Rec 3-5-15

MINUTES OF THE BOYNTON BEACH POLICE OFFICERS' PENSION FUND QUARTERLY MEETING HELD ON TUESDAY, FEBRUARY 10, 2015, AT 10:30 A.M. RENAISSANCE EXECUTIVE SUITES, SUITE 220, CONFERENCE ROOM 1 1500 GATEWAY BOULEVARD, BOYNTON BEACH, FLORIDA

PRESENT:

Toby Athol, Chair
Jason Llopis, Secretary *(arrived 12:11 p.m.)*
Scott Caudell
John Huntington

Bonni Jensen, Board Counsel
Barbara LaDue, Pension Administrator

ABSENT:

Joe DeGiulio

I. CALL TO ORDER – Toby Athol, Chair

Chair Athol called the meeting to order at 10:31 a.m.

VI. Financial Reports

A. Quarterly Investment Review December 31, 2014
   1) Russell Investment Group – MaryJane Serene CFA

      c) Ed Garcia, Portfolio Manager – Conference Call - RTC REEF (Private Real Estate Fund) also Public Real estate *(Heard out of Order)*

Ed Garcia, Senior Portfolio Manager for the Private Real Estate Investments, the Board has was present by phone. Ms. Serene, Certified Financial Analyst, explained he also had experience on the research side of the investment arena and would provide information on how they select the investments for the Board. He would discuss the possibility of using core private real estate as a substitute for the investments in core fixed income because they share the income yield component. Given the outlook for interest rates, it may be a good source of diversification. Also present was Karen Pheneger, Client Service Analyst, who works on the Board's account.

Mr. Garcia gave a brief summary of the Board's investments in the public real estate securities fund, globally. The Board does not see these line items on their statements, but public real estate was included in the REITs and the Multi-Asset Core (MAC) portfolio. He thought it was appropriate to have real estate exposure and liquidity. Additionally, public real estate securities provided access to property sectors that were difficult to access in the private format. Top equity security holdings and entities such as the Simon Group and General Growth Properties own the largest regional malls that are not found in the private real estate market. Exposure to these malls was through global real estate securities. One can get access to different property types easier in the public real estate market. He explained they are securities that trade on the listed markets, sometimes at a premium and sometimes at a discount. At premium, they trade slightly above the Net Asset Value (NAV).

Private real estate and RTC REITs were U.S. focused funds for the benefit of defined benefit plans. There are 22 funds in the universe and they would under or overweight exposure to listed real estate depending on the pricing in the listed or private markets.

The private real estate markets are usually investments through direct accounts or funds. The Board's exposure was through a fund-of-funds. Chair Athol inquired how investing in large malls or buildings translated into an investment payoff. Mr. Garcia explained the core characteristics were imbedded in the RTC portfolio and he discussed risk and returns. They look for investments that add value. They can always buy assets for replacement costs and it was cheaper to purchase than to build. Most assets traded were being traded below replacement costs. Another component was to buy properties that were fully leased. Their portfolio was 93% occupied. A large portion of the overall return was from the income component. There will be increasing rents over time and there could be other opportunities for additional income. Discussion followed properties are held in individual structures. If there was a bankruptcy, it would not affect all properties, but if the company went bankrupt, there would be issues.

The RTC REEF Fund represents 40% of the index which was about 900 of the top properties. As to manager selection and how Russell adds value and was competitive against the benchmark, they invest in good sponsorships, good teams and quality assets located in prime markets. In terms of sponsorship, it is important to monitor and manage the assets. The market was competitive. The teams they have in their underlying funds have dedicated acquisition personnel, located in local or regional markets. They constantly review the market and identify opportunities. Many of them can purchase properties on a non-competitive basis. This was important because it avoided the competitive bidding process and Russell pays a fair price.

Russell Investments tries to protect the income component in the portfolio. He noted 60% to 80% of the yield was from the income component which was a range of 4.2% to 7.2% curved income. Russell Investments was at 6% which was fairly stable.

The U.S. economy was moving from recovery to expansion derived from increasing job growth. The wage growth has not yet occurred, but the Federal Reserve was keeping inflation in check. Inflation should be expected in the future which would lead to interest rate increases. He commented the real estate cycle was at a strong point. He further reviewed the income generation capability of core real estate and explained they project a 7% to 8% total return and a 6% income component from 2015 to 2017.

Mr. Garcia explained the RTC Real Estate Equity Fund's outlook and performance. Discussion followed if they were investing in a group that purchases real estate and not buildings if the Board invested in one of the listed companies. Mr. Garcia explained a group purchases the buildings. A typical holding period was between seven and 10 years. Russell Investments looks at underlying holdings and the fund. Each year, they conduct a thorough analysis of the metrics on a relative basis to each of the funds and the capital market statistics to validate the valuation approach the underlying managers take. They review the disposition activity in the portfolio to determine if the returns from the sales supported the valuation they carried on the books. Mr. Garcia explained real estate securities were similar to REIT funds. The team was not buying stocks. They hire managers to buy the stocks. If they wanted to sell their holdings in the company, they would use the proceeds to buy another retail real estate security.

Ms. Serene explained there were two ways to obtain exposure to real estate. One way was through global real estate which is listed and equity securities that are traded like any other stocks. The majority of what Mr. Garcia discussed was on the private side. They were not purchasing a stock that had a connection to real estate. Managers are purchasing physical properties. On the private side, the strategy was to buy and hold. If selling property earlier, it would be related to a deteriorating market, a market not favored by a tenant or the tenant mix changed. The property would be listed with a broker to sell. On the public side, it would be traded on an exchange. Stocks in the real estate securities fund trade frequently, unlike on the private side that has much less trading, providing less volatility. Mr. Garcia explained they would like to add a little more risk on the margin, and they were considering the Morgan Stanley Prime Plus fund. It would only be about 5% of the portfolio, but it would incrementally add to the fund.

Mr. Garcia explained the fund outperformed the benchmark for all time periods by 58 basis points; 53 basis points for the one-year period, 58 basis points for the three-year period, and 78 basis points over a five-year period. The objective to exceed the benchmark was very achievable moving forward. Mr. Garcia reviewed the property type diversification relative to the benchmark and the target ranges. Exposures were reasonable and the managers make tilts to reflect their views in the market environment.

The benchmark did not meet the typical benchmark requirements. It was a representative sample of the market place. There are 22 funds in the index and another five core funds that are investible, but they did not meet the requirements to be in the index. The benchmark limit was 40% of leverage and funds above that were not eligible to be included. It had to also have at least 80% overall occupancy in the portfolio. Ms. Serene clarified they take the 22 managers equally weighted, then compare them relative to their fund which were the properties weighted by Mr. Garcia when he set up the fund. There is no fund for their queue, but some of the underlying funds they invest in, due to the strong demand for the product had entry queues.

They were seeking to build $100 million in the new fund. There were no capacity restrictions and there was standing capacity in the underlying funds. They work with the managers to put them in the queue, and if there was not sufficient capital to honor a funding request, they stay in the queue, but have to drop to the back of the line. There were not many issues with liquidity. Making an investment in the fund today was better than deferring entry. Mr. Garcia has the ability to install a queue in the fund so they would not be in a position that they had to accept money.

Mr. Garcia explained they had a few reduction requests to de-risk benefit plans that invested, and a few rebalancing transactions, but no problems funding those requests either through redemptions from existing fund holdings, cash flows from existing assets or new contributions.

Attorney Jensen commented if the fund did not have a queue and other funds did, at some point, based on monies coming into the product, their investment would be worth less. One dilutive of the fund would be excessive cash balances and they run on 1% or 2% cash in the portfolio. New contributions were put to work. Mr. Garcia reviewed the private real estate equity fund performance. He did not want to have a large redemption from the fund and keep the cash un-invested which would be dilutive.

(Mr. Garcia left the meeting at 11:26 a.m.)

A) Congratulations to Jason Llopis – to continue to serve as Trustee for a four-year term from December 2014 to December 2018.

Chair Athol congratulated Mr. Llopis on his election to another term on the Board.

II. AGENDA APPROVAL

Ms. LaDue added: Old Business, Update on Greg Kenny status change.

Attorney Jensen added: New Business, Item B, Attorney Report. She renumbered the items and added Item 4 - Legislative Updates Special Tax Notice and Mileage Rates.

Mr. Caudell added: New Business, Item 7 - Discussion of Meal Allowance

III. APPROVAL OF MINUTES – Quarterly Meeting November 18, 2014

Motion

Mr. Caudell moved to approve the minutes. Mr. Huntington seconded the motion that unanimously passed.

IV. FINANCIAL REPORTS:

A) Quarterly Investment Review December 31, 2014

Ms. Serene announced the Russell Conference and invited all to attend. The Conference will be April 3rd in New Orleans. Russell Senior Management will be present at the Conference, but Ms. Serene did not know if representatives from the London Stock Exchange Group would attend.

1) Russell Investment Group – MJ (Candioto) Serene, CFA
a) Investment Review –

Ms. Serene reviewed trends affecting results which were declining oil prices, slow growth in Europe and a slowdown in emerging markets with a decrease in expected demands, and central banks diverged. She anticipated the Federal Reserve would un-anchor the short-term rates and make an adjustment midway through the year.

A review of currency showed for the fourth quarter, developed non-U.S. equity came in negative due to currency. From a U.S. perspective for someone who did not hedge currency exposures, non-U.S. developed was down 3.5%, but in local currency, the fund would have earned 2%. Ms. Serene explained the Board invested in the MAC Fund in August 2012. When they did, instead of being unhedged, they went into a fund that was 50% hedged, which played out very well.

Russell Investments expects the U.S. to have continued strength with 3% growth in the GDP in the next year. Inflation was just under 2% and the January job numbers did not come in over 250,000. They expect 200,000 jobs a month for the rest of the year. From an equity perspective, the U.S. was over-valued compared to other areas of the world.

The fund started in January with $75.5 million. The fund had inflows of $6.1 million and outflows of $6.5 million. Appreciation was at $6.5 million. The fund ended the year at $81.5 million, adjusted for the real estate.

The performance report showed, net of fees for the prior year, the portfolio returned about 7.85%, which was 20 basis points higher than the total portfolio, due to the real estate. Over the last three months, the portfolio returned about 2.7%. It outperformed the custom benchmark by about 20 basis points. The driver of relative performance for the quarter was from the MAC fund, which outperformed by about 100 basis points. Real estate was at 3.7% for the quarter and 12.9% year-to-date, with strong returns coming out of private real estate. Ms. Serene noted there was 30% in the MAC and 5% in the private real estate fund. The Board had discussed reconsidering the 30% allocation in the MAC fund, and taking 4% or 5% from the MAC to further diversify. She noted the MAC anchors the fund should there be a pullback in equities, and she did not favor increasing equity exposure. She suggested slightly increasing exposure to private real estate and thought there would be more long-term exposure over the next 10 years.

Another avenue to pursue diversification would be with the absolute return fixed-income fund, which provides fixed-income exposures. They make liquid long-short bets in credit, currency and interest rate strategies. The long-term goal was to achieve similar returns to core fixed income without heavy reliance on the benchmark risk that there would be with an edge strategy.

If they kept the same fee structure of 79 basis points, the fees for this change would increase. She explained they break out fees on a fund level with most of their clients. If the Board used Russell's standard fee structure, she would negotiate on the Board's behalf to increase real estate exposure by 2% and 3% for the Absolute Return Fixed-income product without any change in fees, but the Board would have to move to the more traditional fee arrangement.

Attorney Jensen noted in the past, the fee was based on the way the fund changes were handled. Ms. Serene explained even with the current fee structure with real estate, if the Board had investments under the threshold with the MAC fund and large caps, someone would have to sign the asset allocation certificate. She pointed out the Board was still signing off regardless of the fee structure.

After further brief discussion, there was agreement to get the paperwork to Attorney Jensen. Ms. Serene explained it was unlikely the fee structure would change over the next 12 months. If no asset allocation changes occurred, the fees would drop three or four basis points. If they did make changes, they would stay at the same rate.

(Mr. Llopis arrived at 12:11 p.m.)

Ms. Serene explained the notification deadline to invest in private real estate was February 24th for the March 31st entry. The next deadline was May 25th for the June 30th entry. If the Board was interested in using both products and was watching non-U.S. exposure, it is better to move soon on the private real estate side and investing in the U.S., non-U.S products later.

b) London Stock Exchange Group purchase of Russell Investments – update

Ms. Serene explained the London Stock Exchange Group conducted a review of the asset management business. Their review was completed and they decided to put that portion of the business up for sale. They will operate the same way they had always operated, and she did not anticipate any changes to the clients and Russell Management. The London Stock Exchange Group was very focused on ensuring the level of service remained. A number of firms have expressed interest in purchasing the firm, but there were no confirmed buyers at this time. Ms. Serene explained if a Board member wanted to speak with the London Stock Exchange Group, she would arrange for a conversation at the next meeting. She agreed to keep the Board apprised of any departures from Russell Investments as a result of the acquisition, and any material changes.

c) Ed Garcia, Portfolio Mgr – Conference Call - RTC REEF (Private real estate fund) also Public Real estate.

This item was heard earlier in the meeting.

2.) Burgess Chambers & Associates - Head of Research Frank Wan

a) Fund Performance review –

Frank Wan, Head of Research, Burgess Chambers & Associates, commented they are monitoring oil usage, its export, and the surplus very carefully.

The fund performance review reflected the fund earned 2.8% for the first quarter. Year-to-date, the fund was flat. The fixed income allocation was at 32% and was a substitute for private real estate, which was a conservative asset. When added together, the fund had about 37.5% in conservative assets, while all else was aggressive. Mr. Wan would be comfortable lowering fixed income to no less than 25%, assuming they took similar exposure to real estate. He explained real estate, in general, was fairly priced and some of the publically-traded real estate was more expensive.

Since 2008, the number of permits for new construction decreased. At some point, there will be a large disparity between rental prices and home ownership and real estate prices would fall. He noted all plans were looking to real estate as a way to diversify, and more institutional investing was occurring, which was driving up some prices. He thought the U.S. economy would be the driver in real estate and the creation of jobs would create higher occupancy levels. For the quarter to-date, the Plan was at 3% and real estate returns were 3.7% for the quarter. Bonds, for the one-year period were at 6.8%.

Mr. Wan distributed a handout and reviewed three underlying managers in the new Absolute Fixed-Income product. Rates, as of December 31st, measured by the 10-year U.S. Treasury, were at 2.2%. Sound operating countries had lower rates, U.S. inflation increased, and the 2014 CPI showed inflation was up 7.6%. The Federal Reserve was aiming for a core inflation rate of 2.1% or 2.2%, and the lower rates helped the economy, but did not over drive the economy. When rates go up, the Absolute product would outperform, but it was not known when rates would increase. They will monitor the product.

The last time the Federal Reserve kept the rates low was in the 1940s, and there was no secular decline in interest rates since 1981. When the rates start increasing, the allocations will be corrected. The product was protected until rates reach 4% to 4.5%.

Raising the minimum wage, plus the gas savings may start to erode consumer spending. Retail spending was still disappointing and confidence was still low.

Mr. Wan spoke about the Macro Currency Group and Blue Bay managers. To obtain the currency return, they need a major manager with extensive experience managing fixed income. These are the Russell managers inside the product. Through September 30, 2014, some of the manager performances reflected currency did not do that well, but the return was offset by the other two managers. Russell's manager, by combining the three funds, did a good job lowering risk and diversifying. Mr. Wan thought the product would help diversify the portfolio.

When the Federal Reserve raises rates they would do so slowly. When entering the strategy, it was not possible to time it perfectly. Ms. Serene pointed out the focus was access. The best time to enter the fund was when rates were lower. The product would add diversification and incremental value relative to the aggregate fixed income portfolio. She noted last week, rates increased for a short period of time. The portfolio was at 2%. The aggregate fixed income market was down 1% and this fund was up 20 basis points. It would behave differently in a rising-rate environment than the product they are in now.

(Mr. Caudell left the meeting at 12:26 p.m.)

Attorney Jensen explained when the Federal Reserve makes a decision to raise rates, they can call a special meeting. Mr. Wan agreed. One reason he wanted to hold off on entering the fund was he was waiting for a solid test before making a change from one product to another. February 24th was the deadline. A new asset allocation and fee agreement would be forwarded to Attorney Jensen and would reflect the new Absolute Return Fixed Income product.

(Mr. Caudell returned to the meeting at 12:30 p.m.)

Motion

Mr. Huntington moved to transfer two percent from fixed income to real estate. Mr. Caudell seconded the motion that unanimously passed. Later, three percent would be transferred from fixed income to the new absolute fixed income product.

Mr. Llopis noted the fee structure decreased at the $75 million mark. He inquired what the next increment would be. Ms. Serene explained the current fee agreement does not have a next increment. As part of the new fee structure, they would add another increment at $125 million. This would be a fee schedule of a flat fee of 79 basis points for all assets and for each underlying fund. The 79 basis points assumed the portfolio would stay within predefined ranges for equity investments, fixed investments and others. She recommended a fund-by-fund pricing structure, and Russell Investments was willing to make a concession. She could include it under the old schedule, but the new schedule would not increase fees for changes made inside the core fund. They could obtain the same access less expensively.

Motion

Mr. Llopis moved to approve the new fee structure that will be proposed to Attorney Jensen with the additional information that does not necessarily take affect now. They were not in the Absolute fund yet, but would be. Mr. Caudell seconded the motion that unanimously passed.

(Karen Pheneger left the meeting at 12:56 p.m.)

(The Board took a short recess at 12:57 p.m. and reconvened at 1:04 p.m.)

V. CORRESPONDENCE:

1) State Street letter of 12-23-2014 – Death Check Service

Ms. LaDue explained the Death Check Service was an additional benefit from State Street.

VI. OLD BUSINESS:

A) Disability Applications: Update/Status

1) Robert Epstein – Resolution of case – Letter of 2-2-2015

Attorney Jensen advised the case was over. She received the Order yesterday assessing funds for attorney fees and the insurance company agreed to accept it. She spoke with Paul Kelley who indicated he would be forwarding the check to her.

2) Gregory Kenny – Rescinded application 10-29-2014

Attorney Jensen explained Officer Kenny was applying for disability. Based on correspondence, he was on light duty. They provided another doctor report, were gathering the information and will set him up for another exam. The first exam was unclear and was an analysis of what was occurring. It was noted Officer Kenny was involved in another car accident.

Officer Wilmer Rodriguez submitted an application for disability. His doctor indicated he was fit for duty with a minute chance of re-injury. Since he was on full duty, Attorney Jensen thought he should withdraw his application. She thought there should be some sort of indication given they cannot perform duties and likely would not be able to perform. Chair Athol agreed to contact Officer Rodriguez to rescind his application.

B) Response in reference to media coverage on Pensions

Attorney Jensen advised she will deliver a completed report in about a week.

VII. NEW BUSINESS:

A. Invoices for review and approval:

1. Russell Investment Gp. – Quarter End 12-31-2014 - $143,339
2. Russell Payment Services – Quarter End 12-31-2014 - $ 1,121.82
3. Bonni Jensen PA – Service Nov/Dec 2014 & Jan 2015 - $3,088.64
4. Burgess Chambers & Assoc – 4th Qtr 2014 fee - $6,250
5. Gabriel, Roeder, Smith & Co- Service Nov 2014 - $2,685 & Dec 2014 - $6,242
6. Davidson, Jamieson & Cristini – Audit Progress billing $5,600

Motion

Mr. Caudell moved to approve. Mr. Huntington seconded the motion that unanimously passed.

7. Discussion of Meal Allowance

Attorney Jensen explained there was an IRS standard.

Mr. Caudell explained when they go on a trip, the per diem for meals was $8 for breakfast, $12 for lunch and $20 for dinner. The firefighters' per diem was about $83 per day. Years ago, the firefighters' per diem increased 3% per year and the total amount was not broken down by meal. In order to institute an $83 maximum amount per day, the Police would have to modify their policy statement.

Chair Athol suggested instituting $16, $24 and $40 for breakfast, lunch and dinner respectively. Mr. Llopis preferred the industry standard. Attorney Jensen explained the Statute provided for much less than that and she suggested taking the conference location into account and have a COLA each year. Chair Athol did not think $80 was exorbitant and Mr. Wan suggested surveying five to seven plans and taking the average. Mr. Wan agreed to obtain that information for the next meeting. The Statute per diem included meals and lodging. After further brief discussion, this item would be tabled to the special meeting on March 17th. Attorney Jensen would make copies of the Plan's provisions for the members.

B) Attorney Report - Bonni Jensen

1) DROP Plans & IRS Review – Memo of 1-16-2015

Attorney Jensen advised this memo was included in the meeting materials. The memo indicates that monies added in the DROP plans on a monthly basis were not annual additions. Annual additions were defined as employer or employee contributions. Defined Benefit plans are determinable based on a formula, and the IRS wants to institute that same methodology for the DROP accounts. The IRS was currently allowing variable rates; however, Attorney Jensen received correspondence that additional Plan language or changes to the Plan may be needed.

The outcome could be they would not treat the DROP accounts as a defined benefit, and consider it a defined contribution plan. They would have to do away with the variable rate and only offer the fixed. From all reports and the FPPTA, it did not appear this would be instituted retroactively. If it were, many programs would have problems. To provide an analysis for the provision, the League of Cities decided to compare the 60 months of accumulations in the DROP account at the end of the term, to the accumulation of 60 months of benefit payments, to see if the DROP accounts were less.

Discussion ensued Defined Contribution plans could lose money, and the worst scenario was to use a fixed rate. Attorney Jensen thought it was a quagmire. She hoped the IRS would recognize this issue surfaced through no fault of the Board and hoped the Determination Letter, which the IRS was currently reviewing, would be effective beyond January 2016.

2) Proposed amendment to Disability Provision - to include 30-60 days to file Application for Disability after termination of employment.

Attorney Jensen distributed a section of the Plan dealing with disability retirement. Proposed paragraph A showed what the benefit was, when it was payable, what occurred if the member recovered, or if it went to Workers' Compensation. A provision was added that terminated vested or non-vested members could not apply for disability benefits, except that those terminated by the City for medical reasons may apply for disability within 30 days after termination.

Motion

Mr. Caudell moved to accept the proposed amendment. Mr. Huntington seconded the motion that unanimously passed.

3) Summary Plan Description (SPD) – Review & Approval

Attorney Jensen advised a letter from Pete Strong, Plan Actuary, regarding the Summary Plan Description was included. She reviewed the document and advised the proposed amendment indicated one had to be a member to apply. She did not think it had to be included at this time since the Board already had a proposed amendment.

4) Legislative updates Special Tax Notice and Mileage Rates.

Attorney Jensen reviewed a proposed bill requiring all governmental plans to use a mortality table used by the Florida Retirement System, (FRS). She explained FRS does not just use the RP 2000 Table, rather they have three different tables: one for active members, one for retired members and one for disabilities. The tables were blended tables. They made a specific mortality table for the FRS population which she opined was inappropriate for plans that were not as big as FRS. Actuaries were not able to determine how it would impact plans. She hoped it would not pass and local plans would continue doing what the actuary thinks was best for the plan. She noted there was now a 2014 mortality tale.

Last year, there were changes proposed to Chapter 175 and 185 plans. She noted the League of Cities was no longer in agreement with the changes. The Palm Beach Post advised this was due to Governor Scott's election. There have been committee meetings regarding this issue and they will learn what will occur and how the Plan would be impacted by April or May.

The IRS developed a Special Tax Notice, similar to what was includedin the Plan. This Notice includes designated Roth accounts and it contains Safe Harbor language. Attorney Jensen recommended following the Notice and thought it was more confusing than it should be. It explained to members what their roll-over options were. Chair Athol inquired about separating from service prior to age 50 and about the 10% penalty off the top. Attorney Jensen confirmed this was a personal income tax and IRS Code issue, and it had nothing to do with the Plan. If an employee separates from service before the year in which they turn 50, those members should be planning for DROP. It only applied to the DROP distributions and lump sum type distributions. It would not impact the periodic payments anticipated to last 10 years.

Attorney Jensen commented the IRS standard mileage reimbursement rate increased to 57.5 cents. She anticipated if gas prices remained at their current rates, they would be reduced.

C) Verification of Retirement Benefits:

1) Brian Anderson – DROP Retirement
2) Raymond Thomas – DROP Retirement
3) Scott Spruill – Deferred Vested

Motion

Mr. Llopis moved to approve. Mr. Huntington seconded the motion that unanimously passed.

D) GRS Letter of 1-9-2015 - Updated GASB No. 67 Disclosure Information

Attorney Jensen noted this information was contained in the actuarial valuation last year and they were able to roll it forward.

E) Extensions for GASB Statement No 67 & No 68 – Email 12-4-14 by GFOA

This item was the same as Item D.

F) Fiduciary Liability Insurance NCPERS – Process of obtaining quote for renewal term 4-10-2015/4-10-2016

Ms. LaDue sent this information to NCPERS. They also needed the current auditor's report and valuation. The deadline to pay the insurance premium was April 10th regardless of who the vendor was. They had not yet received any quotes and had always used the same vendor. Ms. LaDue agreed to provide an update at the Special Meeting on March 17th.

VIII. PENSION ADMINISTRATOR'S REPORT

1. Benefits as of 02-01-2015

This item was for information only.

2. Pension System Update – Jan 21, 2015 provided backup material and Plan documentation for review and implementation for the upgrade.

Ms. LaDue sent the requested information on January 22, 2015. Mr. Bauer would review it and contact the Board. She agreed to follow up on the information by March 17th.

3. Special Board Meeting for Audit & Actuarial Valuation Reports – March 17, 2015, on Tuesday at 10:30 AM

Chair Athol announced the meeting date.

IX. COMMENTS

None.

X. ADJOURNMENT

There being no further business to discuss, Chair Athol adjourned the meeting at 1:56 p.m.

Catherine Cherry

Catherine Cherry
Minutes Specialist
022715 030315 17 hrs