

Trustee Travis Woods called the meeting to order. In attendance were Trustee Alicia McMillian, Trustee Terry Anderson, Pension Attorney Ron Cohen, David Kelly – Bowen Hanes, Mark Rhein – Salem Trust, and City Clerk Ricky Thompson and Larry Wilson - GRS. Chairman Trustee Scott Roberts and Commissioner Danny Nugent were absent.

The motion for adoption of the minutes from the April 26, 2017 meeting was tabled because there were no minutes.

Trustee Woods entertained a motion to approve the warrants for April, May, and June 2017. Trustee Anderson made the motion to approve the warrants, second by Trustee McMillian; passed 3-0.

Trustee Anderson mentioned that Trustee McMillian will be retiring before our next meeting so we need to find a replacement. Trustee Anderson also mention that most boards have a retiree on the board. Mr. Cohen stated that it is common to have a retiree on the board and that it would require a change to the ordinance.

Randall Crews spoke to the pension board during citizen participation. He would like to be considered for a position working for the City of Starke. He wants to know how much it would cost to buy back his time for previous employment with the City of Starke. Mr. Crews will be meeting with Mr. Thompson on Friday at 10:00 am.

David Kelly reported the portfolio as of June 30, 2017. Beginning Market Value on 09/30/2016 \$8,814,613.95; Capital Appreciation \$829,919.71; Income Received \$127,493.42; Cash or Securities Added \$32,972.80; Cash or Securities Withdrawn \$605,701.28; Management Fees Withdrawn \$32,972.80; Custodian Fees Withdrawn \$1,886.90; Ending Market Value as of 06/30/2017 \$9,164,438.90.

From inception 10/24/2007 \$7,155,773.20; Net Additions/Withdrawals - \$2,728,322.60; Capital Appreciation and Income \$4,736,988.30; again, making the Ending Market Value 06/30/2017 \$9,164,438.90. The portfolio is up 2.5% to date for the fiscal year.

Trustee Woods entertained a motion to accept the report as presented by David Kelly. Trustee McMillian made the motion to accept the report, second by Trustee Anderson; passed 3-0.

Mark Rhein presented the Custodian Report. They have statistics for their performance. They make sure that the board members receive the appropriate reports and have access to electronic statements online. When we hired them in

2007 they had a different fee schedule. They have simplified their fee schedule to a flat fixed fee. Our fee will go from \$5,200.00 to \$5,700.00 for their custody service. New clients are being charged \$7,000.00. The new fee will be in effect for 2 years. Class Action Lawsuit Processing was part of their services. In our case the total for Class Action Lawsuits is \$0.00. Salem Trust contracts with Chicago Clearing Corp. In the event that one of the shareholder activists claims corporate malfeasance Chicago Clearing Corp would handle it. Trustee Woods entertained a motion to accept the report as presented by Mark Rhein. Trustee Anderson made a motion to accept the report, second by Trustee McMillian; passed 3-0.

Ron Cohen presented the Attorney Report. There has been a change in the law for Public Records Law. Governmental agencies have been bombarded by public records request which opens the door for lawsuits to be filed. The legislature has allowed governmental agencies to post to their website stating that public records requests must give 5 days written notice. Mr. Cohen will send the posting. Mr. Cohen gave an update on Mary Johnson. She can lose her pension if she admitted to certain offenses. She made a statement to the Police Department where she may have admitted to offenses. There will be a meeting between Mr. Cohen, Mr. Sikes and Mr. Thompson this Friday at 9:00 am to discuss Mary Johnson.

Larry Wilson presented the current year Actuarial Evaluation Report. The costs are up slightly as a dollar amount and down slightly as a percent of pay. The total cost of the plan is \$542,459.00. That is 56.8% of pay. There was an actuarial loss of \$44,513.00.

Trustee McMillian stated that it has been an honor to serve on the Pension Board.

The date for the next meeting was set for October 25, 2017.

There being no further discussion the meeting was adjourned.