or next following a police officer's actual retirement. Frank Amandro made a motion to approve recurring pension benefits to James Aikens effective December 1, 2014 as permitted within Chapter 185 of Florida Statutes. Carlos Villanueva seconded the motion, approved by the Trustees 4-0.

### **OTHER BUSINESS**

Bonni Jensen discussed proposed State legislation.

Ms. Jensen reviewed memorandum dated December 8, 2014 issued by the Internal Revenue Service regarding limitations on DROP deposits. She advised that the Plan did not meet the criteria for limitations and was therefore unaffected.

There being no further business and the next meeting being scheduled for March 21, 2015, the meeting adjourned at 11:25 P.M.

Respectfully submitted,

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