

City of Fort Myers General Employees' Pension Plan

Minutes: Meeting of August 21, 2019

1. Call to Order

Chair Lovejoy called a special 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, Chairperson
Aurelio Gongora, Vice Chair
Rodolfo Rosso, Secretary
Dennis Pearlman
Eloise Pennington
Saeed Kazemi
Mark Nuber

Others

Amber McNeill, The Resource Centers
Scott Baur, The Resource Centers
Patrick Donlan, Foster & Foster
Holly Simone, City of Fort Myers
Ellen Clyatt, City of Fort Myers
Rebecca Little, City of Fort Myers

2. Public Comment

There were no members of the public present.

3. Approval of Meeting Minutes

A motion was made by Ms. Pennington to approve the June 19, 2019 meeting minutes and was seconded by Mr. Rosso. The motion passed 7 – 0.

4. Actuarial Report – Patrick Donlan, Foster & Foster

Mr. Donlan presented an Experience Study to the Board. The Plan has met its investment return assumption for the past 10 years, but not for the past 20, or 27 years. The Board has already chosen to reduce the assumed rate of return to 7.5% for the 2019 Actuarial Valuation. The State's assumed rate of return is currently 7.4%; their goal is to be below 7%. The average assumed rate of return for Foster & Foster's clients is 7.4%; with most Board's gradually lowering the assumed rate. The Board discussed the current assumed rate of return, and the possibility of lowering it, at length. Mr. Donlan reviewed the Plan's current assumptions for salary increases, retirement rates, withdrawals, and disabilities. All of the actuaries recommended changes would cost 2.5% of payroll to implement. Mr. Donlan recommended changing at least all other assumptions but the investment rate. The Board decided to table the experience study until the next meeting.

5. Administrator Report – Amber McNeill, The Resource Centers

The Board was presented the following Benefits for approval:

- DROP Entry – Linda Jones: Normal Retirement, Life Annuity (\$2,041.95), commencing 07/01/2019
- DROP Entry – Edgar Mena: Normal Retirement, 10 Year Certain (\$2,932.54), commencing 05/01/2019
- Retirement – John Omundsen: Vested Deferred Retirement, 100% Joint & Survivor (\$307.91), commencing 08/01/2019
- Retirement – Loida Rosado: Vested Deferred Retirement, 100% Joint & Survivor (\$1,454.23), commencing 06/01/2019
- DROP Entry – Dewayne Shaffer: Normal Retirement, 100% Joint & Survivor (\$3,731.65), commencing 04/01/2019

- Retirement – Deborah Shaw: Vested Deferred Retirement, 10 Year Certain (\$285.91), commencing 08/01/2019
- DROP Entry – Anthony St. Ange: Normal Retirement, 100% Joint & Survivor (\$1,419.82), commencing 07/01/2017
- Retirement – Lyle Warner: Vested Deferred Retirement, 50% Joint & Survivor (\$1,005.15), commencing 08/01/2019; PLOP Distribution \$43,545.69
- DROP Exit – Anthony Campitelli: 100% Joint & Survivor (\$2,361.33), commencing 08/01/2019; DROP Distribution \$149,766.23
- DROP Exit – Sandra Weightman: 100% Joint & Survivor (\$5,271.06), commencing 08/01/2019; DROP Distribution \$227,123.27
- Death – Manzool Hosein: Date of Death 05/24/2018, 10 Year Certain (Death in Service)
- Death – Herbert Neal: Date of Death 07/01/2019, 50% Joint & Survivor (\$739.78)
- Death – Valerie Taylor: Date of Death 06/07/2019, Life Annuity (\$531.66)
- Beneficiary – Ester Hosein: Beneficiary of Manzool Hosein, 10 Year Certain (\$1,283.63), commencing 6/01/2018
- Beneficiary – Shanell Hosein: Beneficiary of Manzool Hosein, 10 Year Certain (\$641.81), commencing 6/01/2018
- Beneficiary – Linda Neal: Beneficiary of Herbert Neal, 50% Joint & Survivor (\$369.89), commencing 08/01/2019
- Refund – Heather Daniel: Terminated 09/26/2018, \$966.49 (Direct)
- Refund – Damon Young: Terminated 07/17/2019, \$974.45 (Direct)

A motion was made by Ms. Pennington and seconded by Mr. Pearlman to accept the Benefit Approvals as presented. The motion passed 7 – 0.

The amended Foster & Foster contract will be discussed at the next meeting. Ms. McNeill informed the issues that have been occurring including those with the tier process, and that the Resource Centers has taken over the process from Human Resources. The Board discussed auditing the tier process back to inception. The Resource Centers will provide an explanation of the entire updated tier process to the Board at the next meeting. As per Board direction, the Resource Centers will conduct an audit of the tier process from present time, back to inception. Human resources will receive bi-weekly reports on the audit, and the Board will receive monthly updates. The 2020 meeting date will be approved at the next meeting. Mr. Baur informed the Board that due to the communication issue the Board had while Ms. McNeill was on vacation, the Resource Centers has made a staffing adjustment with reception. The Resource Centers SOC 1 Audit will be available soon, and will be forwarded to the Board. Mr. Baur will be providing a cyber memo to the Board at their next meeting regarding the Resource Centers' cyber security measures. Ms. McNeill has a scheduling conflict for the next meeting; the Resource Centers will send another Administrator to cover. The FPPTA has announced that it will be increasing its fees going forward.

Mr. Donlan left the meeting at 10:45 AM.

6. Plan Financials

a. Interim Financial Statements

Ms. McNeill presented the Interim Financial Statements to the Board. The Board accepted the statements as presented.

b. Warrant dated August 21, 2019

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

• The Resource Centers	\$7,655.50
• The Resource Centers	\$7,431.45
• Christiansen & Dehner	\$2,590.60
• Salem Trust	\$11,754.56
• AndCo	\$8,375.00
• Bernzott Capital	\$18,589.00
• Eagle Capital	\$41,696.32
• Fred Alger	\$29,590.22
• Galliard Capital	\$8,924.37
• Wells Capital	\$28,067.76
• Mark Nuber (Trustee Travel Expenses)	\$270.58
• Eloise Pennington (Trustee Travel Expenses)	\$320.45
• Rodolfo Rosso (Trustee Travel Expenses)	\$332.48

A motion was made by Ms. Pennington and seconded by Mr. Rosso to accept the Warrant dated August 21, 2019 as presented. The motion passed 7 – 0.

Ms. McNeill presented the Investment Flash Report and Salem Trust's Quarterly Report to the Board.

7. Old Business

Ms. Pennington is retiring in September; this will not impact her position on the Board.

8. New Business- None

9. Next Meeting

The next regular meeting will be held on September 18, 2019 at 9 AM.

10. Adjournment

There being no further business, a motion was made by Ms. Pennington to adjourn and seconded by Mr. Nuber. The motion passed 7 – 0.

Respectfully submitted,



Rodolfo Rosso, Secretary