

# City of Clearwater

*City Hall  
112 S. Osceola Avenue  
Clearwater, FL 33756*



## Meeting Minutes

**Monday, March 13, 2017**

**1:00 PM**

**Council Chambers**

**Pension Trustees**

**Roll Call**

**Present** 5 - Chair George N. Cretekos, Trustee Doreen Caudell, Trustee Bob Cundiff, Trustee Hoyt Hamilton, and Trustee Bill Jonson

**Also Present** – William B. Horne – City Manager, Pamela K. Akin – City Attorney, Rosemarie Call – City Clerk, Nicole Sprague – Official Records and Legislative Services Coordinator, and Joe Roseto – Human Resources Director

To provide continuity for research, items are listed in agenda order although not necessarily discussed in that order.

Unapproved

**1. Call To Order – Chair Cretekos**

*The meeting was called to order at 1:28 p.m. at City Hall.*

**2. Approval of Minutes**

- 2.1 Approve the minutes of the February 13, 2017 Pension Trustees Meeting as submitted in written summation by the City Clerk.

**Trustee Jonson moved to approve the minutes of the February 13, 2017 Pension Trustees Meeting as submitted in written summation by the City Clerk. The motion was duly seconded and carried unanimously.**

**3. Citizens to be Heard Regarding Items Not on the Agenda – None.****4. New Business Items**

- 4.1 Approve the new hires for acceptance into the Pension Plan as listed.

**Name/Job Classification/Department**

Alvin Miller, Recreation Leader, Parks and Recreation  
Christopher Fowler, Police Officer, Police  
Daniel Jewett, Police Officer, Police  
Elliot Lightfoot, Police Officer, Police  
Jarik Melendez-Torres, Police Officer, Police

**Pension  
Eligibility Date**

12/24/2016  
01/07/2017  
01/07/2017  
01/07/2017  
01/07/2017

Xavier Rodriguez, Police Officer, Police	01/07/2017
Erin Hollingsworth, Librarian III, Library	01/09/2017
Zachary Cudizio, Parking Enforcement Specialist, Engineering	01/09/2017
Caleb Peterson, Recreation Supervisor, Parks and Recreation	01/09/2017
Albert McCue, Police Information Technician I, Police	01/09/2017
Anthony Pitsenbarger, Public Utilities Technician I, Public Utilities	01/09/2017
Danny Fiber, Police Officer, Police	01/09/2017
Raul Garcia, Public Utilities Technician I, Public Utilities	01/09/2017
Charles Lewis, Stormwater Technician I, Engineering	01/23/2017
Marcus Weaver, Stormwater Technician I, Engineering	01/23/2017
Justin Kristich, Recreation Supervisor I, Parks and Recreation	01/23/2017
Jason Detwiler, Water Distribution Operator Trainee, Public Utilities	01/23/2017
Agustin Menchaca III, Water Distribution Operator Trainee, Public Utilities	01/23/2017
Myra James, Development Review Technician I, Planning and Development	01/23/2017
Kathy Paulsen, Human Resources Office Assistant, Human Resources	01/23/2017

**Trustee Caudell moved to approve the new hires for acceptance into the Pension Plan as listed. The motion was duly seconded and carried unanimously.**

- 4.2** Approve the following request of employees Barbara Eigenmann, Fire Department, Richard Harris, Police Department, Veronica Hunt, Police Department and Joyce Kirchoffer, Library Department for a regular pension as provided by Sections 2.416 and 2.424 of the Employees' Pension Plan.

Barbara Eigenmann, Staff Assistant, Fire Department, was employed by the City on January 26, 1987, and her pension service credit is effective on that date. Her pension will be effective February 1, 2017. Based on an average salary of approximately \$39,383.70 over the past five years, the formula for computing regular pensions and Ms. Eigenmann's selection of the 50% Joint and Survivor Annuity, this pension benefit will be approximately \$24,831.84 annually.

Richard Harris, Police Lieutenant, Police Department, was employed by the City on May 27, 1980, and his pension service credit is effective on that date. His pension will be effective February 1, 2017. Based on an average salary of approximately \$115,265.22 over the past five years, the formula for computing regular pensions and Mr. Harris' selection of the 100% Joint and Survivor Annuity, this pension benefit will be approximately \$111,646.68 annually.

Veronica Hunt, Police Office Specialist, Police Department, was employed by the City on December 6, 1985, and her pension service credit is effective September 28, 1992. Her pension will be effective February 1, 2017. Based on an average salary of approximately \$43,630.25 over the past five years, the formula for computing regular pensions and Ms. Hunt's selection of the 50%

Joint and Survivor Annuity, this pension benefit will be approximately \$30,192.72 annually.

Joyce Kirchoffer, Librarian I, Library Department, was employed by the City on April 29, 1993, and her pension service credit is effective June 24, 1993. Her pension will be effective March 1, 2017. Based on an average salary of approximately \$39,166.31 over the past five years, the formula for computing regular pensions and Ms. Kirchoffer's selection of the Life Annuity, this pension benefit will be approximately \$25,493.76 annually.

Section 2.416 provides for normal retirement eligibility for non-hazardous duty employees hired prior to the effective date of this reinstatement (January 1, 2013), a member shall be eligible for retirement following the earlier of the date on which a participant has reached the age of fifty-five years and completed twenty years of credited service; the date on which a participant has reached age sixty-five years and completed ten years of credited service; or the date on which a member has completed thirty years of service regardless of age. For non-hazardous duty employees hired on or after the effective date of this restatement, a member shall be eligible for retirement following the earlier of the date on which a participant has reached the age of sixty years and completed twenty-five years of credited service; or the date on which a participant has reached the age of sixty-five years and completed ten years of credited service. Ms. Eigenmann, Ms. Hunt and Ms. Kirchoffer have met the non-hazardous duty criteria.

Section 2.416 provides for normal retirement eligibility for hazardous duty employees, a member shall be eligible for retirement following the earlier of the date on which the participant has completed twenty years of credited service regardless of age, or the date on which the participant has reached fifty-five years and completed ten years of credited service. Mr. Harris has met the hazardous duty criteria.

**Trustee Cundiff moved to approve the following request of employees Barbara Eigenmann, Fire Department, Richard Harris, Police Department, Veronica Hunt, Police Department and Joyce Kirchoffer, Library Department for a regular pension as provided by Sections 2.416 and 2.424 of the Employees' Pension Plan. The motion was duly seconded and carried unanimously.**

#### **4.3 Annual review of the Employees' Pension Plan investment performance for the calendar and plan year ended December 31, 2016.**

Annually a presentation of the Plan's investment performance is made to the

Trustees. For calendar 2016, the Plan realized an investment return of 6.63%, versus the plan's assumed rate of 7.00%, and versus a customized benchmark of 7.32%, placing the plan in the 79th percentile of public pension plans per the Wilshire Public Plan Sponsor Universe.

For the last three calendar years period, the plan had an annualized return of 5.42%, versus a benchmark of 5.74%, placing the plan in the 27th percentile of public plans. For the past five years, the plan had an annualized return of 9.48%, versus a benchmark of 8.93%, placing the plan in the 21st percentile of public plans.

During calendar 2016, the Trustees approved a new infrastructure money manager, as well as the termination of an international equity money manager. The Pension Investment Committee continues to seek diversification and decreased volatility in investment returns for the Plan via alternative investment categories. In recent years, new categories introduced have included timber investments, core plus real estate, and infrastructure.

A number of money managers underperformed their indexes during calendar 2016. The investment committee, with the assistance of the Plan's investment consultant, CapTrust, closely monitors underperforming money managers and will continue to recommend terminations and replacements when appropriate.

*Finance Director Jay Ravins provided a PowerPoint presentation.*

*In response to questions, Mr. Ravins said the total fund performance was 6.63%, which is under the 7% target. For the past five of ten years, the fund has outperformed. To some degree, the City's benchmark is customized to its asset allocation. Mr. Ravins said other plan portfolios include hedge funds as part of their benchmark; the City's portfolio does not include hedge funds and the reason why it is not part of its benchmark. CapTrust representative John Griffith said on December 31, 2016, the asset allocation was very close to target, the closest it has been. Mr. Ravins said despite the plan not meeting its benchmark target, the plan remains fully funded; the plan has been over 100% funded. 2017 investments are off to a good start, hitting the 7% assumption. Staff will know for certain if there is any impact to the City's budget next month when the actuary report is reviewed. Staff does not anticipate any budgetary impact since the overall performance was close to 7% and there are accumulated earnings from prior years.*

**5. Adjourn**

*The meeting adjourned at 1:41 p.m.*

Attest

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Chair  
Employees' Pension Plan Trustees

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City Clerk