

**ATU LOCAL 1596 PENSION FUND  
MINUTES OF MEETING HELD  
NOVEMBER 19, 2013**

**Board Members Present:**

Frank Luna – Chairman, Union Appointee  
Blanche Sherman – Secretary, LYNX Appointee  
Tom Lapins - Union Appointee  
Donna Tefertiller - LYNX Appointee  
Ronald Morgan – Union Appointee

**Others Present:**

Nick Schiess - Plan Administrator  
Robert Sugarman – Plan Attorney  
Burgess Chambers - Investment Consultant  
Brian Anderson - Liaison  
Norm Audet – ATU Local 1596 Union President

Agenda Item	Discussion	Decision	Status	Follow-up
1.	The meeting was called to order at 9:23 A.M. in the Board Room, Lynx Central Station, 455 N. Garland Av. Orlando, FL 32801.			
2.	There were no public comments.		Closed	None
3.	Chairman Frank Luna did not express any comments. It was noted that with absence of Bert Francis, the remaining management Trustees were credited with 1½ votes each.		Closed	None
4.	<p>Burgess Chambers provided a report on the investment performance of the portfolio for the period ending September 30, 2013. The investment return for the quarter was 5.1% versus 3.4% for the index and for the fiscal year was 13.1% versus 10.6% for the index.</p> <p>Mr. Chambers reviewed the individual investment products in great detail, noting all was satisfactory.</p> <p>Mr. Chambers was questioned regarding the impact of the proposed closure of the Plan to new entrants on the construction of the investment portfolio or investment strategy and asset allocation. He advised that while there would be a shift to a more conservative position towards</p>	The Board tasked Burgess Chambers to collaborate with the Plan's Actuary to research any necessary changes in the investment strategy or asset allocation and the timing and financial impact of such	BCA	Open

	<p>the end of the Plan's life expectancy, there would be no immediate changes required.</p> <p>Mr. Chambers concluded his report with a review of the asset allocation, risk indices and long-term performance.</p>	<p>changes. It was noted that this research was one of the last steps in the analysis of the proposed Plan closure.</p>		
5.a.	<p>As a follow up to the last meeting, Robert Sugarman presented and reviewed an Order regarding the disposition of survivorship benefits of Paul Helmick. He advised that the Order supports the determination by the Board at the last meeting that Linda Helmick would be recognized as Paul Helmick's joint annuitant and Judy Helmick could appeal the Board's decision with the Appellate Division of the Circuit Court.</p>	<p>Tom Lapins made a motion to execute the Order. Donna Tefertiller seconded the motion, approved by the Trustees 4½ to 1½ with Blanche Sherman dissenting. Payment to Linda Helmick was deferred until after the time period expires for Judy Helmick to file an appeal with or the conclusion of the appeal by the Court.</p>	Open	Board
5.b.	<p>Nick Schiess provided the results of the annual enrollment in the share account and enhanced benefit options.</p>		Closed	None
5.d.	<p>As a follow up to the last meeting, the Board reviewed correspondence dated August 27, 2013 from Jeff Amrose of Gabriel, Roeder, Smith &amp; Company regarding the development and credit balance of the Plan's funding standard account.</p>		Closed	None
6.	<p>The Board reviewed the minutes of the meetings held on January 9, 2013 and May 14, 2013 and the workshop held April 18, 2013, all of which were tabled at the last meeting.</p>	<p>Donna Tefertiller made a motion to approve the meetings held on January 9, 2013 and May 14, 2013 and the workshop held April 18, 2013. Tom Lapins seconded the motion, approved by the Trustees 6-0. Minutes of the meeting held August 20, 2013 was tabled until the next meeting.</p>	Open	Board
5.f.	<p>The Board discussed the pending closure of the Plan to new entrants pursuant to the recently adopted Collective Bargaining Agreement. Robert Sugarman discussed the progress of and the implementation issues encountered in the opening on the new defined contribution plan, which was expected to be implemented on January 1, 2014.</p> <p>Mr. Sugarman discussed in great detail the outstanding issues that required solving by the bargaining parties. He then discussed the assignment of the responsibility for</p>	<p>The Board determined that the outstanding matter of the assignment of the responsibility for the additional costs</p>	Open	All

	<p>the additional costs attributable specifically to closing the Plan to new entrants.</p> <p>It was noted that while additional costs arising from closing the Plan were specifically assigned to the Agency within the Collective Bargaining Agreement, the term of the agreement was only three years. Mr. Sugarman advised that a permanent assignment of the additional liability could be attained through the use of individual agreements between the Plan members and the Agency.</p>	<p>attributable specifically to closing the Plan to new entrants was best settled by the bargaining parties and a special meeting should be scheduled between all interested parties to identify these costs.</p>		
	The meeting adjourned for the annual holiday luncheon at 11:50 A.M. and resumed at 1:50 P.M.			
7.a.	The Trustees discussed the periodic service provider review process, noting that the review of the relationship with the Plan's Actuary and Auditor was pending.	The Board tabled the matter until the next meeting in order for the Trustees to consider any potential improvements in the evaluation forms or process itself.	Open	Board
7.b.	The Board reviewed a GASB 67 implementation package dated October 10, 2013 from Gabriel Roeder Smith, which outlined the newly established reporting requirements and the associated costs of preparing the reporting.	Consideration of the GASB 67 implementation package was tabled until the next meeting in order for Blanche Sherman to review the agreement with the Plan's Actuary to determine whether it was a covered cost.	Open	Board
7.c.	Nick Schiess discussed the timetable for the distribution of annual benefit statements and active member workshops.		Open	PRC
7.d.	The Board considered an Application for Disability Benefits submitted by Victor Quinones, noting that he had been awarded Social Security disability benefits. It was also noted that his Application had been received prior to the restructuring of the disability benefits so his benefits would be governed under the prior provisions of the Plan. A discussion arose regarding the effective date of Mr. Quinones' disability benefits.	Tom Lapins made a motion to award disability benefits to Victor Quinones. Blanche Sherman seconded the motion, approved by the Trustees 6-0. Blanche Sherman made a motion to determine that the effective date of Mr. Quinones' disability benefits was December 1, 2013. Tom Lapins seconded the motion, approved by the Trustees 6-0.	Closed	None
7.e.	Nick Schiess presented quotes for the renewal of the fiduciary liability insurance.	Blanche Sherman made a motion to approve the renewal of the fiduciary liability insurance through Alterra America	Closed	None

		Insurance Company for the annual premium of \$8,103.89. Donna Tefertiller seconded the motion, approved by the Trustees 6-0.		
7.f.	The Board discussed the dissemination of information about the pension plan to active and retired members.	The Board recommended to all parties that any request for information on the pension plan from Plan members should be directed to the Plan Administrator.	Closed	None
7.g.	Robert Sugarman discussed State Statutes regarding the forfeiture of pensions by members of governmental pension plans as well as the specific conditions and situations involving forfeiture.	The Board requested research into situations that have arisen within the last five years that might warrant further review to determine whether pension forfeiture was required under State Statutes. The Board expressed that notification should be provided to the membership regarding pension forfeiture.	Open	All
7.h.	The Board discussed procuring portable electronic devices for the dissemination of pension related information to the Trustees.	The Board requested the Plan Administrator to research the costs of portable electronic devices including training.	Open	PRC
7.i.	The Board identified and discussed an unforeseen and unintended consequence of revising the disability provisions of the Plan. A discussion arose regarding the prior disability provisions, development of the new disability provisions, and offsets by the provider of short and long term disability benefits.	Donna Tefertiller agreed to research whether the provider of disability benefits would consider restructuring or removing their offset provisions and also whether LYNX would consider the reinstatement of prior disability provisions.	Open	All
8.a.	<p>The Trustees reviewed the list of disbursements dated August 20, 2013 and November 19, 2013 noting that the disbursements dated August 20, 2013 had been tabled at the last meeting.</p> <p>The Trustees considered payment of an invoice received from Dowd, Bloch &amp; Bennett in the amount of \$570.00 for pre-arbitration legal services. Tom Lapins advised that any prospective invoices would be the responsibility of the Union.</p>	<p>Blanche Sherman made a motion to approve the disbursements dated August 20, 2013 and November 19, 2013 as presented. Tom Lapins seconded the motion, approved by the Trustees 6-0.</p> <p>Donna Tefertiller made a motion to approve payment of the invoice received from Dowd, Bloch &amp; Bennett in the amount of \$570.00. Tom Lapins seconded the motion, approved by the Trustees 6-0.</p>	Closed	None

8.b.	Un-audited statements of the balance sheet and income and expense were provided to the Board.	The Trustees received and filed the financial statements.	Closed	None
9.	<p>Robert Sugarman discussed the options to renew the Plan's Tax Determination Letter. He advised that the cost would be considerably less if the Board approved re-filing immediately because much of the same information and documents could be reused from the last filing.</p> <p>Mr. Sugarman discussed a new ruling by the Internal Revenue Service requiring the Plan to recognize marriages that were legal in the country or state where they were performed, even if those marriages aren't recognized in Florida. Same-sex spouses would therefore be eligible for spousal pre-retirement death benefits payable under the Plan.</p> <p>Mr. Sugarman discussed the issues surrounding continuation of employment with LYNX in any capacity while drawing a pension benefit from the Plan. He discussed qualification and tax ramifications, noting that the continuance of service after retirement is restricted by the Internal Revenue Service. He explained that there must be a bona fide separation of service with no pre-arrangement of employment. And members who entered early retirement are limited to serving only 20% of their service before retirement. It was noted that LYNX was currently employing part-time employees after retirement. Mr. Sugarman recommended that an analysis be performed on the facts and circumstances of the re-employed retirees to be reviewed by the Board at the next meeting.</p>	<p>Tom Lapins made a motion to authorize Sugarman &amp; Susskind to immediately re-file for a Tax Determination Letter for a fee of \$5,100 plus any filing fees charged by the Internal Revenue Service. Donna Tefertiller seconded the motion, approved by the Trustees 6-0.</p> <p>The Board expressed that notification should be provided to the membership.</p> <p>The Trustees requested the Plan Administrator to conduct research into the facts and circumstances of retirees who are employed part-time and report back to the Board at the next meeting.</p>	<p>Open</p> <p>Open</p> <p>Open</p>	<p>Bob Sugarman</p> <p>PRC</p> <p>All</p>
10.a.	The Trustees reviewed the list of benefit approvals dated August 20, 2013 and November 19, 2013 noting that the benefit approvals dated August 20, 2013 had been tabled at the last meeting.	Tom Lapins made a motion to approve the benefit approvals dated August 20, 2013 and November 19, 2013 as presented. Blanche Sherman seconded the motion, approved by the Trustees 6-0.	Closed	None

10.	Nick Schiess announced that revision of the online educational video on the Plan benefits commissioned by the Board at the last meeting had been intentionally delayed because the revised disability benefits might be reconsidered. He agreed to proceed with the revisions that could be completed.		Open	Nick Schiess
11.	There were no Board member comments.		Closed	None
12.	Nick Schiess reported that Union had re-appointed Tom Lapins as Trustee. Blanche Sherman agreed to continue to serve until LYNX either reappoints her or appoints her replacement.  An election of Board officers occurred and Tom Lapins was unanimously elected as Chairman and Blanche Sherman was unanimously elected as Secretary		Open	LYNX
13.	The meetings for next year were scheduled for February 18, 2014, May 20, 2014, August 19, 2014 and November 18, 2014.		Open	All
	The meeting adjourned at 6:10 P.M.			

Respectfully submitted,

Secretary