

City of Fort Myers General Employees' Retirement System

Minutes: Meeting of January 18, 2012

1. CALL TO ORDER

Chairperson Cecile Mazzio called a meeting of the Board of Trustees for the Fort Myers General Employees' Retirement System to order at 9:05 AM. The Plan Administrator called roll. Those persons present included:

TRUSTEES

Cecile Mazzio, Chair
Leif Lustig, Vice-Chair
Donna Lovejoy, Secretary
Barbara Carlson
Richard Griep
Eloise Pennington
William Mitchell

OTHERS

Scott Baur & Linda Runkle, Pension Resource Center
Debra Emerson, City of Fort Myers
Mike Seagle, City of Fort Myers
Maria Joyner, City of Fort Myers
Holly Simone, City of Fort Myers

Those persons present recited the Pledge of Allegiance.

2. BOARD OFFICERS AND TRUSTEE ELECTION

Plan Administrator Scott Baur explained that the City Clerk and the Board's Attorney, Scott Christiansen, are not in agreement on the status of some of the Trustee appointments and term dates. Mr. Christiansen has advised that Trustees may continue to serve until their replacement has been made. Mr. Baur recommended that the Trustee terms be adjusted to match the records of the City Clerk. According to the records of the City Clerk, Donna Lovejoy's term ended November 16, 2011, and she must be re-elected by the nonunion city employees. Cecile Mazzio and Leif Lustig are both City council appointments, but both of their terms expired in 2009. Due to the passage of Ordinance No. 3603, adopted on January 3, 2012, the City Manager or his designee is currently a member of the Board. Mr. Baur advised that either Ms. Mazzio or Mr. Lustig have been replaced by Mr. Mitchell. Cecille Mazzio stated that she will resign from the Board.

Eloise Pennington made a motion to accept the resignation of Cecille Mazzio. Richard Griep seconded the motion, passed by the Trustees 6-0.

Leif Lustig recommended that new officers be elected from among the Trustees whose terms are current.

William Mitchell made a motion to elect Barbara Carlson as the Chair and Richard Griep as the Secretary. Eloise Pennington seconded the motion, passed by the Trustees 4-0.

Barbara Carlson made a motion to elect Eloise Pennington as the Vice-Chair. Richard Griep seconded the motion, passed by the Trustees 4-0.

Barbara Carlson assumed the Chair.

The Plan Administrator reviewed the Notice of Trustee Election and a summary of election procedures for Donna Lovejoy's position.

Richard Griep made a motion to approve the election procedures. Eloise Pennington seconded the motion, passed by the Trustees 4-0.

3. APPROVAL OF MINUTES

The Trustees reviewed the minutes for the meeting of December 14, 2011.

Donna Lovejoy made a motion to approve the minutes of the meeting for December 14, 2011. Eloise Pennington seconded the motion, passed by the Trustees 4-0.

4. ORDINANCE UPDATE

Scott Baur reported that the negotiated changes to the collective bargaining contract, Article 12, have not yet been approved by the Union. He advised that Scott Christiansen has drafted the Ordinance reflecting the changes, which will be submitted to the Council after the Union vote and review by the Union's attorney. He advised that the proposed changes will not permit an employee to move within the tiers of the pension plan, but will allow the employees to elect a multiplier of 1.6% or 3.0%.

5. BOARD POLICIES AND PROCEDURES

Richard Griep requested that this matter be placed upon the agenda.

6. ADMINISTRATOR REPORT: Scott Baur (Pension Resource Center)

Scott Baur reported that the annual benefit statements, prepared by Foster & Foster, have been distributed to plan members. He advised that the statements were prepared using only the current salary for employees and explained that the calculation may not be accurate, since the actual pension will be based upon the employee's highest five years of salary. Mr. Baur reported that no statements were prepared for DROP participants, since Foster & Foster provides a schedule for the entire period of DROP participation upon entry into the DROP.

Mr. Baur advised that the new investment manager, Wells Heritage, has signed management agreements, and that the transfer of funds, in the amount of \$6M, or approximately ten percent of the portfolio, will occur within a week.

Mr. Baur explained that The Resource Centers, LLC has recently completed a client survey, and requested that the Trustees review the synopsis of results included within the Board packet. He reported that overall satisfaction with the company is 4.8 out of 5.0.

Mr. Baur advised that the SSAE-16 Audit is complete, and explained that the pension plan audit is included within the CAFR, the financial report for the City of Fort Myers.

7. PLAN FINANCIALS

Mr. Baur discussed the Interim Financial Statement of Income and Expenses included within the Trustee meeting packet. William Mitchell stated that the format was too brief and expressed interest in obtaining more detail on investments. Mr. Baur responded that the format is GASB compliant, but advised that he would discuss the format with Mr. Mitchell.

The Trustees reviewed the Warrant dated January 18, 2012.

Richard Griep made a motion to approve the Warrant for accounts payable dated January 18, 2012, with the exception of an expense in the amount of \$169.00 reflected on the Christiansen & Dehner invoice for November of 2011, previously discussed and determined to be an expense of the City, not a Board expense. Eliose Pennington seconded the motion, approved by the Trustees 4-0.

The Trustees reviewed the Benefit Approvals submitted by the plan administrator. A correction to the DROP Exit of Albert Melendez, regarding the name of his beneficiary, and her date of birth, was noted.

Richard Griep made a motion to approve the Benefit Approvals, as corrected. Leif Lustig seconded the motion, approved by the Trustees 6-0.

8. OLD BUSINESS

There was no old business for discussion.

9. NEW BUSINESS

There was no new business for discussion.

10. NEXT REGULAR MEETING

The Trustees previously set the schedule for the next regular quarterly meeting on Wednesday, February 15, 2012 at 9:00 am.

11. ADJOURNMENT

There being no further business, the meeting was adjourned at 10:30 AM.

Respectfully submitted,

Richard Griep, Secretary

