

OPERATING RULES AND PROCEDURES
For The
TOWN OF LONGBOAT KEY
CONSOLIDATED EMPLOYEES' RETIREMENT SYSTEM

Approved by the Board on:

RULE 1

BOARD OF TRUSTEES

1.1 DEFINITION OF FUNCTIONS

The Board of Trustees shall act as the named fiduciary of the System as defined by Florida law. The Board shall be responsible for the administration and proper operation of the Consolidated Retirement System (“System”) with authority to interpret the provisions of the state laws and local ordinances. The Board shall have exclusive authority to establish and execute the Investment Policy for the System. The Trustees shall recommend to the Town the selection and retention of professional advisors to the System including but not limited to investment managers, performance monitors, plan administrators, attorneys, accountants, actuaries, and clerical staff. The Board shall follow the customary procurement guidelines established by the Town when making such recommendations. The Town shall engage the services required by the System in consultation with the Board.

1.2 DEFINITION OF FIDUCIARY

A fiduciary shall be defined as a person responsible for the discharge of his duties with respect to the System solely in the interest of the participants and beneficiaries for the exclusive purpose of providing benefits to participants and their beneficiaries and defraying the reasonable expenses of administering the System.

1.3 SUMMARY

Trustees shall be responsible for the investment and reinvestment of the assets of the System; for determining all claims for retirement benefits; for administration of and the proper operation of the System; to perform such actuarial and accounting functions as are required by law; to prepare and distribute a Summary Plan Description as provided in §112.66, Florida Statutes to the Members of the System upon employment and every other year thereafter; and to fulfill all other such duties as may be required by law.

1.4 ESTABLISHMENT OF OFFICES

The Town Commission shall designate one of the Trustees it appoints as Chairman and another as Vice-Chairman, and may change such designation from time to time. The Board of Trustees shall elect a Secretary. The Officers shall be Trustees of the Board. The Chairman shall be responsible for the conduct of all meetings of the Board and the Vice-Chairman shall perform the duties of the Chairman in the absence of the Chairman and shall have voting rights the same as any other Trustee of the Board. The Chairman shall perform such other duties as the Trustees may assign.

The Secretary shall be responsible for the oversight of the keeping of minutes and records of the transactions of the Board and shall be the official custodian of records of the Board. The Board may delegate the function of records custodian for the Consolidated Retirement System to a service provider recommended by the Board and engaged by the Town as appropriate. The Town shall execute such agreements as necessary to contract the services required by the Board.

1.5 CONFLICTS OF INTEREST AND GIFTS

A. Conflicts of interest in voting shall be governed by the provisions of Section 112.3143, Florida Statutes, the Code of Ethics for Public Officials. Notwithstanding any other provision of law, no Trustee shall vote or participate in a determination of any matter in which that Trustee shall receive a special private gain except in the case of employee Trustees voting on benefits applicable to all Members of the System.

B. No Trustee (or his or her spouse or minor child) shall, at any time, solicit or accept any gift (including but not limited to, food, beverages and transportation), loan, reward, promise of future employment, favor, service, compensation, payment, or thing of value when the Trustee understands, knows or should have known that it was given to influence a vote or other action in which the Trustee was expected to participate in his official capacity. Gifts provided directly or indirectly by a state, regional or national organization which promotes the exchange of ideas between, or the professional development of, members of that organization or staff of a governmental agency that is a member of that organization, are permitted.

C. Trustees shall file timely reports disclosing all gifts, favors, services, or other value received per the requirements of Florida statute and local law.

1.6 PER DIEM AND REIMBURSEMENT

All Trustees shall be entitled to receive a per diem allowance and reimbursement for reasonable expenses incurred in conducting the business of the System. The Board shall establish reasonable reimbursement rates in accordance with policies of the Town of Longboat Key.

1.7 BOARD OF TRUSTEES

The Board of Trustees shall consist of nine members selected as follows:

- A. One police officer who is a current or vested former member of the Police Officers' Retirement System, elected by the employee members of that plan.
- B. One firefighter who is a current or vested former member of the Firefighters' Retirement System, elected by the employee members of that plan.
- C. One general employee who is a current or vested former member of the General Employees' Retirement System, elected by the employee members of that plan.
- D. Five residents of the town who are registered voters and not employees of the town, or members, vested former members, retirees, or beneficiaries of the Retirement System, appointed by the Town Commission.
- E. The Town Manager or designee, who shall serve as a voting ex-officio member.

Trustees other than the Town Manager or designee shall serve staggered three-year terms, and may succeed themselves in office. To implement the staggered terms, the first

elected employee trustee who is a police officer member shall serve a one-year term; the first elected employee trustee who is a firefighter member shall serve a two-year term; and the first elected employee trustee who is a general employee member shall serve a three-year term. The staggered terms for the appointed trustees shall be implemented as follows: two appointed trustees shall serve an initial term of one year; two appointed trustees shall serve an initial term of two years; and one appointed trustee shall serve an initial term of three years; as determined by the Town Commission. Trustees who are elected or appointed following the initial terms shall serve a term of three years.

1.8 SUCCESSION OF PERSONS TO VACANT POSITIONS

Vacancies on the Board of Trustees of member Trustees shall be filled by special election to be conducted in the same manner as any other election. Vacancies among the resident Trustees shall be filled by the Town Commission. The person selected to fill a vacancy shall fulfill only the remaining term of the vacant office.

1.9 EDUCATION REQUIREMENTS

Each Trustee is required to attend a seminar or conference regarding Trustee duties and responsibilities and matters relating to the investment program of the Retirement System at least once each term. Trustees are encouraged to attend seminars or conferences more frequently in order to remain informed regarding pension issues. New Trustees are encouraged to attend within the first six months of their term.

1.10 DISCLOSURE OF FINANCIAL INTERESTS

Trustees must file a statement of financial interests (Form 1) with the supervisor of elections of the county in which they permanently reside within 30 days from the date of appointment and no later than July 1 of each year thereafter.

Trustees must file a final statement (Form 1F) within 60 days after leaving their office as Trustee. The final statement shall cover the period between January 1 of the year in which the Trustee leaves office and the last day of office.

If a Trustee has not filed by July 1, the supervisor of elections is required to notify such Trustee of a grace period to file by September 1. If a statement is not filed by September 1, a fine of \$25.00 per day will be imposed up to a maximum of \$1500.00. Fines cannot be paid from the Retirement System. The Trustee may also be subject to additional penalties provided for in §112.317, Florida Statutes.

1.11 ELECTIONS OF EMPLOYEE TRUSTEE REPRESENTATIVES FOR FIREFIGHTER, POLICE, AND GENERAL EMPLOYEE GROUPS

A. Plan Consolidation. Effective October 1, 2014, a Consolidated Retirement System is created for the purpose of administering the Police Officers' Retirement System, Firefighters' Retirement System and General Employees' Retirement System, with one Board of Trustees as set forth in Section 34.101 and one trust fund as set forth in Section 34.102, of the Town Code.

B. Trustee Term Limits for Representative Employee Groups. Employee Trustees other than the Town Manager or designee shall serve staggered three-year terms, and

may succeed themselves in office. To implement the staggered terms, the first elected employee trustee who is a police officer member shall serve a one-year term; the first elected employee trustee who is a firefighter member shall serve a two-year term; and the first elected employee trustee who is a general employee member shall serve a three-year term. Trustees who are elected or appointed following the initial terms shall serve a term of three years.

C. Election Qualifications. Employee Trustees, other than the Town Manager or designee, shall be elected from the group of employees having a financially vested interest (i.e., current or vested former members) in the Retirement System which covered that employee group. For example: the Police Officer Trustee shall be elected from among the current and vested former members of the Police Officers' Retirement System; the Firefighter Trustee shall be elected from among the current and vested former members of the Firefighters' Retirement System; and the General Employee Trustee shall be elected shall be elected from among the current and vested former members of the General Employees' Retirement System. Members shall be permitted to nominate themselves for office.

D. Election Scheduling.

1. The initial member election shall occur during the month of August 2014 and elected trustees will take office October 1, 2014.
2. Elections for each member representative seat, after the initial election, shall be held every three years unless a vacancy occurs requiring a special election.
3. Regular elections shall be held during the month of August. Special Elections shall be held within forty-five (45) days after a vacancy occurs.

4. Elected members take office for the position upon the expiration of office of the election position or immediately upon election if such position is already vacant.

E. Voting Qualifications. Only members who are current or vested former members of the Retirement System which covered that employee group shall be qualified to vote in an election for that employee group's trustee. For example, only the current and vested former members of the Police Officers' Retirement System shall be qualified to vote in the election of the Police Officer Trustee.

F. Position Nomination.

1. Nomination of qualified Members for a given election shall be by nomination, beginning fourteen (14) calendar days prior to the election, using nomination forms provided by the Town.
2. No nominations shall be received after the close of business (5:00 p.m.) at least two (2) calendar days prior to mailing of the election ballots.
3. Upon the close of the nominations as provided in subsection "2" above, ballot forms shall then be prepared listing all nominees for each trustee position.
4. Nominees must agree to serve in order to be placed on the ballot.

G. Voting Procedures.

1. Ballot forms used in the voting process shall contain the names of all candidates nominated and a deadline for the return of ballots.
2. Ballots will be mailed to eligible voters at least 10 days prior to the deadline for the return of the ballots.

3. The voter will complete the ballot form as instructed, by voting for not more than one candidate.

4. The voter will seal his/her ballot form in the prepaid postage envelope provided, and place it in the regular USPS mail. The ballots shall be secret until opened by the Town Clerk.

5. To be counted, a ballot must be mailed and received by the Town Clerk by no later than the deadline for return of ballots. Any ballots received after the deadline for the return of ballots will not be included in the tally of results.

6. The ballots will be publicly opened by the Town Clerk, with assistance from Clerk staff at a date and time certain in Town Hall. The Clerk will tally the results and publicly announce the winners for each elected member pension trustee position.

H. The Election. One candidate that receives the most votes from its member group (firefighters', police officers' and general employees') shall be elected to the member group's seat (including any incumbent seeking re-election).

I. Ballot Form Rejection. Any ballot form not completed properly and completely will be rejected from the vote count by the Town Clerk.

J. Election Records. All records of each election shall be accounted for and maintained with the pension records.

K. Election Supervisor. The Town Manager shall act as the election supervisor and assure that the election is held in compliance with these rules. The Town Clerk shall be responsible for certifying the results of the election.

RULE 2

MEETINGS

2.1 ATTENDANCE AT BOARD MEETINGS

The Board shall set its own schedule of meetings. Special meetings may be called by the Chairman or by a majority of Trustees. The Board shall meet at least once each quarter.

In recognition of the importance of the work of the Board, regular attendance at Board meetings is expected of all Trustees. Any Trustee who fails to attend two consecutive quarterly meetings of the Board without an excuse acceptable to the other Trustees shall be deemed to have resigned from the Board. Employee Members of the System who are called into the active service of the Town at the time of a Board meeting shall automatically be deemed excused.

2.2 AGENDAS AND OTHER MEETING MATERIALS

A published Notice of Meeting and Agenda shall be prepared for each regular and special meeting of the Board. The Notice of Meeting and Agenda shall set forth those items upon which the Board anticipates taking action or discussing. Each agenda item shall have attached to it backup material necessary for discussion or action by the Board. Each Notice of Meeting and Agenda shall inform members of the public that should they wish to appeal any decision made by the Board that they will need a record of the proceedings and that they may need to ensure a verbatim record is taken, which includes testimony and evidence upon which the appeal is based. In addition, the Notice of Meeting and Agenda shall also include a notice to members of the public offering to provide assistance to those who are disabled, should they

need assistance in order to attend the meeting. A copy of the Notice of Meeting and Agenda shall be posted in a location in the Longboat Key Town Hall where notices of public meetings are customarily posted. The Board must provide and post reasonable notice of all meetings. All agendas and meeting materials are public records as defined in Chapter 119, Florida Statutes.

2.3 RULES OF ORDER

In recognition of the importance of accomplishing the objectives of the Board in a most orderly fashion, the Board may establish rules of order for the conduct of its meetings. The Board shall not, however, be bound by strict observance of the rules of parliamentary procedure unless the Board deems it in its best interest to do so.

2.4 APPEARANCE BEFORE THE BOARD

As a public body, the Board has a responsibility to accommodate members of the public and Members of the System who wish to appear before the Board. All agenda appearances before the Board shall be scheduled through the Chair or designated plan administrator and time limits for presentations may be established by the Board. Other appearances before the Board may be in person or through a representative.

2.5 PUBLIC RECORDS

The records of the System are public records as set forth in Chapter 119, Florida Statutes, except for medical records of the System. The Board shall maintain the confidentiality of medical records as required by law. All medical records of Members of the

System shall be maintained separately from other records of the Board so as to insure security of the privileged information to which the Board is privy.

2.6 GOVERNMENT IN THE SUNSHINE

All meetings of the Board shall be conducted in accordance with the provisions of Section 286.011, Florida Statutes, the Government in the Sunshine Act. No Trustee shall engage in communications with another Trustee outside of a public meeting on any matter which shall ultimately be the subject of a Board action. All meetings of Trustees at which official business of the Board shall be discussed shall be publicly noticed and open to the public in accordance with the law. All meetings of the Board shall be held in a location where public access is reasonably available. Regular meetings of the Board shall be held in Longboat Key, Florida.

2.7 COMMITTEE MEETINGS

The Board, in the conduct of its business, may choose to establish committees consisting of a lesser number of Trustees. Committees shall be appointed by the Chairman. Committees consisting of two or more Trustees shall be conducted in accordance with the Government in the Sunshine Law. Committees consisting of one Trustee shall maintain records in accordance with the Public Records Act but need not conduct its business pursuant to a publicly noticed meeting. All reports of committees shall be reduced to writing and made a part of the official records of the Board.

2.8 WORKSHOPS

The Board may from time to time wish to conduct workshop meetings for the purposes of developing policies or procedures of the Board or for the review of investment data of the Board. Workshops shall be conducted in a public forum the same as any other meeting and shall have a published agenda in advance of the workshop.

2.9 MINUTES

Complete minutes of all public meetings or workshops of the Board or a Committee shall be promptly prepared following the meeting and all minutes shall be submitted to the Board for approval following their preparation. All minutes shall be open for public inspection.

RULE 3

RULES OF PROCEDURE

3.1 LEGAL EFFECT

The Board of Trustees is authorized by law to establish rules of procedure for the operation of the System. No rule or regulation of the System may conflict with any lawful ordinance, charter provision or state law.

3.2 ADOPTION PROCEDURES

All rules to be adopted by the System shall be in writing and shall be adopted by a majority vote of the Board. The Board shall review its rules and regulations annually. The rules and regulations of the System may be reproduced and shall be made available to each

member of the System requesting a copy. A copy of said rules shall also be maintained by the Board and filed with the Town Clerk.

RULE 4

PLAN ADMINISTRATOR

4.1 DUTIES

A. The Plan Administrator shall be generally responsible for the performance of clerical and secretarial duties required for the operation of the System, including, but not limited to:

1. Assist in the scheduling of meetings and preparation, distribution, and public postings of agendas. Prepare draft agendas in advance of meeting and send via fax or e-mail to Chairman and Board Attorney for review. Distribute agenda in advance of meeting to Board members, Board Attorney, Human Resources Office, and Town Clerk's office;
2. Assist the Chairman with communications;
3. Function as records custodian in accordance with Florida Statutes, Chapter 119, and the Operating Rules and Procedures (Rule 5.1);
4. Assist in negotiation of pension related contracts and maintain contract files;
5. Receipt, file, and distribute correspondence and reports, as necessary;
6. Assist in conducting elections for employee trustees and maintenance of records including terms of office;

7. Review and distribute all statements and documents received from Money Managers, Performance Monitors, Attorney, Actuaries, Accountants and Others;
8. Review and reconcile quarterly bank statements;
9. Pay plan expenses;
10. Monitor disbursement of benefit payments, confirm all benefits are properly paid, and monitor Custodial Manager's compliance with distribution requirements of tax information (1099R forms) to retirees in accordance with Rule 5.3.C;
11. Distribute benefit payments report as needed;
12. Maintain required payment reports and provide to Actuarial firm;
13. Obtain required information for State reports and forward to appropriate State agencies in a timely manner in accordance with Florida Statutes, Chapter 112.63(3) and 112.661, and Operating Rules and Procedures, Rule 10.3;
14. Distribute annual pension benefits statement as provided by the Actuarial firm;
15. Distribute Summary Plan Description to active plan members in accordance with Statutory requirements;
16. Schedule and administer pension overview workshops;
17. Notify the Board and the Human Resources Office upon receipt of a letter of resignation, notification of death of member, dissolution of marriage,

or other change in family status that may affect pension benefits. Ensure compliance with Rule 9.2, Dissolution of Marriage;

18. Maintain liaison between the Board and the Town of Longboat Key;

19. Assure that the Retirement System is administered in accordance with the governing Ordinances and the Operating Rules and Procedures;

20. Assist auditors as needed to obtain required records;

21. Maintain expense records paid during the plan year for auditing firm;

22. Provide Manager and Custodian reports to auditors;

23. Assist auditing in determining accuracy and transfer of contributions;

24. Act as Records Custodian for the Retirement System;

25. Secure authorization from the Chairman to contact Pension Board Attorney pertaining to Pension related issues needed to be addressed;

26. Assist the Board on the preparation of annual fiscal year end reports for submission to the Town Commission in accordance with Rule 10.12, Investment Reports to the Town; and

27. Update references to Florida Statutes Chapters and/or Sections subsequent to any amendments to the Statutes by State legislation; and

28. Other duties that the Board may establish.

B. The office of the Town Clerk will provide staff to perform the following duties:

1. Record, transcribe, and distribute meeting minutes;

2. Notify the Board and other appropriate parties when a Trustee's position is scheduled to become vacant.
3. Advise the Board on Government in the Sunshine Law and the Public Records Act requirements.
4. Provide adopted Pension Ordinances to staff liaison for transmittal to appropriate state agencies; and
5. Other duties that the Board may establish.

C. The Plan Administrator and the Human Resources Office will provide administrative assistance in the following areas:

1. By no later than September 30, 2015, each Member of the Plan, who is not retired and receiving a benefit payment, shall receive a statement of their accrued Retirement System benefit as of October 1, 2014 which shall include the following information pertaining to their membership in the Police Officers' Retirement System, the Firefighters' Retirement System or the General Employees' Retirement System:
 - a. Average Final Compensation – including the high years of compensation used to determine the average and annual compensation for each of the last 10 years of employment with the amount and basis of accrued leave included in the compensation.
 - b. Credited Service –noting any breaks in service.

- c. Normal Retirement Benefit – including calculation and earliest date of eligibility for such benefits.
- d. Initial eligibility date for early retirement benefits.
- e. Death Benefits – amount payable if deceased prior to retirement.
- f. Date of freeze.

Members will be requested to acknowledge the accuracy of the statement information no later than 90 days after official receipt of the statement. Should a Member disagree with any of the information within 91 days of official receipt of the statement, their appeal for correction of the information shall be made in accordance with Rule 14 – Claims Procedures.

- 2. Obtain necessary information for retirement eligibility and benefits from appropriate contractual agencies and maintain records on the number of actuarial studies (calculations) performed by the Actuary for each vested plan member to ensure compliance with Rule 11.6;
- 3. Calculate refunds on termination, as requested by employee;
- 4. Process Board approved administrative forms for retirement benefits/pension distribution requests and transmit information to the Plan Administrator for distribution to the Board;
- 5. Set up and maintain files regarding member's retirement and pension;

6. Maintain current roster of members and retirees, including status and addresses, and if enacted by the legislature, participation in the Pension Protection Act relating to pre-tax insurance benefit election;
7. Maintain current beneficiary designations;
8. Provide Plan members with assistance in utilization of the pension calculator, as needed;

RULE 5

INTERNAL PROCEDURES AND CONTROLS

5.1 MAIL

A designee of the Board shall be responsible for opening, dating and transmitting mail. All mail received by the Board shall be dated, stamped and reviewed for any time limitations or response dates. Mail addressed to the Board in general and to no specific person shall be directed to the Secretary. All official decisions of the Board shall be sent by signed correspondence. A "reading file" of all correspondence coming into and emanating from the Board shall be maintained on a monthly basis together with copies in any specific files as may be established. In all respects, the provisions of Chapter 119, Florida Statutes, the Public Records Act, shall be observed.

5.2 EXPENSE PAYMENTS FROM THE SYSTEM

A. Payments to professionals performing services previously authorized by the Board or for other expenses authorized by the Board shall routinely be made prior to Board approval as follows:

1. Statements received for services or expenses which are not pursuant to a written agreement shall be paid, but only if such statements do not exceed \$250.00.
2. Statements received for services or expenses which are rendered pursuant to a written agreement shall be paid if deemed to be in accordance with the agreement.

All payments made pursuant to paragraphs (1) and (2) above shall be considered by the Board at the first meeting following such payment.

B. Any other payments from the System not described in subsection A. shall be paid only if the expenditure was approved by the Board prior to the time it was incurred.

5.3 PROCESSING OF PAYMENTS FOR EARLY OR NORMAL RETIREMENT AND RETURN OF CONTRIBUTIONS

A. Upon receipt of an application for early or normal retirement, the Board's Plan Administrator or other Board designee shall process the application as follows:

1. The application shall be reviewed for accuracy and completeness and for eligibility for benefits.
2. A copy of the application and any necessary records from the City shall be forwarded to the actuary for calculation of the benefit amounts payable for the normal form and all optional forms of benefits.
3. Upon receipt of the actuary's calculations, the calculations shall be presented to the Retiree and the Retiree shall make his election.

4. The application shall be approved by any Trustee and shall then be provided to the Custodian along with any necessary supporting documents in order to begin payments.

5. Copies of the Retiree's election form and the actuary's calculations shall be provided to the Board of Trustees prior to the commencement of payments or at the next meeting immediately following the commencement of payments, and the Board shall review and approve the retirement benefits.

B. Upon the termination of employment of a Member prior to his early or normal retirement date, the Board's Plan Administrator or other Board designee shall:

1. Determine whether the Member is vested or not vested and determine the amount of the Member's contributions.

2. Inform the Member of his right to leave his contributions in the plan or withdraw his contributions. If the Member desires to withdraw his contributions, provide the Member with the necessary forms, including the appropriate Return of Contributions form, the Special Tax Notice Regarding Plan Payments and the Certification of Receipt of the Special Tax Notice and the Lump Sum Distribution Election Form;

3. Recommend that the Member study and complete the appropriate forms and seek tax and/or legal advice regarding his choice.

4. Direct the Member to return the completed forms to the Plan Administrator or Board designee;

5. Upon receipt of the properly completed forms, prepare and submit a payment request signed by any Trustee and copies of any necessary documents to the Custodian to authorize the requested payment or rollover;

6. Provide copies of all documents to the Board of Trustees prior to payment or at the next meeting immediately following the payment, for the Board to approve the payment.

C. Pension payments should only be made as provided above. 1099-R reporting forms to Retirees must contain the proper information and codes to ensure that Retirees report the proper amounts on their personal income tax returns. In-line-of duty disability benefits shall be reported as "taxability not determined" on 1099-R forms.

5.4 REVIEW OF CUSTODIAL STATEMENTS

A. Custodial reports should be monitored by the Board or its designee for disclosure of all asset inflows such as City ~~and Member~~ contributions, state excise tax payments, if applicable, miscellaneous citizen donations, and investment income. All errors, including those involving the misclassifications of Plan revenues, ~~e.g., recording Member contributions as City contributions,~~ must be corrected.

B. Custodial reports should also be monitored for all asset outflows. Asset outflows must be properly approved and verified on audit. Expenses shall be approved as provided in Rule 5.2 and Retirements and Returns of Contributions in accordance with Rule 5.3. Letters of authorization for the expenditure of funds must be issued by the Board and copies must be maintained in orderly files.

5.5 ROLLOVERS TO AND FROM THE FUND

The Fund will accept and transfer eligible cash rollover distributions to and from the Fund as permitted by local, State and Federal law. The Board may adopt appropriate forms to facilitate such rollovers.

RULE 6

INSURANCE

6.1 FIDUCIARY INSURANCE

The Trustees are authorized by law to purchase fiduciary insurance to insure members of the Board for errors and omissions at the expense of the System, but the System shall not pay to waive recourse against Trustees. A rider waiving recourse may be purchased and paid for by the Town.

6.2 TRAVEL COVERAGE

The System may purchase, at its expense, life and accidental death and dismemberment insurance for each Trustee who shall travel outside of Sarasota or Manatee County for the purpose of Board related business.

RULE 7

RELATIONS WITH THE TOWN

7.1 AUTHORITY OF THE BOARD

The Board of Trustees is an independent entity established by state law, Town charter and local ordinance. The Board of Trustees shall not be considered a component part of the Town of Longboat Key government. No change to the retirement ordinance may be made except by action of the State Legislature or the Town Commission. The Board will recommend to the Town the selection and retention of professional advisors to the Retirement System. The Board shall follow the customary procurement guidelines established by the Town when making such recommendations. The Town shall engage the services required by the System in consultation with the Board.

7.2 CONTRACTUAL SERVICES

The Town shall engage the professional services required by the System and recommended by the Board. The compensation of all persons engaged by the Town or Board and all other expenses necessary for the operation of the System shall be paid by the Retirement System.

7.3 USE OF THE TOWN FINANCE DEPARTMENT

The Board shall be authorized to utilize the services of the Town for the performance of banking functions of the Board. The Town shall have no discretionary authority with regard to the utilization or direction of funds of the Board. The precise duties of the Town shall be incorporated into the Operating Rules and Procedures adopted by the Board.

7.4 USE OF INDEPENDENT CUSTODIANS

The Board shall be authorized to use the services of any duly qualified custodian in lieu of the Town Finance Department for the performance of banking functions of the Board. The custodian shall be duly licensed, insured and bonded and shall meet all of the depository requirements of Chapter 280, Florida Statutes as applicable.

RULE 8

ORDINANCE CHANGES

8.1 FORM OF ORDINANCE

No ordinance change affecting the Retirement System shall be presented for a vote to the Town Commission unless first reviewed and approved by a majority of the Trustees in accordance with the existing law governing the System. All proposed ordinances shall be reviewed by the General Counsel to the System who shall pass on the form and correctness of the ordinance. All proposed ordinance changes carrying an economic benefit shall be reviewed by the actuary to determine the cost as required by law.

8.2 COLLECTIVE BARGAINING

The Board of Trustees acknowledges that it is neither an employee organization nor an employer as defined by Chapter 447, Part II, Florida Statutes. Therefore, the Board shall not engage in collective bargaining on behalf of the Town of Longboat Key or on behalf of any employee organization. The Board shall make itself available as a resource to labor organizations, if any, and the Town for all matters relating to pension and retirement, if any.

8.3 APPEARANCE AT TOWN COMMISSION MEETINGS

The Board of Trustees shall, through one of its members, its designee, ~~or~~ its General Counsel, or appropriate Town staff be present at all Town Commission meetings where a discussion of matters of interest to the Board shall occur. The Board shall, prior to said meeting, designate an official spokesperson on behalf of the System.

8.4 ACTUARIAL IMPACT STUDIES

No ordinance change shall occur without an actuarial impact statement as required by state law. All such actuarial impact statements shall be at the expense of the System. The Board will complete an actuarial study prior to modifying any plan assumptions.

RULE 9

JUDICIAL PROCEEDINGS

9.1 PROCESS

All process issued by federal or state courts to the Town of Longboat Key concerning the Consolidated Employees' Retirement System shall immediately upon receipt, be forwarded to the General Counsel for the System who shall respond thereto.

9.2 DISSOLUTION OF MARRIAGE

Upon entering into a Dissolution of Marriage, a System Member shall notify a Trustee of the Member's attorney's name, address and telephone number. The Trustee shall then promptly provide that information to the General Counsel to the System. Expenses incurred as a result of a Member's failure to comply with this policy shall be paid by the Member.

RULE 10

INVESTMENTS

10.1 HIRING INVESTMENT MANAGERS

In recognition of the importance of professional guidance in the investment of the assets of the System, all investments shall be performed by qualified, professional investment managers. The Board will review and approve the hiring of investment managers shall be hired by the Town recommended by appropriately qualified advisors engaged by the Town.

10.2 HIRING PERFORMANCE MONITORS

The Board shall engage at all times one performance monitor who shall be responsible for reviewing the performance of the various investment managers of the System. The performance monitor shall report to the Board on such time schedules as the Board shall establish but not less than annually. The performance monitor shall advise the Board as to the relative performance of each investment manager as compared to the various stock, bond and cash indices as are generally accepted in the investment market place as reflective of satisfactory investment performance, as well as an appropriately constructed peer manager universe. The performance monitor shall recommend in writing to the Board the retention or discharge of investment managers and the reasons supporting its recommendation. At the request of the Board, the performance monitor may perform evaluation and searches for investment managers and such other services as the Board shall request be performed.

10.3 PERFORMANCE GOALS AND OBJECTIVES

The Board shall establish performance goals and objectives for each investment manager in each class of investment and shall establish expected rates of return. The Investment Policy shall comply with the minimum requirements set forth in Section 112.661, Florida Statutes. The performance goals and objectives shall be reduced to writing in an Investment Policy Statement and shall be referred to in the contract between the Board and ~~the~~ each manager. The performance goals and objectives shall be reviewed on not less than an annual basis and shall be compared to the actual performance of an investment manager to determine compliance with the goals and objectives set by the Board. All Investment Policy Statements and amendments thereto shall immediately be provided to the City, the Department of Management Services and to the Board's actuary.

10.4 INVESTMENT STANDARDS

The Board shall establish written investment standards in the Investment Policy Statement. The standards shall set forth the distribution of the assets of the System between equities, fixed income, cash and cash equivalents, real estate and other forms of lawful investment. The standards shall set forth the relative percentages of the System to be distributed to each investment vehicle and shall establish permissible risk factors. Each investment manager shall subscribe to the Investment Policy Statement setting forth the written investment standards and performance goals and objectives of the System and the Investment Policy Statement shall be incorporated into each investment manager contract by reference.

10.5 DECISION MAKING AUTHORITY

The Board of Trustees shall determine the retention or discharge of any investment manager or performance monitor. The Board shall also establish the amount of funds to be entrusted to any investment manager and shall determine when funds shall be withdrawn and investments terminated. The Trustees shall not, however, participate in the selection of individual stocks, bonds or cash funds as that shall be the responsibility of the investment manager within the context of the performance goals and objectives and investment standards established by the Board.

10.6 WRITTEN CONTRACTS

Each investment manager shall enter into a written contract with the Board. Each contract shall include an acknowledgment by the investment manager that it is familiar with the ordinances of the Town of Longboat Key and the provisions of Chapter 112, Florida Statutes. The contracts shall also provide that the investment manager shall make no purchases which are prohibited by law and in the event such purchase is made, shall make the System whole for any loss incurred in the divestiture of said investment. The contract shall also provide that the laws of Florida shall govern and that venue for any legal action shall be in Sarasota County, Florida. In no event shall any contract be terminable by the investment manager on less than 45 days' written notice, unless otherwise agreed to by the Board. Each contract shall set forth with specificity the fees charged by the investment manager to the System. All investment manager contracts shall further set forth that the investment manager is registered as an investment advisor and is otherwise qualified by law to engage in the

management of the assets which are the subject of the contract. All written contracts shall be reviewed by the General Counsel who shall approve the form and correctness of each such contract. All written contracts shall be executed by the Chairman and Secretary of the Board.

10.7 REPORTING

All investment managers and performance monitors of the System shall report on not less than an annual basis. The investment managers and monitors may, however, be directed by the Trustees to report on a more frequent basis. All such reports shall be in writing and shall, if required by the Board, be presented in person by a representative of the investment manager or performance monitor who has authority to make discretionary decisions with regard to the Trust's account and to settle claims and disputes arising from the contract. All such investment managers and performance monitors shall make these presentations in person at a regular meeting of the Board and shall bear their own costs and expenses in traveling to Board meetings. The performance monitors shall attend at least an annual meeting of the Board and shall report, in writing, the progress of each investment manager. The performance monitor shall also make written recommendations regarding retention of investment managers and changes in investment policy.

10.8 PRESENTATIONS BY PROSPECTIVE CONSULTANTS AND PROFESSIONALS

In recognition of the limited time resources of the Board, presentations of prospective investment managers, performance monitors, custodians or other prospective professional advisors shall only be by written invitation of the Board. The Board shall maintain records of such prospective managers, monitors, custodians and other professionals to be reviewed by the

Board in the event the Board wishes to consider adding or making a change in its current manager, monitor, custodian or other professional.

In the event the Board elects to consider retaining a new manager, monitor, custodian or other professional, prospective applicants, including those applicants who had previously provided information to the Board, may be contacted and provided with a Request for Proposal. The Board or a committee appointed by the Board may conduct the initial screening of applicants by reviewing the proposals received in response to the Requests for Proposals. The Board may then schedule personal presentations by a "short-list" of qualified applicants.

The Board may also decide to retain managers by utilizing any other method which the Board deems to be prudent under the circumstances. The Board shall recommend to the Town the selection and retention of other professional advisors to the System, and the Town shall engage those advisors in consultation with the Board.

10.9 DIVESTITURE

No divestiture of any asset of the System shall be made for any reason other than fulfillment of the fiduciary obligations of the System.

10.10 PROXY VOTING

The Trustees shall be responsible for exercising all proxies on equities held by the System. The Trustees shall comply on a voluntary basis with the standards of the Employee Retirement Income Security Act of 1974 in the voting of proxies. The Board shall, by contract or other written agreement, give all investment managers proxy voting responsibility and the Trustee shall monitor the voting of the managers.

The Trustees (along with the United States Department of Labor) do not consider the following practices by investment management firms with proxy voting responsibility to be consistent with their fiduciary responsibility:

- A. Declining to vote proxies;
- B. Voting proxies exclusively for management without analysis of the underlying issues;
- C. Permitting negligent or inaccurate record-keeping regarding proxy voting;
- D. Accepting directions from other parties;
- E. Permitting the absence of policies or procedures to assure the proper exercise of this fiduciary responsibility.

Any significant proxy items and the vote by an investment manager shall be reported in writing to the Trustees. Records of all proxy votes shall be maintained and made available to the Trustees or any agents acting in their behalf. All such records shall be maintained in accordance with the Florida Public Records Act.

It shall be the primary responsibility of investment managers acting on behalf of the Board to vote all proxies to enhance the value of the System assets. All tender offers shall be treated in the same manner with regard to record-keeping and asset enhancement.

10.11 DECLARATION OF EXPECTED ANNUAL RATE OF RETURN

For each actuarial valuation, the Board shall seek the advice of its investment professionals and the actuary and then the Board shall determine the total expected annual rate of investment return for the current year, for each of the next several years and for the long

term thereafter. This determination must be filed promptly with the Department of Management Services, with the Town and with the Board's actuary.

10.12 INVESTMENT REPORTS TO THE CITY

The Board shall prepare annual fiscal year end reports for submission to the Town Commission, which shall include the investments in the portfolio by class or type, book value, income earned and market value as of the end of the fiscal year.

RULE 11

ACTUARIAL SERVICES

11.1 SELECTION

The Town shall select the services of an enrolled actuary in consultation with the Board. An enrolled actuary shall mean an actuary who is enrolled under Subtitle C of Title III of the Employment Retirement Income Security Act of 1974 and who is a member of the Society of Actuaries or the American Academy of Actuaries. Competitive bidding shall not be required in the selection of actuaries.

11.2 CONFLICTS OF INTEREST

In order to avoid conflicts of interest in the delivery of actuarial services, the Town of Longboat Key shall not retain actuaries who are engaged on behalf of the Board without the prior consent of the Trustees.

11.3 REPORTING

The actuary shall report to the Board on not less than an annual basis so that the Board may establish the adequacy of employer contribution rates. Valuations shall be done at least

every three years. All actuarial reports shall be in accordance with the provisions of Section 112.63, Florida Statutes.

11.4 SETTING CONTRIBUTION RATES

Pursuant to the ordinances of the Town of Longboat Key, the Board is solely responsible for establishing the contribution rates of the Town. The Town contribution rate shall be established following an analysis of the adequacy of investment earnings of the System. The amount of the Town contribution shall be certified in writing to the Town Commission in accordance with the provisions of local ordinance.

11.5 ACTUARIAL STUDIES FOR INDIVIDUAL PLAN MEMBERS

Each vested Plan Member shall be entitled, at the Fund's expense, to receive two actuarial studies to estimate his or her retirement benefits. Any additional studies shall be provided only at the Member's expense.

11.6 MEMBER ACKNOWLEDGEMENT

Pursuant to section 11.6, members will acknowledge receipt of payout options and calculation methods based on estimated benefits from actuarial studies prior to retirement by signing off on an acknowledgement of receipt document to be approved by the Board. Members will also acknowledge their final selection at the time of retirement.

RULE 12

ACCOUNTING SERVICES

12.1 AUDITS

The Board shall cause to be made not less than on an annual basis an audit of the assets and liabilities of the System. Financial reporting should be made in accordance with generally accepted accounting standards.

A. All postings from the custodial statements to the Plan's working trial balance should be in accordance with the Board's general and/or specific authorizations.

B. All transactions recorded in the custodial statements should be analyzed, summarized and accurately posted to the correct trial balance accounts in the correct time period.

C. All adjustments, deductions or write-offs of account balances should be calculated, summarized and recorded in the correct period.

D. All postings to the working trial balance should be supported by and reference to adequate, authorized documentation.

12.2 CONFLICTS OF INTEREST

In order to avoid conflicts of interest, the Board shall not retain auditors who are employed by the Town of Longboat Key without a separate engagement letter. The Town shall review and approve the engagement of the auditor recommended by the Board.

12.3 REVIEW OF INTERNAL CONTROLS

The policies and procedures provided for in these Operating Rules and Procedures shall be reviewed by the independent certified public accountant as part of the financial audit to determine the effectiveness of such controls to prevent losses of funds which might arise from fraud, error, misrepresentation by third parties, or imprudent actions by the Board or employees of the City.

12.4 BUDGET

The Board will adopt a fiscal year budget for expenses prior to the start of each fiscal year.

LEGAL SERVICES

13.1 SELECTION

The Board shall recommend the selection of a General Counsel who shall be licensed to practice law in the State of Florida, and the Town shall engage such Counsel on behalf of the Board. The General Counsel shall have demonstrated competence in the area of public employee retirement systems in the State of Florida.

13.2 CONFLICTS OF INTEREST

In recognition of the requirement that attorneys be independent in their judgment as set forth in the Code of Professional Responsibility, no attorney may serve as General Counsel to the Board who is also performing legal services on the part of the Town of Longboat Key or who otherwise engages in any legal services which the Board deems to be in conflict with its interests.

13.3 TOWN OF LONGBOAT KEY TOWN ATTORNEY

In recognition of the responsibilities of the Town Attorney to the Town of Longboat Key and the potential for representing competing interests, the office of the Town Attorney may not serve in any legal capacity on the part of the Retirement System.

13.4 PRIVILEGED COMMUNICATIONS

In all dealings between its General Counsel and the Board, the Board shall be deemed the client rather than any individual Trustee of the Board. All communications between the Board and its General Counsel shall be privileged communications except where otherwise governed by the Government in the Sunshine Law.

13.5 AUTHORITY TO DIRECT

The General Counsel shall take direction from the Board of Trustees as may be given at the various meetings of the Board. In between meetings of the Board, direction to the General Counsel shall be given by the Chairman or other person directed by the Board. All files of the General Counsel shall be open for inspection by any Trustee.

RULE 14

CLAIMS PROCEDURES

14.1 CLAIMS OF AFFECTED PERSONS

A. The Board of Trustees shall grant an initial hearing upon receipt of a written request ("Claim"), on matters which affect the substantial rights of any person ("Claimant"), including Members, retirees, Beneficiaries, or any person affected by a decision of the Board of Trustees.

B. The Board shall review the Claim at an initial hearing and enter an order within ninety (90) days from the date of receipt of the Claim. The Board may extend the time for entering the order at an initial hearing for an additional ninety (90) days if it determines such time is necessary for full discovery and adequate review. The General Counsel and the Claimant may stipulate to further extensions of time.

C. It shall be the function of the General Counsel, throughout the claims procedure, to assist the Board in the discovery and presentation of evidence in order to assure that the Board receives all relevant information prior to the Board's decision.

D. The Claimant shall have the right to be represented by counsel at any or all times throughout the claims procedure.

14.2 INITIAL HEARING

A. At the initial hearing, the only evidence to be considered by the Board shall be documentary evidence contained in the pension file, including but not limited to, correspondence and evidence received pursuant to paragraph B.

B. Other than questions from the Trustees, there will be no taking of additional evidence at the initial hearing, except that the Claimant will be afforded fifteen (15) minutes to make a presentation, which shall be limited to comments and/or arguments as to the evidence or information already contained in the pension file, including the report of the examining physician.

C. Upon completion of the review of the Claim at the initial hearing, the Board shall enter an order setting forth its findings and conclusions on the Claim. The written order shall be provided to the Claimant. The order shall include:

(1) The specific findings and conclusions of the Board, including specific references to pertinent provisions of the System on which such conclusions are based;

(2) A description of any additional material or information that the Board may deem necessary for the Claimant to perfect his Claim, together with the reasons why such material or information is necessary; and

(3) An explanation of the right to a full hearing on the Claim and the time limit in which a full hearing must be requested in writing.

D. The decision of the Board at the initial hearing shall not be final until after the time has expired to request a full hearing or, if a full hearing is requested, until the Board makes a decision at the conclusion of the full hearing.

14.3 FULL HEARING

A. Any Claimant may request a full hearing on the issues presented to the Board at an initial hearing and upon which the Board has entered an order as provided in Section 14.2C. above.

B. A full hearing must be requested by the Claimant within ninety (90) days of the receipt of the Board's order. The order will be deemed received three (3) days following the date it is mailed to Claimant at the address provided to the Board by Claimant.

C. Upon receipt of the request for a full hearing and considering the amount of discovery which might be conducted, the Board shall establish a date for the full hearing and cause notice to be given to the Claimant. The full hearing shall be held within ninety (90) days from the receipt of the request from the Claimant. The full hearing may be postponed, if necessary and with the consent of the Claimant, to permit full discovery of the facts.

D. Copies of all documents to be offered into evidence at the full hearing, including depositions, and a complete witness list with names and addresses of witnesses expected to be called, shall be furnished to the Board and the General Counsel by the Claimant at least twenty (20) days prior to the full hearing. Documents not furnished to the Board within the prescribed time limit may be excluded from evidence at the full hearing if a reasonable explanation is not provided for the delay in providing the documents.

E. A Claimant or the General Counsel may obtain discovery by deposition and/or interrogatories prior to the full hearing. Written notice of any depositions and/or interrogatories shall be given to the General Counsel and the Claimant.

F. The costs of any discovery, except discovery requested by the Board or the General Counsel, the appearance of witnesses at the hearing, and the making of a verbatim record of the proceedings shall be the responsibility of the Claimant.

G. The Claimant shall be responsible for the appearance of any witnesses which he wishes to have testify at the hearing. The Board shall, however, have the power to subpoena and require the attendance of witnesses and the production of documents for discovery prior to and at the proceedings provided for herein. The Claimant may request in writing the

issuance of subpoenas by the Board. A reasonable fee may be charged for the issuance of any subpoenas not to exceed the fees set forth in Florida Statutes.

H. Testimony at the full hearing may be submitted in the form of a deposition. Depositions timely submitted will be part of the record before the Board at the full hearing and will not be read in totality at the full hearing; provided however, that this does not preclude the Claimant or the General Counsel from reading parts of depositions in an opening or closing statement.

I. Irrelevant and unduly repetitious evidence shall be excluded.

J. Any person who knowingly gives false testimony is guilty of a misdemeanor of the first degree, punishable as provided in Section 775.082 or 775.083, Florida Statutes.

K. The file maintained by the Board is part of the record before the Board at the full hearing.

L. All proceedings of the Board shall be conducted in public.

M. In cases concerning an application for pension benefits, the burden of proof, except as otherwise provided by law, shall be on the Claimant seeking to show entitlement to such benefits.

N. Except as to those records which are exempted from the provisions of Chapter 119, Florida Statutes, Florida's Public Record Law, records maintained by the Board are open for inspection and/or copying during normal business hours at a reasonable cost for the copying.

O. Should a Claimant requesting an initial or full hearing decide to appeal any decision made by the Board, with respect to any matter considered at such hearing, the Claimant requesting an initial or full hearing will need a record of the proceedings and may need to assure that a verbatim record of the proceeding is made. The Claimant requesting an initial or full hearing will be responsible for obtaining a court reporter or otherwise making a record of the proceedings before the Board.

P. The decisions of the Board after the requested full hearing shall be final and binding.

Q. Within fifteen (15) days after making a decision at the full hearing, the Board shall enter a final order setting forth its findings and conclusions and a copy of the order shall be provided to the Claimant.

R. Judicial review of decisions of the Board shall be sought by the filing of a timely petition for writ of certiorari with the Clerk of the Circuit Court, in the appropriate county.

14.4 CONDUCT OF THE FULL HEARING

A. The Chairman shall preside over the hearing and shall rule on all evidentiary, procedural, and other legal questions that arise during the hearing. The Chairman's rulings shall stand unless overruled by a majority of the Trustees present. The Chairman shall open the full hearing by explaining the procedures to be followed.

B. The Claimant shall have the right to be represented by counsel or be self-represented. The General Counsel shall advise the Board.

C. The Claimant shall be allowed to make an opening statement not to exceed ten (10) minutes.

D. Testimony of witnesses shall be under oath or affirmation. Depositions and affidavits shall be admissible.

E. The Chairman, any Trustee, the General Counsel, the Claimant or the Claimant's counsel, upon recognition by the Chairman, may direct questions to any witness during the proceedings.

F. Either the Claimant or the General Counsel shall have the right to present evidence relevant to the issues, to cross examine witnesses, to impeach witnesses and to respond to the evidence presented.

G. The Claimant shall be permitted a closing argument not to exceed fifteen (15) minutes.

H. The Board shall deliberate and make a decision following closing argument and thereafter enter an order as provided herein.

14.5 DISABILITY CLAIMS – ADDITIONAL PROCEDURES

A. All applications for disability pensions shall be in writing. Forms for such applications may be provided by the Board.

B. Upon receipt of the application for disability, the General Counsel will provide the Claimant with a set of interrogatories or questions to be answered under oath and a medical

release authorization. Both documents will be completed by the Claimant and returned to the General Counsel.

C. Upon receipt of the properly completed interrogatories and medical release authorization, the General Counsel will request medical records from all relevant treating physicians; personnel records from the employer, copies of relevant workman's compensation records, and copies of other records deemed to be relevant to the Claim. The Board shall pay, from the System, the cost of any medical examinations required by the Board and for copies of medical records.

D. The General Counsel will, if authorized by the Board, upon receipt of the medical records from the treating physicians, schedule an independent medical examination or examinations (IME) with an appropriate independent examining physician or physicians who will be asked to render an opinion about Claimant's physical condition as it relates to the claimed disability.

E. Upon receipt of the IME report or reports from the examining physician or physicians, the General Counsel will provide all records of treating physicians, relevant workman's compensation claims records, the independent medical evaluation, and all other relevant documents to the Board for inclusion the pension file and the Board shall then schedule the initial hearing.

F. The Board shall periodically review the status of Disability Retirees who may be eligible to return to employment with the Town of Longboat Key as a Police officer or Firefighter in accordance with the following:

1. A disability affidavit on a form adopted by the Board shall be filed with the Board at least once each year. Failure to file the affidavit shall result in suspension of disability benefits.
2. Upon receipt of the affidavit, the Board shall determine whether the Disability Retiree continues to be entitled to receive disability benefits pursuant to the terms of the pension plan.
3. If the Board determines that the Disability Retiree is still disabled, then disability benefits shall continue to be paid.
4. If, after review of the affidavit, the Board is unable to determine whether the Disability Retiree continues to be disabled, the Board shall make further inquiry as necessary.
5. Such inquiry may include job availability and medical ability to perform duty. If the Board determines that a Police officer or Firefighter position appropriate for assignment may be available, and the Disability Retiree may be able to perform duty in such position, an independent medical examination or examinations shall be performed at the Board's expense by a physician or physicians selected by the Board. A job description and physical or psychological requirements necessary to perform the position shall be provided to the independent medical examiner(s).
6. After receipt of the report or reports of the independent medical examiner(s), other medical evidence and determination of job availability, the Board shall determine whether disability benefits shall continue.

G. Any Trustee who has reason to believe that a Disability Retiree may be recovered from his disability and again able to perform useful and efficient service as a Police Officer or Firefighter and who further reasonably believes that surveillance of the Retiree, including the production of video tapes of the Retiree, will help to establish the fact of recovery, may authorize the Board's General Counsel to arrange for surveillance. Surveillance of Disability Applicants may also be authorized by any Trustee who reasonably believes that such surveillance will assist the Board in determining an applicant's ability to perform useful and efficient service as a Police Officer or Firefighter. The cost of any surveillance authorized by any Trustee shall not exceed three thousand dollars (\$3,000.00).

15.1 CONFIDENTIALITY OF MEDICAL RECORDS

A. §112.08(7), Florida Statutes is an exemption of medical records and medical claims records from the public records requirements of §119.07(1), Florida Statutes and such records are thus confidential.

B. This exemption provides that the Board shall not furnish such records to any person except the employee or his legal representative without written authorization from the employee or, unless otherwise prohibited by law, it receives a subpoena issued in a civil or criminal action from a court of competent jurisdiction where the party seeking the records gave proper notice to the employee or his legal representative.

C. Since, under Government in the Sunshine, trustees can only discuss issues involving medical records of an employee in a public meeting, such an authorization should be signed by an employee prior to discussion by the Board. Upon consideration of the medical

records at a public Board meeting, such records then become subject to disclosure in the same manner as any other public record.

15.2 EXTENT OF CONFIDENTIALITY PERMITTED

119.071 (4) (d)2.(a), Florida Statutes, provides that the home addresses, telephone numbers, social security numbers, photographs and dates of birth of active or former law enforcement and firefighter personnel and; the home addresses, telephone numbers, social security numbers, photographs, dates of birth and places of employment of the spouses and children of such personnel; and the names and locations of schools and day care facilities attended by the children of such personnel are exempt from the public records provision of Section 119.07(1), Florida Statutes.

15.3 REQUIREMENT FOR MAINTENANCE OF CONFIDENTIALITY

The Board will maintain the information specified in 15.1 as confidential if it receives from a member or the Town of Longboat Key, a written request to maintain confidentiality.