CITY OF PORT ORANGE GENERAL EMPLOYEES RETIREMENT PLAN REGULAR MEETING MINUTES
May 18, 2015

ROLLCALL:
The regular meeting of the City of Port Orange General Employees Retirement Plan was called to order by Chairperson Donna Steinebach at 10:00 a.m. on May 18, 2015 in Council Chambers, City Hall 1000 City Center Circle, Port Orange, FL.

TRUSTEES PRESENT:
Chairperson Donna Steinebach, Vice Chairperson Sonya Laney, Council Member Scott Stiltner, Donnie Franklin, Tracy S. Riehm, Linda Johnson, and Peter Ferreira

ABSENT AND EXCUSED:

OTHERS PRESENT:
Pete Prior of Benefits USA, Inc., Jay Young of Fifth Third Bank; Kelly Brockstedt and Marianne Quinn of First State Trust Company; Doug Falconer of Regions Bank

PRESENTATION – CUSTODIAL SERVICES:
Chairperson Steinebach noted there are presentations for custodial services for today's meeting and suggested moving forward with the presentations.

10:15 Fifth Third Bank- Jay Young
Mr. Jay Young provided a brief report of their bank: Fifth Third Bank was founded in 1858 in Cincinnati, 2005 into Florida with First National Bankshares of Florida, they acquisition of R-G Crown bank in 2007. Florida affiliate with over $10 billion in deposits and 169 branches with $308 billion in assets under care; $160 billion in public fund custody assets; $130 billion in bank assets, Fifth Third is among the 20 largest bank holding companies in the country and one of the world's strongest. Fifth Third Bank's flat fee for City of Port Orange General Employees Pension Fund is $12,000.00 per year. Mr. Jay Young reported that Kimberly Kutlenios could not attend today's meeting as she is also presenting for new business.

Chairperson Steinebach asked if it is possible to send an email notification to the retirees advising them that their check is being deposited. Mr. Young said he would look into it but did not think that is possible. Member Laney asked if there are more than 100 retirees before the end of the 3 year contract, will there be additional fees. Mr. Jay Young said that the fee will be the same through the term of the contract.

10:40 First State Trust Company
Ms. Kelly Brockstedt introduced Ms. Marianne Quinn to the Board. Ms. Brockstedt provided a brief report of their bank. First State Trust Company is located in Wilmington, Delaware with 30 years history supporting clients with trust, custodial, and reporting services. There are over $8.5 billion in assets under custody representing about 325 institutional and personal trust clients, including about $5 billion in defined benefit/pension assets. First State Trust Company provides 24/7 access to online banking service to account information. Their flat fee for City of Port Orange General Employees Pension Fund is $17,500.00 per year.

11:05 Regions Bank
Mr. Doug Falconer provided a brief report of their bank: Regions is one of the nation's largest full-service providers of consumer and commercial banking, trust, securities brokerage, mortgage and insurance products and service with over $119 billion in assets. Regions is a member of the S&P 500 Index, trades on the NYSE under ticker RF. Regions operates almost 1,700 banking offices and nearly 2,100 ATMs across a 16 state footprint. Their flat fee for City of Port Orange General Employees Pension Fund is $25,000.00 per year. Mr. Falconer noted that the fees for custodial services will range from very low to high, depending on the provider. Chairperson Steinebach noted that the range is $12,000 to $25,000. Member Riehm asked what platform they use. Mr. Falconer said that they use SunGard, which is a very good system. Member Laney asked how long they have been doing custody. Mr. Falconer said the firm has been doing custody since the 1950's but the longest public client we have is 2001. Member Laney asked Mr. Falconer if he is familiar with the consultant and his style and he replied yes he was. Member Laney said you stated that the fee is based on the amount of managers the Plan uses. Member Laney asked if his firm would entertain a fee of $17,500. Mr. Falconer replied he would ask his boss and let the Board know. Mr. Falconer reported online access is only for the Board and the Administrator and not for the membership. Mr. Falconer will contact Benefits USA with an answer later of today regarding the fee. Mr. Doug Falconer noted that Regions Bank has won 13 new clients in the last 3 years and lost only 1 client in 5 years.

Member Stiltner noted that in his opinion he thought all three vendors should be given the opportunities to amend their fee as well. Member Stiltner ranked the banks is the following order: First State Bank, Regions Bank, and Fifth Third Bank. Member Riehm was concerned about the Regions platform and ranks First State as first. Chairperson Steinebach ranked First State as first and Regions and First Third. Member Laney ranked First State as first and not ranked the others. Member Johnson ranked Regions last and Fifth Third as seconded and First State as first. Member Franklin said he is going with Fifth Third because of price. He did like First State as first initially, and Regions last. Chairperson Steinebach noted it appears that the consensus of the Board that First State Bank ranked first with everyone. Member Stiltner moved to transition the Fund to First State contingent to Board attorney approval. Member Franklin seconded the motion for discussion. Hearing no further discussion the motion passed.

PARTICIPANT/PUBLIC PARTICIPATION:

There was no public participation at this meeting.

APPROVAL OF MINUTES

April 27, 2015 – Regular Meeting

Chairperson Steinebach asked the Members if they have any issues with the minutes, corrections, additions, or deletions. Member Laney moved to approve the minutes of April 27, 2015 Regular Meeting as written. Member Franklin seconded the motion and the motion passed.

UNFINISHED BUSINESS

Transfer from CS McKee to Principal

Chairperson Steinebach reviewed the correspondence regarding the transfer of funds with the Board. Mr. Swanson suggested that after this two million dollar transfer, he recommends closing the CS McKee account, move all remaining money to Integrity. Ms. Laney moved to approve this recommendation of closing CS McKee moving the money to Integrity. Administrator Pete Prior suggested amending the motion including language that stipulates the timing of the closing of the account by the consultant. Ms. Laney amended her motion to reflect the comments of the consultant. Ms Johnson seconded the motion and the motion passed.

FINANCIALS:

April 2015 Financials – Dave Leonard Financials

Chairperson Steinebach reviewed the financials with the Board.
The Chair noted the market value of the Fund is $30,203,419.66, a decrease of $77,112.15. Receipts for the month totaled $909,495.49 versus total disbursements of $899,848.62. Payments to retirees and other participants totaled $139,361.59. The balance as of April 30, 2015 was $853,439.12 in the Cash Account. Chairperson Steinebach reported that the yield for the month is -0.11%. Member Franklin moved to approve the financial report. Member Ferreira seconded the motion and the motion passed.

NEW BUSINESS:

Lee Miller – Normal Retirement Payment for Approval

The Board reviewed the documents reflecting the retirement payment for Mr. Lee Miller. Seeing no further discussion Ms. Laney moved to approve the retirement payment for Mr. Lee Miller. Member Franklin seconded the motion and the motion passed.

CONSENT AGENDA:
For Approval:
Warrant#103

Benefits USA, Inc. (Admin Fees 05/2015; INV #POG076)	$ 2,500.00
David G. Leonard, ASA (Actuarial Services: INV #15-020)	$ 2,675.00

Member Laney moved to approve Warrant #103. Member Ferreira seconded the motion and the motion passed.

DISTRIBUTIONS:
Voluntary Plan
For Approval:

Recardo Wilker	Total Withdrawal	$ 79,675.25

Member Franklin moved to approve the distribution for Mr. Wilker. Member Laney seconded the motion and the motion passed.

NEXT MEETING DATE:
June 22, 2015 @ 10:00 a.m. – Regular Meeting

ADJOURNMENT:
The meeting adjourned at 11:54 a.m.

Kent Donahue
Chairperson

June 22, 2015
Date