

**GENERAL EMPLOYEE PENSION COMMITTEE MEETING
WEDNESDAY, NOVEMBER 7, 2018 2:30 P.M.
CITY HALL, COUNCIL CHAMBERS, VERO BEACH, FLORIDA**

A G E N D A

- 1. CALL TO ORDER**
- 2. APPROVAL OF MINUTES**
 - A) May 24, 2018 – Regular Minutes
 - B) July 16, 2018 – Special Call Minutes
- 3. AGENDA ADDITIONS, DELETIONS & ADOPTION**
- 4. PUBLIC COMMENT**
- 5. NEW BUSINESS**
 - A) Prudential Quarterly Investments
- 6. OLD BUSINESS**
- 7. ATTORNEY MATTERS**
- 8. SET NEXT MEETING DATE**
- 9. ADJOURNMENT**

This is a public meeting. Should any interested party seek to appeal any decision made by the Committee with respect to any matter considered at such meeting or hearing, he will need a record of the proceedings and that, for such purpose he may need to ensure that a record of the proceedings is made which record includes the testimony and evidence upon which the appeal is to be based. Anyone who needs a special accommodation for the meeting may contact the City's Americans with Disabilities Act (ADA) Coordinator at least 48 hours in advance of the meeting.

GENERAL EMPLOYEE PENSION PLAN COMMITTEE MINUTES
Wednesday, May 24, 2018 2:30 PM
City Hall Council Chambers, Vero Beach, Florida

PRESENT: Jim O'Connor, City Manager; Wayne Coment, City Attorney; Tammy Bursick, City Clerk; Cindy Lawson, Finance Director; Gabrielle Manus, HR Director. **Also Present:** Glenn Thomas, Committee Attorney; Kathy Taube, Risk & Benefits Administrator.

1. CALL TO ORDER

Chairman O'Connor called the meeting to order at 2:30 p.m.

A. Request to Propose an Additional Agenda Item

Ms. Lawson requested that an item be added to the agenda under 4.B. entitled Recalculation of Pension Benefits. Mr. Coment made a motion to approve the Agenda as amended. Ms. Manus seconded the motion and it passed unanimously.

Mr. Coment suggested that an item be added to the agenda for proposed additions and deletions at future meetings.

2. APPROVAL OF MINUTES

Mr. Coment made a motion to approve the minutes of March 7, 2018. Ms. Lawson seconded the motion and it passed unanimously.

3. PUBLIC COMMENT

None

4. NEW BUSINESS

A. Prudential – March 31, 2018 Quarterly Investment Review

Full report on file at City Clerk's Office.

Mr. Dean Molinaro, Vice President, Investment Strategy of Prudential, presented the Quarterly Investment Review:

1st Calendar Quarter Return (2nd Fiscal Quarter) -.92%
Plan Year (Fiscal) Return 2.88%
1 year return 9.20%
3 year return 6.52%
5 year return 8.48%
10 year return 6.35%

Assets as of the end of March total \$84,757,117

Distribution of Assets is in line with long-term investment strategy:

61.03% Traditional Equities (Diversified between Large, Mid & Small Cap US, and an allocation to Non-US Emerging Markets will develop)

4.67% Real Estate

34.30% Fixed Income

As of the end of March, no transfers were necessary to rebalance the portfolio.

All managers are in good standing, and not on a watch list.

Estimated return of 6.65% is on track with assumptions for expected return.

B. Recalculation of Pension Benefits

Ms. Lawson explained that approximately 50 retirement calculations were performed after the plan was frozen that used assumptions that were in place prior to the freeze. In order for the Committee to determine how to proceed, she recommended that the actuary perform updated calculations including interest, and provide the data which would be discussed at a future special call meeting. The actuary agreed to a price of \$150 per participant for these recalculations – approximately \$7,500 total.

Ms. Lawson made a motion to approve the recalculations for these participants at a cost of \$150 per calculation, with the actuarial assumptions in place at the time each participant retired. Mr. Coment seconded the motion and it passed unanimously.

Mr. Coment made a motion that any back payments would be made at an interest rate of 6.5%. Ms. Lawson seconded the motion and it passed unanimously.

Ms. Lawson made a motion that going forward we instruct the actuary to use assumptions for mortality table and interest rate in place at the time of each pension calculation, and that the plan document be updated as such. Ms. Manus seconded the motion and it passed unanimously.

5. OLD BUSINESS

None

6. ATTORNEY'S MATTERS

Mr. Thomas previously provided the revised proposed General Employee Pension Ordinance for review, as well as the proposed QDRO language. Mr. Coment indicated that he will update the QDRO Resolution for Council Approval.

Ms. Taube will add language to the Notice of Retirement Form which states that in the event of a QDRO, any related actuarial fees will be the responsibility of the retiree. In addition, if said fees are not paid timely they may be deducted from the retiree's pension benefit payment.

Mr. Coment made a motion that future actuarial invoices will be paid from the Plan. Ms. Bursick seconded the motion and it passed unanimously.

7. NEXT MEETING DATE – August 1 at 2:30 p.m.

8. ADJOURNMENT

The meeting was adjourned at 3:24 p.m.

/kft

**GENERAL EMPLOYEE PENSION PLAN COMMITTEE MINUTES
SPECIAL CALL MEETING
Monday, July 16, 2018 2:30 PM
City Hall Council Chambers, Vero Beach, Florida**

PRESENT: Jim O'Connor, City Manager; Wayne Coment, City Attorney; Tammy Bursick, City Clerk; Cindy Lawson, Finance Director; Gabrielle Manus, HR Director. **Also Present:** Glenn Thomas, Committee Attorney; Kathy Taube, Risk & Benefits Administrator.

1. CALL TO ORDER

Chairman O'Connor called the meeting to order at 2:30 p.m.

2. NEW BUSINESS

A. Recalculation of Pension Benefits with Correct Assumptions

Ms. Lawson made a motion to process all revised payments and deductions including interest to July 1st as shown on the updated calculation sheet from the actuary. The motion passed unanimously.

3. PUBLIC COMMENT

7. NEXT MEETING DATE – August 30 at 2:30 p.m.

8. ADJOURNMENT

The meeting was adjourned at 2:42 p.m.

/kft