

City of Gulfport General Employees' Pension Fund

Minutes: Meeting of April 24, 2014

1. CALL TO ORDER

Blake Boyer called a meeting of the Board of Trustees for the Gulfport General Employees' Pension Fund to order at 1:08 PM.

2. ROLL CALL

Those persons present included:

TRUSTEES

Blake Boyer, Chairman
Deanna Doss, Secretary
John Lapham
Marjorie Milford

OTHERS

Scott Baur & Pam Nolan, Resource Centers
Scott Christiansen, Christiansen & Dehner
Jack Evatt, Bogdahn Group

TRUSTEES NOT PRESENT

Paul Rousseau

3. PUBLIC COMMENT

There was no public comment.

4. APPROVAL OF MINUTES

Marjorie Milford made a motion to approve the minutes for the special meeting of January 23, 2014 and the regular quarterly meeting of January 23, 2014 as presented. Blake Boyer seconded the motion, approved by the Trustees 4-0.

5. INVESTMENT REPORT (Jack Evatt, Bogdahn Group)

Jack Evatt stated that he appreciated the opportunity to work for the Board. He reviewed and explained the format of the quarterly investment report. Mr. Evatt also stated that he would provide a new Investment Policy for the Board to consider. He provided an overview of the market, noting that the domestic markets had stronger performance for the quarter than the international markets. The international markets, however, still had strong gains for the year. The economy during the first quarter suffered from bad weather, although all the bond market sectors had positive returns. Mr. Evatt also reviewed the performance of various geographic regions. He indicated that the plan has a diversified and stable asset mix.

Mr. Evatt reported that the invested assets of the plan had a net return of 1.97% for the quarter compared to 2.25% for the benchmark. Lower quality issues outperformed higher quality issues during the quarter. Mr. Evatt then reviewed the performance of the investment managers overseeing portions of the portfolio.

Pimco slightly underperformed the rest of the bond market, and Jack Evatt addressed the departure of Mohammed El Ehrian from the firm. He recommended that the Board diversify the fixed income portfolio, not because of performance, but to pair the opportunistic style of Pimco

with a more traditional fixed income manager. Such diversification would reduce the volatility of that portion of the portfolio. The current ordinance prohibits direct investment in real estate, but the plan does hold REIT securities. Mr. Evatt introduced the other members of the Bogdahn team to the Board and explained the roles of supporting staff.

Mr. Evatt considered changes to the Investment Policy, indicating that he would bring a draft with recommended revisions to the next meeting. He will provide a manager search to diversify the fixed income portfolio as well. Scott Christiansen and Jack Evatt also explained the role of the Investment Consultant to new Trustees on the Board.

6. ATTORNEY REPORT (Scott Christiansen, Christiansen & Dehner)

Mr. Christiansen noted that the departures of Bob Williams and Margaret Palmisano left a vacancy on the Board, and the Board has a Council appointment pending as well. Ms. Palmisano must file a final financial disclosure Form 1-F, while Deanna Doss must file a new Form 1 financial disclosure. The Board needs a Secretary to replace Margaret Palmisano.

Blake Boyer made a motion to nominate Deanna Doss as the Secretary, seconded by John Lapham. The Trustees passed the motion 4-0.

Mr. Baur stated that he would update signature authorizations on file at the next regular meeting of the Board.

Scott Christiansen reported that he negotiated an annual retainer fee of \$22,500 with Bogdahn rather than the \$25,000 proposed. He presented the contract for execution. He also provided the updated Summary Plan Description for distribution, which should get updated and distributed to members every two years. He reviewed the changes, explaining the definition of salary changed and also the limits on lump-sum payments and overtime included in calculations of pension benefits.

Marjorie Milford made a motion to approve the updates to the Summary Plan Description, seconded by Blake Boyer, and approved by the Trustees 4-0.

7. ADMINISTRATOR REPORT (Scott Baur & Pam Nolan, Resource Centers)

Mr. Baur explained that Pam Nolan had decided to leave his team of plan administrators, but he would still attend future meetings himself.

8. PLAN FINANCIALS

The Trustees reviewed the Warrant dated April 24, 2014 for payment of invoices. The Warrant included the last invoice submitted by Aon, the prior Investment Consultant to the Board.

Blake Boyer made a motion to authorize the Warrant dated April 24, 2014. Marjorie Milford seconded the motion, approved by the Trustees 4-0.

The Trustees reviewed the Benefit Approvals dated April 24, 2014.

Blake Boyer made a motion to approve the Benefit Approvals as presented. Deanna Doss seconded the motion, passed 4-0 by the Trustees.

9. OTHER BUSINESS

The Trustees had no other business for discussion.

10. NEXT REGULAR MEETING

The Trustees previously set the schedule for the next regular quarterly meeting on Thursday, July 24, 2014 at 1:00 pm.

11. ADJOURNMENT

There being no further business, Blake Boyer made a motion to adjourn the meeting at 2:12 PM. Deanna Doss seconded the motion, approved by the Trustees 4-0.

Respectfully submitted,

Deanna Doss, Secretary