

Chairman Jeff Johnson called the meeting to order. In attendance were Rich Campbell representing Dover Consulting, Pension Attorney Brent Chudachek, Chairman Jeff Johnson, Trustee Tony Mangol and Larry Wilson representing GRS. Trustee Dudley Hardy, Trustee James Hooper and Trustee Jeff Oody were absent.

The acceptance of the minutes and approval of the warrants was not addressed because there was not a quorum.

Chairman Johnson asked for the Attorney Report. Attorney Chudachek addressed questions regarding Chief Johnson's DROP distribution, retirement benefits and share plan account. Attorney Chudachek said Chief Johnson's DROP period ends July 31, 2018. Chief Johnson was re-elected and will continue working as the Police Chief. Attorney Chudachek has drafted a letter for Chief Johnson to sign and submit to City Clerk Ricky Thompson regarding his irrevocable resignation of his July 31, 2018 date. Attorney Chudachek said Chief Johnson will receive the remainder of his DROP benefit and begin receiving his retirement. Chief Johnson will not be able to get his share plan benefit as long as he remains employed by the City of Starke. Attorney Chudachek is working on getting an answer as to whether or not his share plan account will continue to earn interest.

Chairman Johnson called for citizen participation. There was none.

Chairman Johnson asked Mr. Wilson to present the Actuarial Valuation Report. Mr. Wilson said the minimum payment is 36.3% of the projected payroll of \$583,921.00 for a total contribution of \$211,806.00. The anticipated member contribution will be \$5,839.00, member pick-up contributions will be \$29,196.00, state contributions will be \$51,460.00 and the city's contribution will be \$125,311.00. Mr. Wilson said the number of active members increased from 16 to 18 in 2017. The vested benefit security ratio was 106.1% in 2016 and 110.9 percent in 2017. Mr. Wilson said the actuarial loss was \$12,150.00. The smooth investment return was a loss of \$48,843.00. Liabilities are a gain of \$36,693.00. Mr. Wilson said the increase in pay for 2017 was 2.4%. Mr. Wilson said contributions were \$219,757.00 and disbursements were \$225,987.00. The share plan has increased from \$32,369.00 to \$54,076.00. The DROP account has increased from \$171,757.00 to \$230,645.00. Chief Johnson asked what the interest rate on the share plan is. Attorney Chudachek said it is 50% of the net. Mr. Wilson said our funded ratio is 93.87%. Attorney Chudachek asked that the record show that Mr. Wilson presented the Actuarial Valuation Report for information only due to the lack of a quorum. Attorney Chudachek said there will be a vote to accept the report at the next meeting and Mr. Wilson will be available by phone if anyone has any questions.

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Chairman Johnson asked Mr. Campbell to present the Quarterly Performance Report. Mr. Campbell said the Investing Consulting Agreement has expired. He said it will automatically renew on September 30, 2018. Mr. Campbell said he could attend the meetings in person 2 times a year and attend the other 2 meetings telephonically saving \$1,000.00 per year on the fees. Chief Johnson said he would like Mr. Campbell to attend all the meetings in person. Trustee Mangol agreed. Attorney Chudachek said there will need to be a vote on this at the next meeting. Mr. Campbell said Vanguard is at 9.44%. The Large Cap Blend is at 8.21%. The S & P 500 Index is at 9.47%. Mr. Campbell said the Vanguard Small Cap is at 11.39%. The Small Cap Blend is at 9.04% and the CRSP Small Cap Index is at 11.37%. Mr. Campbell said the asset allocation is at .3%.

Chief Johnson asked for new business. There was none.

There being no further business the meeting was adjourned.