CITY OF PORT ORANGE GENERAL EMPLOYEES RETIREMENT PLAN REGULAR MEETING MINUTES
October 23, 2017

ROLLCALL:
The meeting of the City of Port Orange General Employees Retirement Plan was called to order by Chairperson Johnson at 2:01 p.m. on October 23, 2017 in the 2nd Floor Training Room, City Hall 1000 City Center Circle, Port Orange, FL.

TRUSTEES PRESENT:
Chairperson Linda Johnson, Tracey S. Riehm, Kynah Cockcroft, Scott Stiltner and Lynn Hadley

ABSENT AND EXCUSED:
Peter Ferreira and Michael H. (Jake) Johansson

OTHERS PRESENT:
Mei Fang of Benefits USA, Inc. Heather Carrizales of HR and Dusty L. Buck, Actuary

PARTICIPANT/PUBLIC PARTICIPATION:
Member Nancy Zuber, Member Thomas Zuber and Member Deborah Culpepper

APPROVAL OF MINUTES
September 25, 2017 – Quarterly Meeting
Chairperson Linda Johnson asked the Members if they have any issues with the minutes, corrections, additions, or deletions. Member Riehm said that she has a question on the second page under Election Procedures: "City will establish and administer the Nominating and Election Procedures for each election". Chairperson Linda Johnson said we are currently talking about the approval or tabling of the minutes. The Board can discuss the Election Procedures later under Old Business or Members' Reports. Member Hadley moved to approve the minutes of September 25, 2017 meeting as written. Member Cockcroft seconded the motion and the motion passed.

UNFINISHED BUSINESS
Matrix for the Vendors' Performance Review
Chairperson Linda Johnson asked the Members whether they read the DRAFT Matrix, and did they have the opportunity to select some items to bring to today's meeting for discussion.
Chairperson Linda Johnson said that she did read the Benefits USA's contract, and she thought the contract is not clear in some places, especially the fee area. Member Riehm said the she also thought the

contract is vague and general. Member Riehm suggested waiting until Mr. Prior attends the next meeting to discuss Benefits USA's contract. Administrator Mei Fang said that she will notice Mr. Prior about this issue. It was also noted that the Board would table the Matrix for the Vendors' Performance Review. Member Cockcroft moved to table the item. Member Hadley seconded the motion and the motion passed.

FINANCIALS:

September 2017 – Dusty L. Buck, Actuary

Actuary Dusty L. Buck reviewed the financials with the Board. It was noted that the market value of the Fund is $33,027,203.12, an increase of $264,057.44. Receipts for the month totaled $1,494,763.08 versus total disbursements of $1,534,394.81. Payments to retirees and other participants totaled $186,838.23. The balance as of September 30, 2017, was $984,829.20 in the Cash account. Actuary Buck reported that the yield for the month is 0.93%.

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

NEW BUSINESS:

Nancy Zuber – Early Retire Payment for Approval

Chairperson Johnson reviewed the documents reflecting the retirement payment for Ms. Nancy Zuber. Member Riehm moved to approve the retirement payment for Ms. Nancy Zuber. Member Stiltner seconded the motion and the motion passed.

Thomas Zuber – Early Retire Payment for Approval

Chairperson Johnson reviewed the documents reflecting the retirement payment for Mr. Thomas Zuber. Member Stiltner moved to approve the retirement payment for Mr. Thomas Zuber. Member Cockcroft seconded the motion and the motion passed.

Deborah Culpepper – Early Retire Payment for Approval

Chairperson Johnson reviewed the documents reflecting the retirement payment for Ms. Deborah Culpepper. Member Riehm pointed out the MPP Form has a mistake on it marked NO instead of YES for the IRA Account. Administrator Mei Fang apologized and will revise the form before sending it to the bank. Ms. Deborah Culpepper brought the revised form to the Board for approval of her payment as amended. Member Riehm moved to approve the retirement payment for Ms. Deborah Culpepper with the revised MPP Distribution Form. Member Stiltner seconded the motion and the motion passed. Member Riehm suggested that the Pension Board should invite the

Members to attend the Board Meeting during the board approval of their payment/documents assuring their accuracy.

Draft 2018 Meeting Schedules
Administrator Mei Fang provided a **Draft of the** 2018 Meeting Schedule to the Pension Board for approval. Chairperson Johnson reviewed Meeting Dates for the year of 2018 to the Board. After much discussion regarding the possibility of the Board changing from Monthly meetings to Quarterly meetings, the Board decided to keep the monthly meeting.

Member Hadley moved to accept the new 2018 Meeting Schedule. Member Stiltner seconded the motion and the motion passed. Administrator Mei Fang said that she will forward the 2018 Meeting Schedule to the City Clerk for booking the second-floor training room for 2018 Meetings and Chambers for Conference.

CONSENT AGENDA:
For Approval:
Warrant#129

Benefits USA, Inc. (Admin Fees 10/2017; INV #POG100)	$ 2,500.00
Southeastern Advisory (Investment Consulting Services: INV #1703)	$ 4,784.00
Integrity Fix Income Management (3rd Qtr. 2017; INV #2172)	$ 4,117.31
Highland Capital Management (4th Qtr'17 Mgmt. Fees; INV #16759)	$ 9,102.67
David G. Leonard, A.S.A. (Actuarial Services: INV #17-050)	$ 3,000.00

Hearing and seeing no changes, Member Stiltner moved to approve Warrant #129. Member Hadley seconded the motion and the motion passed.

DISTRIBUTIONS:
Mandatory Plan

William Lemay	Total Withdrawal	$ 3,087.09

Hearing and seeing no changes, Member Hadley moved to approve Mandatory distribution for William Lemay. Member Stiltner seconded the motion and the motion passed.

REPORTS:
Comments from Committee Members
Chairperson Johnson asked are there any reports or comments from the Board. Member Riehm commented that she has a question regarding the minutes. She referenced the second page of the minutes under Election Procedures which reads "the City will establish and administer the nominating and Elections Procedures for each election". Administrator Mei Fang commented that the reference is as stated in the Ordinance under Sec. 54-52. Administrator Fang added that the Board Members reviewed and discussed the Election Procedures at the 9/25/2017 meeting and the minutes notes comments from Member Johansson stating; the Ordinance gives clear rules for the election process however the Board did not follow the rules. Following discussion, Vice Chairperson Ferreira stated that the Election issue is now clarified and that the item should be removed from the Agenda for future meetings. It was noted that going forward for future elections, the City would facilitate and coordinate the nomination and election process.

Administrator Mei Fang introduced the Pension Fund Board Members' Election procedure history. Member Riehm noted she would like clarification of the language of 'establish and administer', asserting as to who should take the responsibility for the election, Human Resources or Benefits USA. Administrator Mei Fang said it is Benefits USA's pleasure to do everything that we can to assist our customers, but we can't ignore the City's Ordinance. Heather Carrizales of HR also provided additional history about the General Pension Board's election process. The City (HR) conducted the election in the past but that changed by the HR Director and given to Benefits USA to run the election several years ago, with the caveat that HR only provide help as needed. After further discussion, Administrator Mei Fang promised Benefits USA will continue working with HR regarding the election and the members.

Member Hadley said that she would like to see the reason for the $325.00 fee submitted by the Fund Attorney at 9-25-2017 Meeting. Administrator Pete Prior said he will forward the Attorney's correspondence to Board Members, and she did not receive it as yet. Administrator Mei Fang apologized for Pete Prior and she will remind Mr. Prior to forward the information as soon as possible when he comes back to the office.

Correspondence

Chairperson Johnson read the correspondence sent by James Robinson of First State Trust Company to Heather Carrizales noting that First State has not charged their flat quarterly fee of $4,375.00 since January 2016 when they started providing services to the Port Orange General Pension Fund. It was noted that they deducted $17, 500.00 to cover seven quarters (1st Qtr. 2016 to 3rd Qtr. 2017). It further states that in the future, the fees will be automatically deducted from the Pension Fund's Cash Account. Mr. Robinson apologized for the error.

The Board asked how could this happen and how could this be done without prior Board approval? Administrator Mei Fang stated that most custodian banks will automatically deduct the fees from the client's account, particularly if it is flat. After further discussion, the Board requested that Administrator Mei Fang contact First State Trust Company and request that they provide their quarterly invoices to be included on a warrant for Board approval. Administrator Mei Fang stated she will do so.

NEXT MEETING DATE:

December 18, 2017 – Quarterly Meeting

ADJOURNMENT:

The meeting adjourned at 3:35 p.m.

Linda Johnson
Chairperson

2/26/2018
Date