CITY OF PORT ORANGE GENERAL EMPLOYEES RETIREMENT PLAN
REGULAR MEETING MINUTES
October 24, 2016

ROLLCALL:
The regular meeting of the City of Port Orange General Employees Retirement Plan was called to order by Chairperson Linda Johnson at 2:00 p.m. on October 24, 2016 in 2nd Floor Training Room, City Hall 1000 City Center Circle, Port Orange, FL.

TRUSTEES PRESENT:
Chairperson Linda Johnson, Lynn Hadley, Council Member Scott Stiltner, Tracey S. Riehm and City Manager Michael H. (Jake) Johansson

ABSENT AND EXCUSED:
Peter Ferreira and Lori Young

OTHERS PRESENT:
Pete Prior of Benefits USA, Inc., Heather Carrizales and Theresa Gutierrez of Human Resources

PARTICIPANT/PUBLIC PARTICIPATION:
None at this time

APPROVAL OF MINUTES
September 19, 2016 – Quarterly Meeting
Chairperson Linda Johnson asked the Members if they have any issues with the minutes, corrections, additions, or deletions. Member Johansson moved to approve the minutes of September 19, 2016, meeting as written. Member Hadley seconded the motion and the motion passed.

UNFINISHED BUSINESS
2015 Audit Concerns – General Policy Manual
Mr. Pete Prior reported that as requested by Board at the last meeting, the General Policy Manual of Benefits USA internal control for City of Port Orange General Employees Retirement Plan was included in today's meeting packets for Board discussion.

Member Riehm thanked Mr. Prior, and noted that this is not a right format the Auditor requested. After further discussion, Chairperson Linda Johnson asked Mr. Prior to contact the Auditor, Mr. Zach Chalifour of James Moore and request a sample of what they are looking for. Mr. Prior said he will do so.

Member Riehm commented that there are other two issues also listed on 2015 Audit report: (1) Document retention of Personnel Files and (2) Financial Statements.

Mr. Prior reported that Benefits USA did not receive any files from the City of Port Orange General Employees' Pension Fund in October 2008 when we they were engaged to perform administrative services. He added that the Administrator's office only has the records for those members who retired after October, 2008. In the past eight years, we (Benefits USA) reported this same issue to the Auditor for each year's audit. Heather Carrizales of Human Resources reported that there are some old files in City's offsite storage facilities and that the Actuary also has some old records. Member Johansson suggested that the Administrator, Actuary and Human Resources Department work together to verify all records, to compile a complete list of employees to establish a clear system of retirees records.

Member Riehm reported that the Auditor also suggested that the Pension Fund should prepare financial reports noting that this is different than the monthly financial report provided by Actuary Dave Leonard. Mr. Prior commented that Benefits USA hired an independent Accountant to prepare similar reports for other Pension Funds, and they charge $275 per month. Member Johansson said he thought that City should combine the three Pension Funds to hire one CPA firm to do these financial reports and that the City would pay the cost. Member Johansson asked Member Riehm to find some qualified CPA firm to obtain a quote adding that he will contact the Chairpersons for the other two Pension Funds to accept this agreement.

Chairperson Linda Johnson asked to put this item on the next meeting agenda.

FINANCIALS:

September 2016 – Dave Leonard

Chairperson Johnson reviewed the financials with the Board. It was noted that the market value of the Fund is $30,631,108.95, a decrease of $51,171.64. Receipts for the month totaled $1,934,426.89 versus total disbursements of $2,130,297.02. Payments to retirees and other participants totaled $175,059.98. The balance as of September 30, 2016, was $502,158.07 in the Cash account. Chairperson Linda Johnson reported that the yield for the month is -0.14%.

Member Johansson commented that the report lists all the retirees and that he does not believe that is necessary. Chairperson Linda Johnson noted that the entire meeting packets are also posted on the City's website.

Member Stiltner moved to accept the September report as provided. Member Johansson seconded the motion and the motion passed.

NEW BUSINESS:

Discussion 2017 Meeting Schedules

Administrator Pete Prior commented that it is time to discuss the 2017 Pension Board Meeting schedule. After approval by the Pension Board, the Administrator will coordinate with the City Clerk's office to reserve the room for the year. After much discussion, Member Hadley moved to approve the 2017 Meeting Schedules, Member Stiltner seconded the motion and the motion passed.

Chairperson Linda Johnson requested that Benefit USA send out the meeting reminder by Outlook to all meeting attendees. Mr. Prior promised he would do so.

CONSENT AGENDA:

For Approval:

Warrant#118

Benefits USA, Inc. (Admin Fees 10/2016; INV #POG090)	$ 2,580.84
Integrity Fix Income Management (3rd Qtr'16 Mgmt. Fees; INV #2055)	$ 4,251.30
Southeastern Advisory (Investment Consulting Services: INV #1603)	$ 4,784.00
Highland Capital Management (4th Qtr'16 Mgmt. Fees; INV #13476)	$ 8,119.22
Lynn Hadley (Reimb. For FPPTA Trustee School Travel Expense)	$ 866.97
FPPTA (2017 Yearly Active Membership)	$ 600.00

Member Riehm moved to approve Warrant #118. Member Stiltner seconded the motion and the motion passed

DISTRIBUTIONS:

Mandatory Plan

Benjamin Rivas	Total Withdrawal	$ 682.20

Member Stiltner moved to approve the distribution for the above. Member Riehm seconded the motion and the motion passed.

REPORTS:

Comments from Committee Members

Member Hadley inquired as to the reason for the Fund Attorney not attending each Pension Board meeting. Mr. Prior answered that from his understanding, the Pension Board Meeting was set up like this since inception and it is possible that control of expenses is the major reason. Member Stiltner stated that Police Pension Fund requests that their Fund Attorney attend all meetings. Following discussion; A motion by Member Hadley authorizing Chairperson Johnson to contact the Fund Attorney to determine how much he would charge to attend the meetings in person or via phone and also to review the meeting Minutes, Member Stiltner second the motion and the motion passed.

Chairperson Linda Johnson reported that she has a copy of the buys and sells of Highland Capital noting that this is usually sent to the chair.

Administrator
Mr. Prior reported that Benefits USA mailed out the Pension Verification Letters for Fiscal Year 2017. It was noted that the mailing also included a self-addressed stamped envelope for the retiree to mail back the completed form.

Mr. Prior reported that administrator Mei Fang followed up with Ms. Janice Taylor regarding deceased retiree Recardo Wilker's remaining balance of $22,791.66. Ms. Janice Taylor confirmed that she received the letter from Fund Attorney James Loper and that she is working with a new attorney to obtain a court order to get herself appointed as the personal representative for the estate of Recardo Wilker.

NEXT MEETING DATE:
December 12, 2016 – Quarterly Meeting

ADJOURNMENT:
The meeting adjourned at 3:11p.m.

Linda Johnson
Chairperson

12/12/2016
Date