

**CITY OF FT. PIERCE POLICE OFFICERS' RETIREMENT TRUST FUND
MINUTES OF MEETING HELD
SEPTEMBER 20, 2018**

A quarterly meeting of the Board of Trustees was called to order by John Schramm on June 28, 2018 at 9:33 a.m. in the 1st Floor Engineering Conference Room located at the Fort Pierce City Hall, Fort Pierce, Florida.

TRUSTEES PRESENT

John Schramm
Daniel Flaherty
Carlos Diaz
Carlos Villanueva

OTHERS PRESENT

Bonni Jensen, Klausner Kaufman Jensen & Levinson
Kyle Tintle, Resource Centers
Burgess Chambers, Burgess Chambers & Associates
Christine Paz, City of Ft. Pierce

Chairman Schramm introduced himself and requested the attendees go around the room and state their names. The Trustees, service providers, and the City employee in attendance stated their names. Ms. Jensen requested the Agenda be amended to add two additional items: Public Meeting access and when membership in the Plan begins.

PUBLIC COMMENTS

No Public Comment.

APPROVAL OF MINUTES

The Trustees reviewed the minutes of the meeting held on June 28, 2018.

Carlos Diaz made a motion to approve the minutes of the meeting held on June 28, 2018. Dan Flaherty seconded the motion, approved by the Trustees 4-0.

INVESTMENT CONSULTANT REPORT

Mr. Chambers began his report by with an economic overview. He discussed the gross domestic product's (GDP) effect on the stock market and the trade discussions between the United States. He reviewed the investments for the quarter ending June 30, 2018 and a market overview. The fund earned \$192K or 1.5% (1.4% net) behind the strategic model (+2.0%). The results were in line at +3.6% for the Fiscal Year to Date. For the one year period, the fund earned \$957K or +7.0% (+6.5% net) after fees, in line with the strategic model (+6.4%). Mr. Chambers reviewed the asset allocations and noted domestic equity is over weighted. He reported equities were up about 6.0%. The Investment Policy equity target is 63.0% while the actual was 67.2% at the end of the quarter. The market value of the portfolio is \$13,853,531. The Cohen & Steer Global Infrastructure (MF) is part of an asset class with rising interest. International and emerging markets were down during the quarter ending June 30, 2018 while domestic equities were up. The top five categories were: Large-Cap Core (+14.4%), Mid-Cap (+12.2%), Convertibles (+11.7%), International (+9.9%), and Small-Cap (+9.6%). The bond substitute, MEPT private real estate program beat the core fixed income (+7.0% versus +0.0%).

FINANCIAL REPORT

Christine Paz presented the Board with the Interim Financial Statement for review. She summarized the Banking Report for the quarter ending June 30, 2018. Ms. Paz continued by going over the monthly DROP numbers and the end of the quarter numbers. She reported the Premium Tax money from the State is \$367,112.98. She has been monitoring the account and the money has not been received as of yet. The funds are to be sent with the second distribution to be received mid-October. Mr. Chambers requested that his office be notified when the funds are available so they could do a redistribution of funds. Ms. Paz agreed to send a notification when the funds arrive. A discussion was held on the accuracy of the 185 money. Ms. Jensen noted that the 185 Police money was up about 7% throughout the State.

Ms. Paz reported Jon Smith is the only member currently in the DROP. She noted that Tyrone Campbell will be entering the DROP in January 2019. Ms. Paz requested Mr. Burgess have the quarterly numbers sent to the Resource Centers as soon as they are available to expedite the processing of the DROP statements.

BENEFIT REPORT

The Board reviewed the benefit approval for David Jones receiving the residual funds in his DROP account which will close the account.

Dan Flaherty made a motion to approve the DROP distribution for David Jones, closing his DROP account. Carlos Diaz seconded the motion, approved by the Trustees 4-0.

ATTORNEY REPORT

Ms. Jensen presented the Board with an updated Summary Plan Description (SPD). The SPD is to be reviewed every two years updating the Trustee names, include current valuation data, and include any substantive information. A discussion was held on the best way to distribute the document to the members. A question arose on the availability of investment options for members. The approval of the SPD will be tabled until the options were verified. Ms. Jensen presented a memo regarding proposed Amendment 6, which in part would prohibit state courts from deferring to an administrative agency's interpretation of laws. This proposed amendment has been placed on the November 6th general election ballot. Ms. Tintle provided copies of the proposed amendment for the Trustees. Ms. Jensen explained currently the courts defer to the Pension Board's interpretation of laws for governing the administration of the Plan. She explained what effect it would have on the Plan if the amendment passes.

Ms. Jensen provided documents and an explanation in response to the question: at what point does an employee become a member of the Plan. She explained generally only certified Police Officers should be included in the Pension Plan. The Pension Plan defines Police Officer as: Police officer means any duly appointed and enrolled policeman in the regular full-time employ of the City. Ms. Jensen then addressed the issue of public access to the pension meetings. Upon entering City Hall people are being asked to present identification before entering the Board meeting possibly deterring attendance. She will send a letter to the City's attorney requesting they discuss the protocol for people wishing to attend the public Board meetings. Ms. Jensen updated the Board on the application for the Cohen & Steers Global Infrastructure CIT fund.

Dan Flaherty made a motion to execute the Cohen & Steers Global Infrastructure CIT application. Carlos Villanueva seconded the motion, approved by the Trustees 4-0.

ADMINISTRATIVE REPORT

Ms. Tintle presented the Board with the proposed meeting dates for 2019. After some discussion, the dates were accepted as presented. Ms. Tintle informed the Board she received confirmation from the Division of Retirement that the 2017 Annual Report had been reviewed and approved for the Fort Pierce Police Officers' Retirement Trust Fund.

OTHER BUSINESS

Trustee Carlos Villanueva's term on the Board expired on September 29, 2018. He would like to continue serving and paperwork to extend his term will be sent to the City. Trustee Frank Amandro will be retiring in January of 2019. An election will need to be held to fill his position on the Board.

There being no further business and the next meeting being scheduled for March 21, 2019 the meeting adjourned at 11:09 p.m.

Respectfully submitted,
