

**TEQUESTA GENERAL EMPLOYEES' PENSION TRUST FUND
REGULAR BOARD MEETING MINUTES
NOVEMBER 2, 2015**

I. CALL TO ORDER AND ROLL CALL

The Regular Quarterly Board Meeting of the Tequesta General Employees' Pension Trust Fund was held in the Village Chambers, 345 Tequesta Drive, Tequesta, Florida, on November 2, 2015. The meeting was called to order at 8:24 a.m.

A roll call was taken by Pension Administrator Kerry Dutton. In attendance at the meeting were: Chairman Michael Rhodes, Secretary Carl Hansen, Board Member Michelle Gload.

Also in attendance were Attorney Bonni Jensen, Pension Administrator Kerry Dutton, and Investment Monitor Tyler Grumbles.

II. PUBLIC COMMENT

None

III. APPROVAL OF AGENDA

Ms. Dutton requested the addition of item: IV.3. Tequesta General Employees' and Public Safety Officers' Joint Meeting Minutes – August 3, 2015. Mr. Grumbles requested the addition of item: V.3.b. Investment Policy Statement Review.

MOTION:

Secretary Carl Hansen made a motion to approve the Agenda as amended. Board Member Michelle Gload seconded the motion, which carried by unanimous 3-0 vote.

IV. APPROVAL OF THE MINUTES

1. Meeting Minutes - Tequesta General Employees' Pension Trust Fund Board of Trustees – Revised May 4, 2015.

There was a brief discussion on the removal of wording and rewording in section IX.10.a Administrative Rules. Meeting minutes for May 4, 2015 were tabled until the next regular quarterly meeting for the Board's review.

2. Meeting Minutes - Tequesta General Employees' Pension Trust Fund Board of Trustees – August 10, 2015.

MOTION:

Secretary Carl Hansen made a motion to accept the minutes for the Joint Board Meeting on August 10, 2015 as presented. Board Member Gload seconded the motion, which carried by unanimous 3-0 vote.

3. Meeting Minutes - Tequesta General Employees' Pension Trust Fund Board of Trustees Joint with Tequesta Public Safety Officers' Pension Trust Fund Board– August 3, 2015.

MOTION:

Secretary Carl Hansen made a motion to accept the minutes for the Joint Board Meeting on August 3, 2015. Board Member Gload seconded the motion, which carried by unanimous 3-0 vote.

V. Presentation

3. Tyler Grumbles, Bogdahn Consulting, LLC.
 - a. Quarterly Performance Report as of September 30, 2015

Tyler Grumbles, Bogdahn Consulting, LLC stated the September 30, 2015 Performance Report is preliminary. He briefly reviewed the performance of the market environment, for major market indexes as of September 30, 2015. He reviewed the markets environment and explained emerging markets were negatively affected by China's currency depreciating value. Mr. Grumbles reported that for quarter ending September 30, 2015 the Plan's market value was \$3,564,699 and the asset allocations were Domestic Equity 46.8%, International Equity 15.0%, Domestic Fixed Income 31.0%, Global Fixed Income 5.0% and Cash Equivalent 1.7%. He stated the allocations are in line with the targeted allocations. Mr. Grumbles explained Fixed Income is positioned for rising interest rates over the long term. There was a brief discussion on market performance up to the end of October which was close to recouping the losses incurred last quarter. Mr. Grumbles reviewed the financial reconciliation quarter along with reviewing the fiscal year end totals. He reported that for quarter end the Plan's Total Fund (Gross) was at -4.97% versus the benchmark at -4.82%. Dana Core Equity was -7.45% versus the benchmark at -6.44%, EuroPacific fund was -9.81% versus the benchmark at -12.10%, Dana fixed Income was 1.32% versus the benchmark at 1.08%, Templeton was -6.79% versus the benchmark at -1.38. Mr. Grumbles also reviewed the Fiscal Year End, 1 year, and 5 year total fund versus the benchmark which shows that the Fund has outperformed each year. He reviewed the financial reconciliation quarter to date. Mr. Grumbles reviewed the compliance checklist. He stated there are no recommendations at this time. There was a discussion on investment percentage value versus the actuarial calculated figures.

b. Investment Policy Statement Review

Mr. Grumbles reviewed the policy recommending cleaning up the general language. He reviewed the target allocations. Mr. Grumbles explained the process of a capital call. He explained most of the funding will come from the Fixed Income fund due to being over weighted. He reviewed the investment objectives. There was a brief discussion on percentile placement of for both the 3 years and 5 years' time and compared to other pension plans. He reviewed the equity, fixed income and real estate performance guidelines and recommended no change. Mr. Grumbles reviewed the investment guidelines by each specific investment type and continued to explain the money market's role is not to add yield to the portfolio but used for disbursements. He reviewed the criteria for investment manager reviews and explained required criteria all managers must meet.

MOTION:

Secretary Carl Hansen made a motion to accept the Bogdhan Consulting Quarter Review for the September 30, 2015 quarter as presented. Board Member Gload seconded the motion, which carried by unanimous 3-0 vote.

VI. CONSENT AGENDA

4. Ratification of invoices paid since last quarterly meeting:

July 31, 2015	Pension Resource Center Administrative Fee - August 2015	\$800.00
August 24, 2015	Law Offices of Bonnie Jensen, P. A. Legal Services Rendered through 8/15/2015	\$2,865.17
September 2, 2015	Gehring Group Fiduciary Liability Insurance - Policy # 105999206- Period covering 10/1/2015 - 10/1/2016	\$1,005.98
August 31, 2015	Pension Resource Center Administrative Fee - September 2015	\$800.00
September 15, 2015	The Bogdahn Group Performance Evaluation for 6/30/15 Reports and Consulting Services through September 30, 2015	\$3,125.00
September 25, 2015	Law Offices of Bonnie Jensen, P. A. Legal Services Rendered through September 15, 2015	\$525.45

Ms. Dutton reviewed the breakdown of the Fiduciary Liability Premium based on Plan assets for both General Employees' and Public Safety Officers' Pension Fund.

5. Payments to be reviewed and approved:

Pension Resource Center Administrative Fee - October 2015	\$900.00
Law Offices of Bonnie Jensen, P. A. Legal Services Rendered through 10/15/2015	\$264.30

MOTION:

Secretary Carl Hansen made a motion to approve payments to be reviewed and approved for payment as presented. Board Member Gload seconded the motion, which carried by unanimous 3-0 vote.

6. Reporting of new applicants for participation in Pension Plan:

Sam Heady
Cynthia Morabito
Kelley Bonneau
Martin Meehan JR.
Keith Robinson
Douglas Chambers
Joseph DiNorcio

7. Approval of withdrawal of contributions:

None

8. Terminated employees who have not taken their contributions:

None

MOTION:

Secretary Carl Hansen made a motion to accept the Consent Agenda as presented. Board Member Gload seconded the motion, which carried by unanimous 3-0 vote.

There was a brief discussion on Ms. Jensen supply the Village Counsel with the Dana Investment Advisors Report as update.

VII. Unfinished Business

None

IX. Quarterly Budget Report

11. Quarterly Budget Report – Income Statement & Expenditure Report, Finance Staff

Ms. Gload stated the income statement and balance sheet looks to be inline. She explained there is not much to be reported as the quarter has just begun. She explained the restructuring of the departments within the Village resulting in newly hired employees being reported to the actuary. There was a brief discussion on the wording used on the agenda for presenting the newly hired members to the Board of Trustees.

VIII. New Business

10. Bonni Jensen, The Law Office of Klausner, Kaufman, Jensen & Levison

a. NCPERS Code of Conduct

Mrs. Jensen stated the Code of Conduct is asks the service providers to act in the best interest of the pension fund. She explained this code is to help the Trustees become aware of individuals who are not acting in and ethical manner. Ms. Jensen gives examples of other Pension Plans decision on this Code of Conduct. She stated there is a list of questions presented to potential providers but wanted some sort of transparency.

b. IRS Forms 2848 & 8717

Ms. Jensen explained forms 2848 and 8717 are required when filing for the IRS determination letter. She explained form 8717 is needed to allow Ms. Jensen to answer all questions on behalf of the Plan. She stated there is a filing fee in which the check will need to be made payable directly to the IRS. Ms. Jensen gave examples of items the IRS is looking into this cycle. There was a brief discussion on unclaimed property process. Ms. Jensen explained the IRS Determination Letters have never been mandatory but available to give additional security since the IRS does preform audits. There was a discussion on expectation of difficulty with the filing process for this determination letter versus last years.

MOTION:

Secretary Carl Hansen made a motion to approve Form 2848 of Power of Attorney and approval of the \$2,500.00 filing fee. Board Member Gload seconded the motion, which carried by unanimous 3-0 vote.

There was a discussion on tracking the \$2,500.00 filing fee separately on the budget report. Ms. Jensen brought the final Administrative Rule for signature.

c. Summary of Actions

Ms. Jensen stated last update given to the Village Council was March 2015. She explained the Board is schedule to present on December 10th. There was a brief discussion on who would present to the Summary of Actions at the Village Council meeting. Mr. Hansen agreed to attend the Village Council meeting on December 10th.

There was a brief discussion on the August 3, 2015 meeting minutes followed by a discussion on the Custodian transition.

There was a discussion on the updating the payment practices to add provision stating retirement benefits would be paid in between quarterly meeting subjected to the actuary's certification being received prior to payment being issued. The retirement benefit would then be ratified at the next meeting.

MOTION:

Board Member Gload made a motion to accept the minutes for the Joint Board Meeting on August 3, 2015 as presented. Secretary Hansen seconded the motion, which carried by unanimous 3-0 vote.

Ms. Gload stated the budget report will be updated to include an IRS account for tracking purposed.

XI. ANY OTHER MATTER

There were no other matters presented for discussion.

XII. COMMUNICATIONS FROM CITIZENS

There were no communications from citizens.

XI. ADJOURNMENT

MOTION:

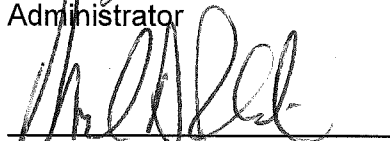
Secretary Hansen moved to adjourn the meeting. Board Member Gload seconded the motion, which carried by unanimous 3-0 vote.

There being no further business, the meeting was adjourned at 10:37 a.m.

Respectfully submitted,



Kerry Dutton
Administrator



Board Member

Village of Tequesta General Employees' Pension Plan

