

City of Fort Myers General Employees' Pension Plan

Minutes: Meeting of November 16, 2016

1. Call to Order

Vice Chair Eloise Pennington called a meeting of the Board of Trustees for the Fort Myers General Employees' Pension Plan to order at 9:05 AM. Ms. Pennington called roll then the Pledge of Allegiance was recited.

Trustees Present

Eloise Pennington
Mark Nuber
Saeed Kazemi
Richard Griep
Rodolfo Rosso
Dennis Pearlman
Donna Lovejoy

Others

Scott Baur, Resource Centers (By Phone)
Amber McNeill, Resource Centers
Richard Manzo, Resource Centers
Ellen Clyatt, City of Fort Myers
Debra Emerson, City of Fort Myers
Holly Simone, City of Fort Myers

2. Public Comment

There were no members of the public that wished to make comments.

3. Approval of Minutes

The Board was presented with the minutes of the September 21, 2016 meeting to review.

A motion was made by Mr. Griep and seconded by Mr. Rosso to approve the meeting minutes of September 21, 2016 as submitted. The motion passed 6 – 0.

Ms. Lovejoy entered the meeting at 9:07 AM.

4. Administrator Report – Amber McNeill, Resource Centers

a. Benefit Approvals

The Board was presented the following Benefits for approval:

- Retirement – Charles Daniels: Early Retirement, Joint and Survivor (\$1,178.12), commencing 10/01/2016
- Retirement – Jeffrey Davis: DROP Entry, Joint and Survivor (\$2,922.98), commencing 06/01/2016
- Retirement – Nancy Heberle: Early Vested Deferred, Social Security Age 64 (\$925.78 until 11/01/25, then \$301.09 thereafter), commencing 11/01/2016
- Retirement – Judith Mills: Early Retirement, Social Security Age 63 (\$545.29 until 05/01/2023, then \$125.24 thereafter), commencing 09/01/2016, 25% PLOP (\$13,704.06)
- Retirement – Joseph Tallarico: Normal Retirement, Life Annuity (\$1,228.80), commencing 10/01/2016
- Beneficiary – Ramona Clements: (James Clements), 10 Year Certain (\$693.62), Benefit Ends 08/31/2025
- Beneficiary – Sharon Smith: (David Tuckwiller), 10 Year Certain (\$1,129.84), Benefit Ends 12/30/2018
- Death – James Clements: 10 Year Certain (\$873.62), Date of Death 10/01/2016
- Death – David Tuckwiller: 10 Year Certain (\$1,329.84), Date of Death 09/05/2016

- DROP Exit – Donald Allen: Normal Retirement, Life Annuity (\$1,470.17), commences on 11/01/2016, DROP Proceeds \$11,807.11
- DROP Exit – Richard Scott: Normal Retirement, Social Security Age 66 (\$1,613.87 until 12/01/2014, then \$855.68 thereafter), commences on 11/01/2016, DROP Proceeds \$86,285.07
- Refund of Contributions – Shelly Dusek: Terminated 08/31/2016, \$4,667.23 (To Participant)

A motion was made by Mr. Griep and seconded by Mr. Pearlman to approve the Benefit Approvals as submitted. The motion passed 7 – 0.

b. RFP Proposals

Ms. McNeill presented the Board with a summary of the proposals provided by various custodians for their services. Mr. Kazemi asked if the references provided in the proposals had been reviewed. Ms. McNeill noted that they had not, but detailed The Resource Centers' experiences with each custodian. Ms. Lovejoy inquired if choosing The Resource Centers as a benefit payment group would tighten the timeline by which new retirees would receive their payments. Ms. McNeill explained that the length of time it takes to get an individual into pay status is approximately 6-8 weeks, and the custodian has little impact on that timeline. This is due to the multiple parties involved in the retirement process including the actuary, the plan member, the administrator, the custodian, the city, and other factors.

Ms. Pennington asked Ms. Simone about her experience with a separation of the custody and benefit payment portions of the plan. Ms. Simone directed the same question to Ms. McNeill, and requested additional information regarding the checks and balance between the Plan's custodian and The Resource Centers. Mr. Pearlman asked that further information be provided, summarizing the benefit payment process as well as requesting a list of suggested custodians from The Resource Centers' experience. Ms. Simone noted that auditors have need of the Trustees to have a "hands-on" approach and specific knowledgeability in regards to their investments. Mr. Pearlman suggested that a meeting be scheduled involving the auditors to learn their specific needs. The Board discussed the proposals received at length.

Mr. Kazemi asked why the Plan had been established with the current Custodian as a brokerage account and which service provider should be responsible for its maintenance. The Board requested that Mr. Baur be invited to the meeting via phone for additional questions.

Ms. Pennington left the meeting at 10:06 A.M.
Mr. Baur entered the meeting via phone at 10:06 A.M.
Ms. Pennington returned to the meeting at 10:07 A.M.

Mr. Baur suggested that the Board not make their decision off of cost alone, but to review all the operational elements of the custodian. Mr. Baur reviewed the individual custodians and explained his experience with each. Chairman Lovejoy asked if being a brokerage account puts the Plan in violation of any laws. Mr. Baur stated that he believes that there are no legal violations, but that Mr. Christiansen should verify this. Mr. Baur informed the Board that The Resource Centers would like to be involved in the RFP process due to the involvement the custodian will have in the daily operation of the Plan. The Board decided to request opinions from Mr. Nash, Mr. Christiansen, and Mr. Baur at the next meeting.

Mr. Baur left the meeting via phone at 10:32 A.M.

The Board directed Ms. McNeill to contact Mr. Christiansen for his opinion regarding the legality of the Plan being set up as a brokerage account.

c. Updated Summary Plan Description

Ms. McNeill presented the proposed updated Summary Plan Description provided by Mr. Christiansen.

A motion was made by Ms. Pennington and seconded by Mr. Pearlman to accept the Summary Plan Description as amended. The motion passed 7 – 0.

Mr. Pearlman left the meeting at 10:36 A.M.

d. Ordinance Update

Ms. McNeill presented the proposed updated Ordinance provided by Mr. Christiansen

A motion was made by Ms. Pennington and seconded by Mr. Rosso to approve the updated Ordinance as presented. The motion passed 6 – 0.

e. Fiduciary Liability Insurance

Ms. McNeill reviewed the Fiduciary Liability Insurance policy with the Board.

A motion was made by Ms. Pennington and seconded by Mr. Griep to approve the Fiduciary Liability Insurance policy as submitted. The motion passed 6 – 0.

f. FPPTA Renewal

Ms. McNeill informed the Board that the Plan's FPPTA membership was up for renewal.

A motion was made by Mr. Griep and seconded by Mr. Rosso to renew the Board's membership to the FPPTA. The motion passed 6 – 0.

Ms. McNeill presented the proposed 2017 meeting schedule for approval. Mr. Griep noted that the December 20, 2017 meeting is very late in the month and will potentially cause problems for end of year procedures.

A motion was made by Mr. Griep to accept the 2017 meeting schedule contingent upon the rescheduling of the December meeting. The Board discussed the proposed meeting dates at length. Mr. Griep withdrew his motion.

A motion was made by Ms. Pennington and seconded by Mr. Griep to accept the 2017 meeting schedule as presented. The motion passed 6 – 0.

5. Plan Financials

a. Interim Financial Statements

The Board accepted the interim financial statements and discussed the Plan's current ranking amongst other Plans in the area.

b. Warrant dated November 16, 2016

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

• Pension Resource Center	\$5,337.41
• Pension Resource Center	\$4,926.91
• Christiansen & Dehner	\$319.15
• Christiansen & Dehner	\$4,308.57
• The Bogdahn Group	\$6,250.00
• Advisory Research Investment Management	\$14,679.62
• Advisory Research Investment Management	\$2,508.13
• Eagle Capital Management	\$28,515.37
• Fred Alger Management	\$13,031.28
• Wells Capital Management	\$16,804.15
• United Members Insurance	\$18,457.00
• FPPTA Registration (Rodolfo Rosso)	\$550.00
• Rodolfo Russo for Travel Expenses	\$54.00
• Eloise Pennington for Travel Expenses	\$80.01

A motion was made by Mr. Griep and seconded by Ms. Pennington to accept the Warrant as presented. The motion passed 6 – 0.

6. Old Business

Ms. McNeill informed the Board that the "Alive and Well" Confirmation of Receipt of Benefits letters had not been sent out in time for the hearing to be scheduled for the December 7th meeting. Ms. McNeill will have these letters sent out as soon as possible and the hearing will be rescheduled for the February 15, 2017 meeting.

Ms. Clyatt left the meeting at 10:56 A.M.

7. New Business

A motion was made by Mr. Kazemi and seconded by Mr. Griep requesting that The Resource Centers provide their entire internal processes for the Board. The motion passed 6 – 0.

Ms. Lovejoy informed Ms. McNeill that proper mileage compensation for Trustee travel should be .485 cent a mile, the city's number rather than the IRS's number, which is what is currently being used.

The Trustees previously set the schedule for the next regular meeting on Wednesday, December 7, 2016.

8. Adjournment

There being no further business, a motion was made by Ms. Pennington to adjourn and seconded by Mr. Griep. Motion passed 6 – 0.

The meeting adjourned at 11:06 A.M.

Respectfully submitted,



Richard Griep, Secretary