

**MINUTES  
GENERAL EMPLOYEES' RETIREMENT SYSTEM  
BOARD OF TRUSTEES SPECIAL MEETING  
JANUARY 16, 2013**

Present: Chairman Steven Schield, Vice Chairman Ron McDonough, Secretary Sandi Henley, Trustees Larry Linhart, Tony Sapuppo

Absent: Attorney Lee Dehner

Also

Present: Deputy Town Clerk Jo Ann Mixon

**1. Call to Order**

Chairman Schield called the General Employees' Retirement System Board of Trustees Special Meeting to order at 10:32 a.m., in the Town Commission Chamber, 501 Bay Isles Road, Longboat Key, Florida.

**2. Public To Be Heard** - No items were presented.

**3. Foster & Foster Actuarial Analysis of Investment Return & Salary Assumptions**

Foster & Foster Actuaries and Consultants Representative Doug Lozen reviewed the actuarial analysis to determine changes in the funding requirement and liabilities associated with a reduction in the Investment Return Assumption and a change in the Salary Assumption.

Discussion was held on the following topics/issues:

- mini experience study
- 20 years of investment history and 16 years of salary history
- Exhibit B Salary Increases by Age and Service
- Salary Increases (October 1, 1996 through September 30, 2012)
- Town's contributions to the plan (properly funded plan)
- reducing the Investment Return Assumption

Mr. Lozen suggested a change in the Salary Scale to a Service based Scale as follows:

<u>Service</u>	<u>Salary Scale</u>
1 Year	25.0%
2 – 5 Years	7.5%
6 – 10 Years	5.5%
11 + Years	4.0%

The Bogdahn Group Representative John Thinnes presented a Flash Report dated December 31, 2012, and discussed Asset Allocations, Investment Returns, Fixed Income and Interest Rates.

**3. Foster & Foster Actuarial Analysis** - Continued

Discussions were held on the following topics/issues:

- 20-year forecast history
- 2012 experience (approximately 14%)
- lowest reasonable assumption rate
- lowering both the Investment and Salary Assumptions

**Trustee Sapuppo moved to change the Investment Return Assumption to 7.75% effective with the 2012 Valuation Report, and Salary Scale Assumption to Service Base (as suggested by Foster & Foster representative Doug Lozen). The motion, seconded by Trustee McDonough, carried by a 4 -1 roll call vote: Sapuppo, aye; McDonough, aye; Linhart, no; Henley, aye; Schield, aye.**

**4. Board Comments** - No items were presented.

**5. Adjournment**

**Chairman Schield adjourned the General Employees' Retirement System Board of Trustees Special Meeting at 11:55 a.m.**

*/s/Jo Ann Mixon*

Jo Ann Mixon, Deputy Town Clerk

*/s/Steve Schield*

Steve Schield, Chairman

Minutes Approved: February 20, 2013