

**TEQUESTA PUBLIC SAFETY OFFICERS' PENSION TRUST FUND
REGULAR BOARD MEETING MINUTE
MAY 4, 2015**

I. CALL TO ORDER AND ROLL CALL

The Regular Quarterly Board Meeting of the Tequesta Public Safety Officers' Pension Trust Fund Board of Trustees was held at the Village Hall Council Chambers, 345 Tequesta Drive, Tequesta, Florida, on May 4, 2015. The meeting was called to order at 11:50 a.m. jointly with the General Employees' Trust Fund.

A roll call was taken by Pension Administrator Kerry Dutton. In attendance at the meeting were: Chair Ed Sabin, Secretary Ray Giblin and Board Member John Terzakis.

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

II. PUBLIC COMMENT

There was no public comment

V. ITEM TO BE DISCUSSED JOINTLY WITH GENERAL TRUST FUND

1. Custodian Requests for Proposals

Scott Baur reviewed update on the pending RFP's. He stated that the new proposals were competitive compared to Salem. He stated that Wilmington Trust came to him as a recommendation. He explained that M&T Bank had acquired Wilmington Trust however they chose to keep the name. M Grumbles stated that his company had experienced issues with M&T however the institute stated those issues have since been ratified. Mr. Baur informed the Board that selling the company had not effect on the trust custody side of business. He also reviewed all fees for the RFP responses including the comparison with the General Employees' Pension Fund combined with the Public Safety Pension Fund. There was a brief discussion on Salem's current fee contract for review against RFP fee responses. There is a lengthy discussion on each of the listed RFP responses and trust custody work related experience. There was a brief discussion on the fees jointly versus individually. Chair Rhodes from the General Employees' Pension Fund expressed his opinion about First State and Fiduciary Trust. Mr. Grumbles explained that First State has ok service however they send monthly deposit advices, only annually. Mr. Baur explained how a subsequent increased volume increase would affect First State and Fiduciary Trust. He stated that Fiduciary was and still are owned by Templeton. Mr. Grumbles expressed concern for charges on top for trades. Mr. Baur stated that for both Center State and Fiduciary Trust the buy/sell charges are included in the basis points. He does clarify that the basis points fee is all inclusive except for benefit payments. He explained the reason for Pension Resource Centers proposal for benefit payments was for proposes of allowing an option for going to a custodian for just the trust custody side of business. Mr. Levine stated that Pension Resource Centers already has a relationship with the Plans and knows the processes in place. Mr. Baur stated that PRC's proposal was for flexibility not so much for competitive. Mr. Sabin stated that Fiduciary Trust may have a small savings for the Village as a whole. He also stated that Wilmington Trust as a potential for a short list. Mr.

Grumbles expressed his experience from his company and Wilmington Trust to be mixed. Mr. Baur agreed with Mr. Grumbles on the mixed review on Wilmington Trust. There was a brief discussion on the reports and statements supplied by each of the RFP's. Mr. Baur recommended First State as he works with them for other plans that are enrolled in the wrap program. There is a brief discussion for suggestions for a short list for presentations.

MOTION:

Board Member Giblin made a motion to short list Fiduciary Trust, First State, and Wilmington to present in person at August 3rd meeting with the General Employees' Pension Fund. Board Member Terzakis seconded the motion, which carried by unanimous 3-0 vote.

2. Stand-alone Audit Discussion

Ms. Bonni Jensen recapped on Marcum's stand-alone audit. She reviewed only the pages of the CAFR that referred to the Pension Fund. Mr. Sabin explained his past experience with audits of pension plans. Ms. Jensen explained that the presentation of a stand-alone audit may bring things to light. She explained that the financial auditor feels that the gain of a stand-alone audit outweighs the cost. There was a brief discussion on the stand-alone audit. The Board decided a stand-alone audit is not necessary at this time.

III. REAPPOINTMENT OF 5TH TRUSTEE

Attorney Bonni Jensen advised the Board that due trustee Terzakis being one of the three trustees present the reappointment must be addressed at the next Board meeting.

IV. ADMINISTRATION OF OATH OF TRUSTEES KYLE STONE

Attorney Bonni Jensen stated that Trustee Kyle Stone is not present to accept the administration of the oath therefore this too will be addressed at the next Board meeting.

VI. APPROVAL OF AGENDA

MOTION:

Secretary Giblin made a motion to approve the Agenda as presented. Board Member Terzakis seconded the motion, which carried by unanimous 3-0 vote.

VII. APPROVAL OF MINUTES

3. Tequesta Public Safety Officers' Meeting Minutes- February 25, 2015

MOTION:

Secretary Giblin made a motion to approve the February 25, 2015 Meeting Minutes as presented. Board Member Terzakis seconded the motion, which carried by unanimous 3-0 vote.

4. Tequesta General Employees & Public Safety Officers' Joint Meeting Minutes – March 30, 2015

Attorney Bonni Jensen stated a typographical error in reference to Wilmington Trust. Ms. Dutton explained she would make the correction and distribution to the trustees for confirmation of the correction.

MOTION:

Secretary Giblin made a motion to approve the March 30, 2015 Joint Meeting Minutes as amended. Board Member Terzakis seconded the motion, which carried by unanimous 3-0 vote.

VIII. PRESENTATIONS

5. Investment Monitor - Tyler Grumbles, Bogdahn Consulting, LLC.
 - a. Quarterly Investment Report as of March 31, 2015

Tyler Grumbles, Bogdahn Consulting, LLC briefly reviewed the performance of both Gamco and Brown for last quarter. He stated Brown did much better this quarter. Mr. Grumbles reported that for quarter ending March 31, 2015 the Plan's market value was \$11,825,214 and the asset allocations were Domestic Equity 49.1%, International Equity 15.0%, Domestic Fixed Income 27.3%, Global Fixed Income 5.0% and Cash Equivalent 3.7%. Mr. Grumbles stated that the portfolio was rebalanced. He reported that for quarter ending March 31, 2015 the Plan's Total Fund (Gross) was at 2.96% versus the benchmark at 1.99%. Total Equity was 3.75% versus the benchmark at 2.22%, Total Domestic Equity was 3.28% versus the benchmark at 1.80%, Total International Equity was at 6.05% versus the benchmark at 3.59%, and Total Fixed Income was at 1.58% versus the benchmark at 1.38%. Mr. Grumbles explained his opinion on capital call timeframe for ASB to be roughly a year. He reviewed the markets environment. Mr. Grumbles explained Garcia Hamilton was fully funded in January but tracking did not start till February 1, 2015. He stated that as of April 1st Garcia Hamilton's activity was very favorable. He reviewed the performance of each manager individually. Mr. Grumbles reviewed the financial reconciliation of the Fund as of March 31, 2015 as well as the compliance checklist. He stated this was a very solid quarter.

VIII. UNFINISHED BUSINESS

None

IX. STANDING REPORTS (INFORMATION ITEMS)

6. New applicants for participation in Pension Plan:

None

7. Request for withdrawal of contributions (employees terminating employment With the Village of Tequesta) – Ratification of withdrawals made since the last meeting.

None

8. Terminated employees who have not taken their contributions:

None

X. PAYMENTS TO BE RATIFIED (PAYMENTS MADE SINCE LAST MEETING)

9. The Law Office of Bonni Jensen Legal Services through 2/15/15	\$1,677.00
Pension Resource Centers Administrative Fee- March 2015	\$ 958.32
The Law Office of Bonni Jensen Legal Services through 3/15/15	\$1,677.00
GRS Actuarial Services through 2/28/15	\$4,969.00
The Bogdahn Group Performance Evaluation Fee for 3-31-15 Reports and Consulting Services through 3/31/15	\$3,750.00

MOTION:

Secretary Giblin made a motion to approve the payments to be ratified as presented. Board Member Terzakis seconded the motion, which carried by unanimous 3-0 vote.

XI. PAYMENT TO BE REVIEWED AND APPROVED

10. Marcum Accountant – Audit Period 6/1/13-6/30/14 Services rendered w/respect to SSAE-16	\$2,500.00
Pension Resource Centers Administrative Fee- February 2015	\$ 986.89
The Law Office of Bonni Jensen Legal Services through 4/15/15	\$2,493.98

MOTION:

Secretary Giblin made a motion to approve the payments to be reviewed and approved as presented. Board member Terzakis seconded the motion, which carried by unanimous 3-0 vote.

XII. BUDGET REPORT

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

Finance Staff was not available to review the budget report. The Board reviewed the Income and statement report as well as the Expenditure Report.

XIII. NEW BUSINESS

12. Attorney Bonni Jensen, The Law Office of Klausner, Kaufman, Jensen & Levison
a. Updated Summary Plan Description

Attorney Bonni Jensen stated that multiple changes need to be made to shown administration for the Plan was transferred from the Village to Pension Resource Centers. She also recommended the trustees names, and updated definitions to be added to the Summary Plan Description. She also suggested only including the pension calculations for the employees who were hired prior to October 1, 2010 since those employees are closer to retirement. She reviewed the updated list of investment managers. There was a brief discussion on the collective bargaining agreement dates.

MOTION:

Secretary Giblin made a motion to approve the Summary Plan Description pending amended changes. Board member Terzakis seconded the motion, which carried by unanimous 3-0 vote.

- b. Form 1 Filing

Attorney Bonni Jensen reminded trustees this is a required filing and is due by June 1, 2015. She explained the form can be filed directly with or through her office.

- c. Request from the Village for Actuarial Impact Statement of purposed pension changes

Attorney Bonni Jensen explained the request from the Village and the Union. She explained this request is for changing the use of excess 175 monies for pension payments to reduce the Village's contributions. Ms. Jensen explained that even though the Village's contributions would be reduced it is also beneficial to the members since it would allow the members contribution rates to stay the same. She stated that the Board would not be responsible for payment for this request.

MOTION:

Secretary Giblin made a motion to allow the Village use of the Plans Actuary and to admit payment directly. Board member Terzakis seconded the motion, which carried by unanimous 3-0 vote.

XI. ANY OTHER MATTER

XII. COMMUNICATIONS FROM CITIZENS

XIII. ADJOURNMENT

MOTION:

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

There being no further business, the meeting was adjourned at 1:29 p.m.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Kerry Dutton", written over a horizontal line.

Kerry Dutton

Administrator

Village of Tequesta Public Safety Officers' Pension Plan

A handwritten signature in dark ink, appearing to read "C. D. Adams", written over a horizontal line.

Board Member

Village of Tequesta Public Safety Officers' Pension Plan