

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

**MEETING MINUTES: February 26, 2018**

**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 3:00 PM in the Town Conference Room located at 501 Bay Isles Road, Longboat Key, Florida.

**Those persons present included:**

**TRUSTEES**

Steve Branham, Chair  
Sandi Henley, Secretary  
Joe Fabrizio  
Thomas Batchelor  
Andrew Sawyer  
Frank Cona  
Pete Cumming  
Rabbi Kasdan

**OTHERS**

Brent Chudachek , Rice, Pugatch, Robinson, Storfer and Cohen  
David Wheeler, Graystone Consulting  
Amanda Kish & Richard Manzo , The Resource Centers  
Doug Lozen, Foster & Foster  
JoAnn Mixon, Town Clerk

**Unexcused Absent**

Randy Thompson

**2. PUBLIC TO BE HEARD**

No members of the public were present to comment.

**3. APPROVAL OF THE MINUTES**

**Pete Cumming made a motion to approve the Minutes dated November 16, 2017. The motion was seconded by Joe Fabrizio and approved by the Trustees, 7-0.**

**Joe Fabrizio made a motion to approve the amended Minutes dated November 30, 2017. The motion was seconded by Frank Cona and approved by the Trustees, 7-0.**

**4. OATH OF OFFICE**

Deputy Town Clerk JoAnn Mixon read the Oath of Office for Rabbi Kasdan.

**5. REPORTS**

**2017 Annual Valuation (Doug Lozen, Foster & Foster)**

Mr. Lozen appeared before the Board to present the October 1, 2017 Actuarial Valuation Report. Mr. Lozen briefly reviewed the role of the Actuary and the report, which establishes the funding requirement for the Town. Longboat Consolidated Retirement is a closed plan and most of the future experience will result from mortality and investment experience.

Mr. Lozen stated that this years' experience was less favorable than expected. The primary sources of experience were the four year smoothing average along with the net investment related expense that fell short of the 7.00% assumption. He informed the Board that he had expected more retiree mortality. The funding requirements have increased due to the adoption of the state mandated mortality assumption. The Town has access to prepaid contributions that can be used to pay down

the unfunded liability. Mr. Lozen stated that this year's Town required contribution will be \$3,393,342.00 vs. \$3,283,591.00.

Mr. Lozen reviewed the unfunded liability for the legacy Police Plan. He stated that unfunded accrued liability as of October 1, 2017 is \$5,110,853.00 with a funded ratio of 58.1%. Mr. Lozen briefly reviewed the legacy Fire Plan stating the unfunded accrued liability as of October 1, 2017 is \$14,408,777.00 with a funded ratio of 54.4%. Mr. Lozen stated that the legacy general plan's unfunded accrued liability as of October 1, 2017 is \$4,518,662.00 with a funded ratio of 70.6%. Mr. Lozen stated that the plans unfunded liability will see downward movements. The unfunded liability estimate of payoff is 2030.

Mr. Lozen reviewed the Plans rate of return which is 7.00% he recommended that within the next few years the investment return assumption should be lowered to 6.50%.

**Joe Fabrizio made a motion to approve the 2017 Annual Valuation. The motion was seconded by Andrew Sawyer and approved by the Trustees, 8-0.**

#### **Investment Consultant Report (David Wheeler, Graystone Consulting)**

Mr. Wheeler presented the Quarterly Investment Report to the Board and reviewed the market environment. Mr. Mulfinger reported that the Fund totaled \$36,188,898.00 as of the December 31, 2017. He noted that there was a gain, net of fees or \$1,192,873.00. He stated that the quarterly return was 3.57%. Mr. Wheeler provided a detailed review of the Fund's Investment Managers.

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

##### **Ethics Training**

Mrs. Kish reminded the Board that New Trustees are required to take the Ethics training .She explained that they can contact the Town Clerk JoAnn Mixon for the training video.

##### **2018 Conference List**

Mrs. Kish presented 2018 conference list. She stated that if any Trustees are interested in attending any of the conferences they may contact her for additional information. The Chairman stated that the plan has budgeted funds for Trustee education.

#### **Attorney Report (Brent Chudachek ; Rice, Pugatch, Robinson, Storfer and Cohen)**

##### **Final Judgement:**

Mr. Chudachek presented the Board with the Final Judgement. He reviewed the document and informed the Board that it has been sent to the claimant and his counsel.

Mr. Chudachek informed the Board of proposed Senate Bill 980. He stated that SB 980 will require the actuary to recommend a assumed rate of return. If the Board does not comply with the recommendation a letter must be sent along with the valuation with an explanation.

## **6. PLAN FINANCIALS**

##### **Interim Financial Statement:**

Mrs. Kish reviewed the interim financial statements as of December 30, 2017.

##### **Ratification of Warrants:**

Mrs. Kish presented the Warrant for the Board's review.

Thomas Batchelor made a motion to approve the warrants for payment of invoices dated January 3, 2017. The motion was seconded by Sandi Henley and approved by the Trustees 7 – 0.

**Benefit Approval**

The Board reviewed the February 26, 2018 benefit approval. Mrs. Kish informed the Board that Mr. Silverio's retro-payment was processed for his non-line of duty benefit. The actuary had to recalculate his in-line of duty disability benefit.

Thomas Batchelor made a motion to approve the February 26, 2018 Benefits as presented. The motion was seconded by Joe Fabrizio and approved by the Trustees 7– 0.

**7. NEW BUSINESS**

The Board held a discussion regarding Trustee attendance. The Board directed Mrs. Kish to contact Trustees who have not been recently attending meetings to see if they wish to remain on the Board or resign.

The Board requested Mrs. Kish to produce an annual filing calendar. Mrs. Kish stated that she would provide a draft of the annual filing calendar at the next meeting for the Board review.

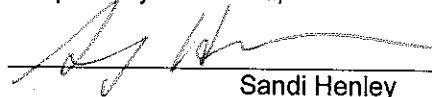
The Board suggested holding an educational workshop for the Trustee and other local pension Boards at Town hall a discussion ensued.

**8. BOARD COMMENTS**

**9. ADJOURNMENT**

There being no further business, Chairman Branham adjourned the discussion at 4:45PM.

Respectfully Submitted,



Sandi Henley