

City of Gulfport General Employees' Pension Fund
Minutes of Meeting held
March 3, 2010

CALL TO ORDER

The meeting of the Board of Trustees for the General Employees' Pension Fund was called to order at 9:00 AM.

Mr. Blake Boyer took a roll call of the Trustees and others present. The Board had a quorum for the meeting. Those persons present included:

TRUSTEES

Blake Boyer
John Lapham
Margaret Palmisano
David Hastings
Bob Williams
Frank Wheelahan
Marjorie Milford

OTHERS

Nathalie Luke, AON
Lynn Skinner, Salem Trust
Scott Christiansen, Christiansen & Dehner

1. APPROVAL OF MINUTES

The Trustees reviewed the minutes for the meetings held on December 2, 2009 and December 30, 2009.

A motion was made to approve the minutes for the meetings of December 2, 2009 and December 30, 2009. The motion was seconded and approved by the Trustees 7-0.

The Trustees discussed that the following set of minutes still outstanding:

January 30, 2009
March 4, 2009
December 2, 2009

2. ELECTION OF BOARD OFFICERS

The Trustees discussed the election of the Board Officers. The Trustees tabled the matter until the next Agenda.

3. DISBURSEMENTS

The Trustees reviewed the list of invoices to be paid:

- Foster & Foster \$9,713.00

- AON Investment Consulting \$5,296.00
- Christiansen & Dehner, PA \$913.50

A motion was made to approve the payments. The motion was seconded and was approved by the Trustees 7-0.

4. QUARTERLY REPORT REVIEW FROM AON CONSULTING

Nathalie Luke reviewed the market environment for the quarter ending December 31, 2009. She also reviewed the investment performance of the assets for the quarter, discussing the performance of each individual mutual fund portfolio manager in detail. She reviewed the current asset allocation as well. Since the asset allocation fell within the guidelines for the target allocation in the Investment Policy, she did not recommend rebalancing the portfolio at this time.

Scott Christiansen indicated that he would send the investment portion of the Ordinance to Nathalie Luke following the meeting. He inquired about the share class used for the international equity allocation to the Europacific Growth Fund. The R6 Share Class, a new share class created by the fund group, has a lower expense ratio for institutional investors than the R5 share class.

A motion was made to convert the R5 shares of the Europacific Growth Fund to the R6 share class. The motion was seconded and was approved by the Trustees 7-0.

5. UPDATE AND REPORT FROM PENSION ATTORNEY

The Board discussed the payment of the ad hoc cola. Due to the recent market downturn, the Trustees felt that the plan did not meet the requirements to pay an ad hoc cola at this time.

A motion was made to recommend that the City Council not pay an ad hoc cola. The motion was seconded and was approved by the Trustees 7-0.

Mr. Christiansen confirmed that the Declaration Letter setting forth the expected rate of return on the plan assets was sent to the State. Mr. Christiansen then discussed the need for some administrative assistance to manage the plan and complete minutes on behalf of the Board. The Trustees considered proposals from two individuals to provide administrative services. Mr. Christiansen was directed to send those individuals a copy of the RFP for a plan administrator.

The Trustees considered the vested deferred members of the plan due a future benefit. The benefits due to these members was not calculated at separation from the City. The Board authorized Foster and Foster, actuary for the Pension Fund, to calculate the benefits due to the vested deferred members of the plan.

6. OTHER BUSINESS

The Board had no further business to discuss.

7. ADJOURNMENT

The next meeting having previously been scheduled for June 2, 2010, a motion was made and seconded to adjourn the meeting.

Respectfully submitted,

Margaret Palmisano, Secretary