

GENERAL EMPLOYEE PENSION PLAN COMMITTEE MINUTES
Wednesday, August 7, 2019 2:30 PM
City Hall Council Chambers, Vero Beach, Florida

PRESENT: Monte Falls, City Manager; Tammy Bursick, City Clerk; Cindy Lawson, Finance Director; Gabrielle Manus, HR Director; John Turner, City Attorney. **Also Present:** Glenn Thomas, Committee Attorney; Kathy Taube, Risk & Benefits Administrator.

1. CALL TO ORDER

Mr. Falls called the meeting to order at 2:30 p.m.

2. APPROVAL OF MINUTES

Ms. Lawson made a motion to approve the minutes of the May 29, 2019 meeting. Ms. Manus seconded the motion and it passed unanimously.

3. AGENDA ADDITIONS, DELETIONS & ADOPTIONS

Ms. Lawson requested the addition of an agenda item to discuss the proposed amendment to the Investment Policy Statement for today's meeting.

4. PUBLIC COMMENT

None

5. NEW BUSINESS

A. Prudential – June 30, 2019 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:

- 2nd Calendar Quarter Return (3rd Fiscal Quarter) 3.30%
- Plan Year (Fiscal) Return 3.31%
- 1 year return 7.15%
- 3 year return 8.92%
- 5 year return 6.84%
- 10 year return 9.88%

Assets as of the end of June total \$93,578,184

Distribution of Assets is underweight equities at 57.29% according to the current Investment Policy Statement, however, in line with the amended Investment Policy Statement (Copy attached. See "5.B. Amendment to Investment Policy Statement"):

57.29% Traditional Equities (Diversified between Large, Mid & Small Cap US, and an allocation to Non-US Emerging Markets will develop)
5.18% Real Estate
37.53% Fixed Income

As of the end of June, no transfers were necessary to rebalance the portfolio. All managers are in good standing and not on a watch list. One manager in the international space is being monitored.

B. Amendment to Investment Policy Statement

Copy on file at City Clerk's Office.

Mr. Molinaro and Ms. Lawson briefly reviewed changes in future allocations that would be made in accordance with the amended Investment Policy Statement. The amended Investment Policy Statement was developed by Ms. Lawson, with the assistance of our actuaries at Segal Consulting and Mr. Molinaro from Prudential. A copy will be on file at the City Clerk's Office. Ms. Lawson made a motion to accept the proposed amendment to the Investment Policy Statement, Ms. Bursick seconded and the motion passed unanimously.

6. OLD BUSINESS

None

7. ATTORNEY'S MATTERS

✓ *Copy of file at City Clerk's Office.*

Mr. Thomas briefly reviewed some of the updates to the Summary Plan Description. Ms. Bursick made a motion to approve. Ms. Manus seconded and the motion passed unanimously.

8. NEXT MEETING DATE – Thursday, November 14, 2019 at 3:00 p.m.

9. ADJOURNMENT

The meeting was adjourned at 3:10 p.m.

/kft