

City of Fort Myers General Employees' Pension Plan

Minutes: Meeting of May 17, 2017

1. Call to Order

Chair Donna Lovejoy called a meeting of the Board of Trustees for the Fort Myers General Employees' Pension Plan to order at 9:00 AM. Ms. Lovejoy called roll, then the Pledge of Allegiance was recited.

Trustees Present

Donna Lovejoy, Chair
Eloise Pennington, Vice Chair
Rodolfo Rosso, Secretary
Mark Nuber
Saeed Kazemi

Others

Amber McNeill, The Resource Centers, LLC
Richard Manzo, The Resource Centers, LLC
Patrick Donlan, Foster & Foster, Inc.
Christine O'Neal, Foster & Foster, Inc.
Aurelio Gongora, City of Fort Myers
Debra Emerson, City of Fort Myers
Holly Simone, City of Fort Myers

Trustees Absent

Dennis Pearlman

2. Public Comment

The members of the public present had no comments.

3. Approval of Meeting Minutes – Meeting of March 15, 2017

Ms. McNeill presented the Minutes of March 15, 2017 meeting for the Board's review.

A motion was made by Ms. Pennington and seconded by Mr. Rosso to approve the minutes of the March 15, 2017 meeting. The motion passed 5 – 0.

4. b. Administrator Report – Amber McNeill, The Resource Centers

Ms. McNeill presented the Benefit Approvals for the Board's review.

A motion was made by Ms. Pennington and seconded by Mr. Nuber to ratify the Benefit Approvals, as presented. The motion passed 5 – 0.

Mr. Donlan & Ms. O'Neal entered the meeting at 9:05 AM.

A motion was made by Ms. Pennington and seconded by Mr. Rosso to add the Actuarial Experience Study Report to the Agenda. The motion passed 5 – 0.

4. Reports

a. Actuarial Experience Study – Patrick Donlan & Christine O'Neal, Foster & Foster

Mr. Donlan reported that the current Investment Rate of Return (IRR) for the Plan is 7.625%. Mr. Donlan explained the national average is below 7.625%, and performed the study looking at lower amounts, such as 7.60% and 7.50%. Mr. Donlan stated that the Plan's Unfunded Actuarial Accrued Liability (UAAL) was \$56,768,588 and how it affects the funding ratio of the Plan. Mr. Kazemi asked how much the City would need to contribute to raise the funded ratio of the Plan to 75%. Mr. Donlan explained that approximately \$18 million would be needed to reduce the UAAL and raise the funded ratio. The Board discussed various strategies to receive the funding. Ms. O'Neal reviewed the Plan's Salary Increase Assumption, which was currently 5.7%, and suggested reducing it to 5.3%. Foster & Foster will perform a study on the Plan's

Tier Contributions and present it at the June 21, 2017 Quarterly Meeting. Ms. O'Neal reviewed the Florida Retirement System's mortality table and its mandatory acceptance, by law, which all Plans must abide to. Ms. O'Neal stated that the changes in the mortality table increased the payroll contributions by 0.2%. Ms. O'Neal proposed changing the retirement age assumption for ages 62-64 to 52%, and for ages 65-70+ to 100%.

Ms. Pennington left the meeting at 10:34 AM.

Ms. O'Neal then reviewed the Plan's withdrawal assumption and disability assumption, suggesting decreases for both.

Ms. Pennington returned to the meeting at 10:39 AM.

Ms. O'Neal assured the Board that any changes made to the assumptions will be reflected on the Tier Evaluation Study for June 21, 2017. The Board discussed which assumptions they will adopt, at length.

A motion was made by Ms. Pennington and seconded by Mr. Rosso to accept the Florida Retirement System Mortality Table and the Consolidated "Fresh Start" UAAL Strategy. The motion passed 5 – 0.

b. Administrator Report – Amber McNeill, The Resource Centers, LLC

Mr. Kazemi discussed the possibility of a designee attending meetings, on his behalf, when there are scheduling conflicts. Ms. McNeill will ask the Plan's Attorney, Scott Christiansen, for details around the stipulations of City Manager's designee.

Ms. McNeill presented the Letters of Experience & Intent from the four applicants for the open Trustee position. Ms. Pennington introduced Mr. Gongora to the Board. Ms. Lovejoy suggested inviting all four applicants to the June 21, 2017 Quarterly Meeting for interviews. Ms. Pennington suggested having the selected Trustee sworn in and then take part in the June meeting, following the interviews. Ms. McNeill will contact the four applicants for their attendance.

Mr. Kazemi left the meeting at 11:11 AM.

5. Plan Financials

Ms. McNeill presented the Interim Financial Statements for January to the Board. Ms. Simone noted a large difference in Polaris Capital's reporting on the Financial Statements. Ms. McNeill will investigate the balance and report her findings at the June meeting. The Board accepted the Financial Statements, as presented.

Ms. McNeill presented the following expenses for approval from the Board:

- **Foster & Foster**
 - Invoice #10166 dated 03-15-2017 \$990.00
- **The Resource Centers, LLC**
 - Invoice #15379 dated 03-31-2017 \$4,926.91
 - Invoice #15444 dated 04-28-2017 \$5,400.61
- **Christiansen & Dehner, P.A.**
 - Invoice #30170 dated 02-28-2017 \$1,438.90
 - Invoice #30294 dated 03-31-2017 \$2,078.22
- **Bank Setup Amount**

○ Disbursement dated 03-29-2017	\$100.00
• Ellen Schaffer	
○ Programming fees on invoice #3017	\$1,800.00
• Comerica Bank	
○ Invoice #429385 dated 03-31-2017	\$12,373.53
• AndCo Consulting	
○ Invoice #21347 dated 03-31-2017	\$6,250.00
• Fred Alger Management	
○ Invoice dated 01-09-2017	\$17,973.50
○ Invoice dated 04-06-2017	\$19,977.48
• Galliard Capital Management	
○ Invoice #11077381 dated 04-19-2017	\$9,137.11
• Wells Capital Management	
○ Invoice #11076674 dated 03-31-2017	\$17,588.18
• FPPTA	
○ Trustee Registrations for June Conference	\$1,950.00
• Omni Orlando Resort	
○ Mark Nuber lodging for June FPPTA Conf.	\$540.00
○ Eloise Pennington lodging for June FPPTA Conf.	\$540.00
○ Rodolfo Rosso lodging for June FPPTA Conf.	\$540.00

A motion was made by Ms. Pennington and seconded by Mr. Nuber to approve the Warrant dated May 17, 2017, as presented. The motion passed 4 – 0.

9. New Business

The Board discussed Trustee attendance at length. Ms. Lovejoy will check with the City Clerk regarding Trustee absence and what options are available to the Board.

10. Next Meeting – June 21, 2017 at 9:00 AM.

11. Adjournment

There being no further business, a motion was made by Ms. Pennington to adjourn and seconded by Mr. Nuber. Motion passed 4 – 0.

The meeting adjourned at 11:29 AM.

Respectfully submitted,

Rodolfo Rosso, Secretary