

**TOWN OF LONGBOAT KEY CONSOLIDATED RETIREMENT SYSTEM  
BOARD OF TRUSTEES QUARTERLY MEETING**

**MEETING MINUTES: August 29, 2017**

**1. CALL TO ORDER**

Chairman Steve Branham called a meeting of the Board of Trustees for the Town of Longboat Key Consolidated Retirement System to order at 9:00 AM in the Town Commission Chamber located at 501 Bay Isles Road, Longboat Key, Florida.

**Those persons present included:**

**TRUSTEES**

Steve Branham, Chair  
Sandi Henley  
Peter Cumming  
Joe Fabrizio  
Thomas Batchelor  
Lou Levy

**OTHERS**

Ron Cohen, Rice ,Pugatch, Robinson,Storfer and Cohen  
Amanda Kish, Resource Centers  
David Wheeler & Charles Mulfinger, Graystone Consulting  
Trish Granger, City Clerk

**TRUSTEES ABSENT AND EXCUSED:**

Randy Thompson  
Frank Cona  
Andrew Sawyer

All present recited the Pledge of Allegiance.

**2. PUBLIC COMMENTS**

No members of the public were present to comment.

**3. APPROVAL OF THE MINUTES**

The Board reviewed the Minutes from the May 9, 2017 meeting. Mrs. Henley addressed issues that were found in the minutes. The Board held a discussion regarding the minutes. The minutes from May 9, 2017 will be sent to Mrs. Henley for review as well as all future minutes.

**4. REPORTS**

**Graystone (David Wheeler & Charles Mulfinger)**

Mr. Wheeler gave an overview of the economic environment. Mr. Wheeler informed the Board that the Real Estate sector of the portfolio is fully funded. He stated that corporate earnings were positive as well as financials. The U.S. Equity market is up for the quarter. Mr. Wheeler stated that growth stocks outperformed value. The unemployment rate is down and he does not foresee a recession. Mr. Mulfinger reviewed the investment managers for the quarter ending June 30, 2017 stating that overall it has been a positive quarter.

Mr. Wheeler stated that APEX has underperformed since inception. Therefore he presented the Board with a Small Capitalization Growth Manager Search Summary. Mr. Wheeler gave an overview of each manager's performance in the current market as well as the long term performance. He continued to review the fees and assets of each manager. The Board held a discussion regarding the Small Capitalization Managers. The Board decided that RBC's long-term history and stable performance would be the best for the plan's portfolio.

**Lou Levy made a motion to terminate APEX and engage RBC as the Small Growth Manger for Longboat Key Consolidated Retirement portfolio. The motion was seconded by Joe Fabrizio and approved by the Trustees 6-0.**

**Administrator Report (Amanda Kish Resource Centers)**

**General Employees Election:**

Mrs. Kish addressed the General Employees election stating that there issues that had occurred with the election. The Ballot had an incorrect date in addition to the active members list not being up to date. She stated that ballot that was originally sent out will be invalid and will not be opened. A revised ballot will be sent out with an enclosed memo addressing the ballot that was sent with an incorrect date. Mrs. Kish stated that she had a conference call with the City Clerk, Plan Attorney and the Chairman. She feels confident that the issues of the election have been resolved after the conference call and a plan has been set in place for future elections.

Ms.Granger, City Clerk stood before the Board to address the issue that had occurred with the General Election. She stated that she was concerned with the list that was used for the election. Mrs. Kish explained that the retiree list is supplied from First State the custodian bank. The custodian bank holds the most update list. The Active member list is provided by the Town. Mrs. Granger stated that she is concerned about the recent Fire election that was held. She stated that the town would send out letters requesting the retirees to update their contact information. If the retirees did not respond their retirement benefits would stop. Mrs. Kish stated that those are considered alive and well statements. The custodian bank does a quarterly death search for all the retirees and maintains the most recent contact information. Mrs. Granger requested that the Board perform an audit on the recent Fire election.

**Fiduciary Liability Insurance Renewal:**

Mrs. Kish stated that the Board Fiduciary Liability Insurance policy will need to be renewed before the end of October. She informed the Trustees that the policy increased \$677.00. Mrs. Henley stated that the town would pay the wavier of recourse separately.

**Thomas Batchelor made a motion to approve the Fiducairy Liability Insurance Policy .The motion was seconded by Joe Fabrizio and approved by the Trustees 6-0.**

**Financial Statement Fee Increase Letter:**

Mrs. Kish presented the Board with the Financial Statement Fee Increase Letter. She stated that due to GAPP and GASB changes the financial statements have become more labor intensive. In order to be in compliance with the accounting principles changes, our firm needed to hire an additional CPA to review the financial statements. The fee increase letter is being sent out to all the other Board's that we provide this service for. A discussion was had regarding the Financial Fee Increase Letter. The Board requested that the letter be added to next agenda.

**Attorney Report (Ron Cohen):**

**Class Action Monitoring:**

Mr. Cohen informed the Trustees that General Employees' Pension Board currently has a class action monitoring agreement with Kessler Topaz Meltzer & Check, LLP. Mr. Cohen stated that he thought it would beneficial for the pension fund to have a class action agreement with the same firm. He reviewed what a class action monitor does.

**Lou Levy made a motion to engage Kessler Topaz Meltzer & Check, LLP after the attorney's review of the contract. The motion was seconded by Pete Cumming and approved by the Trustees 6-0.**

**Disability Update:**

Mr. Cohen updated the Board on the current disability hearing. He stated that the claimant is requesting a formal hearing and is apply for an in-line duty disability. Mr. Cohen stated that his benefit amount will not change, but his benefit could be subject to a tax exemption. Currently the attorneys are working on a disposition date for the doctor who performed the Independent Medical Examination. Mr. Cohen suggested November 30, 2017 for the informal hearing.

**5. PLAN FINANCIALS**

**Interim Financial Statement:**

Ms. Kish reviewed the interim financial statements as of July 31, 2017.

**Ratification of Warrants:**

The Board reviewed the warrants for payment of invoices dated June 7 and August 16 of 2017. Mrs. Henley stated that she would like to request a fee reduction due to the error that occurred with the General Election. Mr. Branham would like to continue this conversation with appropriate parties to discuss the invoice.

**Lou Levy made a motion to approve the warrants for payment of invoices dated June 7, 2017. The motion was seconded by Joe Fabrizio and approved by the Trustees 6-0.**

**Benefit Approvals:**

The Board reviewed the Benefit Approvals dated August 19, 2017.

**Thomas Batchelor made a motion to approve the August 19, 2017 Benefits. The motion was seconded by Pete Cumming and approved by the Trustees 6-0.**

**6. NEW BUSINESS**

The Board held a discussion regarding their assumed rate of return. They requested that Actuary to produce an experience study on the current assumed rate of return and provide alternative options.

**Thomas Batchelor made a motion to approve the experience study for the assumed rate of return and for the experience study not to exceed \$5,000.00. The motion was seconded by Joe Fabrizio and approved by the Trustees 6-0.**

**7. OLD BUSINESS**

The Board reviewed the final signed copy of the Investment Policy Statement.

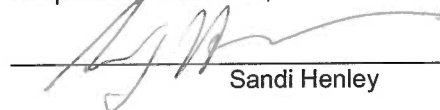
**8. BOARD COMMENTS**

Mrs. Henley stated that it was a pleasure serving on the Board. She stated that she was unhappy about the errors that occurred with General Election.

**9. ADJOURNMENT**

There being no further business, Chairman Branham adjourned the discussion at 12:00 p.m.

Respectfully Submitted,



Sandi Henley