

**MINUTES  
GENERAL EMPLOYEES' RETIREMENT SYSTEM  
BOARD OF TRUSTEES SPECIAL MEETING  
JULY 12, 2013**

**Present:** Chair Steve Branham, Vice Chair Lou Levy, Trustees Lyn Haycock, Sandi Henley, Larry Linhart

**Also Present:** Deputy Town Clerk Jo Ann Mixon

**Absent:** Trustees Steve Schield and Ken Gorman

**1. Call to Order and Pledge of Allegiance**

Chair Branham called the General Employees' Retirement System Board of Trustees Special Meeting to order at 1:30 p.m., in the Town Commission Chamber, 501 Bay Isles Road, Longboat Key, Florida, and led the Pledge of Allegiance.

**2. Swearing in of Board Members**

Deputy Town Clerk Jo Ann Mixon administered the Oath of Office to Trustees Branham, Levy, Linhart, Haycock, and Henley.

**3. Florida Sunshine Law Video**

The Trustees viewed a video entitled "The Sunshine Law -The Law in Plain English," to fulfill the Trustee's educational requirement.

**4. Introduction of Board Members**

Chair Branham requested that each Trustee make a brief statement introducing themselves to the other Board Members. Introductions were made in the following order: Henley, Linhart, Levy, Haycock, and Branham.

**5. Town Manager Remarks**

Chair Branham introduced Town Manager Dave Bullock.

Town Manager Bullock gave a PowerPoint presentation highlighting the following topics/issues:

- existing pension plan
- reconstituted General Employees' Retirement System Board of Trustees
- historical costs of the pension fund
- required Town contributions
- implementing changes to the General Employees' defined benefit plan
- the process for freezing the current plan.

Following comments, Town Manager Bullock requested authorization to utilize the services of Foster & Foster, Inc., regarding actuarial issues and impact statements for the plan changes. (See Item 15 later this meeting.)

Town Manager Bullock introduced Attorney James Linn.

## **6. Overview of Duties and Responsibilities of Board Members**

Chair Branham reviewed the Operating Rule and Procedures for the Town of Longboat Key General Employees' Retirement System dated March 25, 2009, and highlighted the education requirements, disclosure of financial interests, attendance at board meetings, appearance before the board, rules of order, Government in the Sunshine requirements, and the fiduciary insurance for Trustees.

## **7. Election of a Secretary**

**Trustee Linhart nominated Trustee Henley to serve as Board Secretary. The nomination seconded by Trustee Levy, carried unanimously by voice vote.**

## **8. Approval of Minutes**

Following comments by Chair Branham, Trustee Henley requested the minutes be amended under Item 7, New Business, to correct the spelling of the Chairman's name from Shield to Schield, and to amend the last paragraph in Item 7, as follows (additions shown as underlined text/deletions shown as ~~strikethrough~~ text):

Trustee Henley stated she would not support the request ~~advising the Town had expended funds to obtain an estimate for freezing the current plan for a study to close the plan.~~ Discussion ensued on the costs to close versus freeze the plan.

Trustee Levy requested a further amendment to the minutes, Item 5b, as follows (additions shown as underlined text/deletions shown as ~~strikethrough~~):

**Following discussion consensus was reached to approve and allow Chairman Schield to ~~executive~~ execute the provided documents.**

**Trustee Henley moved to approve the May 30, 2013, Quarterly Meeting minutes, with amendments noted herein. The motion, seconded by Trustee Levy, carried unanimously on voice vote.**

## **9. Reports**

### **a. The Bogdahn Group – 2013 First Quarter Investment Report**

The Bogdahn Group Representative John Thinnnes reviewed the role of a consultant, highlighting the investment policy statement, asset allocation, performance review, and manager evaluations, and provided a brief background of The Bogdahn Group.

Mr. Thinnnes distributed documents entitled: Selecting and Monitoring your Investment Manager, Investment Products & Asset Classes, and Performance Measurement.

**Note: Trustee Linhart left the dais at 3:21 p.m., the meeting continued with a quorum.**

Mr. Thinnnes reviewed the 2013 First Quarter Investment Report highlighting the market environment, asset allocations, financial reconciliation, comparative performance, and the compliance checklist.

**9. Reports** - Continued

**a. The Bogdahn Group – 2013 First Quarter Investment Report** - Continued

Discussions were held on the following topics/issues:

- international equity
- asset allocations
- process for manager replacement.

**RECESS:** 3:40 p.m. – 3:48 p.m.

**b. Foster & Foster – October 1, 2012 Valuation Report Review**

Foster & Foster Inc. Representative Doug Lozen provided a brief review of the firm and the role of an actuary, and highlighted the Valuation Report dated October 1, 2012.

Discussions were held on the following topics/issues:

- defined contribution plan and Trustees responsibilities
- current assumption rate (7.75%)
- valuation assumptions and methods.

**c. Human Resources Report**

Human Resources Manager Lisa Silvertooth submitted, for approval and execution, a revised Notification of Retirement Benefits for retired plan member Cynthia Shambaugh.

**Following discussion, there was consensus for Chair Branham to execute the document.**

Human Resources Manager Silvertooth submitted the following documents for informational purposes:

- Notification of Retirement Benefits for Richard Brey
- Notification of Retirement Benefits for Rita Mazza
- Notification of Retirement Benefits for Jo Ann Mixon
- Notification of Retirement Benefits for Donna Spencer
- Notification of Retirement Benefits for Belton Wall
- Active Plan Members list
- Retired Plan Members list dated July 12, 2013.

**10. Approval of Invoices**

The following invoices were submitted for approval:

|  |            |
|--|------------|
| Christiansen & Dehner – Invoice Number 232036                    | \$ 421.20  |
| The Bogdahn Group 3013 2nd Quarter Investment Consulting Invoice | \$3,875.00 |

**Following discussion, there was consensus to approve the invoices as submitted.**

Trustee Henley identified the current invoice review and approval procedure performed by the Board Secretary, and noted the Board of Trustees ratified the invoices at quarterly or special meetings.

**10. Approval of Invoices** – Continued

**Following discussions there was consensus to continue with the existing invoice review and approval procedure.**

**11. Public to Be Heard** - No items were presented.

**12. New Business**

**a. Authorization for the Town to Work with Foster & Foster, Inc. to complete Impact Statements for Ordinance 2013-15.**

Chair Branham reviewed the Town Manager's request to authorize the Town to work with Foster & Foster, Inc. to complete Impact Statements for the two versions of Ordinance 2013-15. (See Item 5 earlier this meeting.)

Attorney James Linn advised the Board on the two versions of the Ordinance highlighting the Deferred Option Retirement Benefit and Early Retirement Benefit under consideration.

**Following discussion, there was consensus to authorize Foster & Foster, Inc., to work with the Town of Longboat Key to prepare Impact Statements for the two versions of Ordinance 2013-15.**

**b. Education Requirements/Seminars/Training for the Board of Trustees**

Chair Branham stated the importance of education and explained Attorney Lee Dehner offered an on-site education seminar for trustees that would satisfy the statutory education requirement and noted that dates were being reviewed for this session.

**13. Old Business**

**Individual Retirement Benefit Calculations**

Human Resources Manager Lisa Silvertooth requested approval for Foster & Foster, Inc., to perform (prior to the plan freeze) individual retirement benefit calculations for the General Employees' Retirement System plan members.

**Following discussion, there was consensus to authorize Foster & Foster, Inc., to perform an individual retirement benefit calculation for all active General Employees' Retirement System plan members.**

**14. Attorney Comments** – Attorney Lee Dehner was not in attendance.

**15. Board Comments**

Chair Branham announced the next quarterly meeting was scheduled for August 21, 2013, at 10:30 a.m.

**16. Adjournment**

**Chair Branham adjourned the General Employees' Retirement System Board of Trustees meeting at 4:16 p.m.**

/s/Jo Ann Mixon

Jo Ann Mixon, Deputy Town Clerk

/s/Steve Branham

Steve Branham, Chairman

Minutes Approved: 08-21-2013