

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

MEETING MINUTES: February 20, 2019

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 Conference Room located at 501 Bay Isles Road, Longboat Key, Florida.

Those persons present included:

TRUSTEES

Steve Branham, Chair
Sandi Henley, Secretary 9:25 AM
Joe Fabrizio
Thomas Batchelor
Frank Cona
Rabbi Kasdan
Andrew Sawyer
Christopher Skinner

OTHERS

Ron Cohen, Rice, Pugatch, Robinson, Storfer and Cohen
David Wheeler & Charles Mulfinger, Graystone Consulting
Amanda Kish, The Resource Centers
Doug Lozen- Foster & Foster (Attended by Phone)

Unexcused Absent

Pete Cumming

2. PUBLIC TO BE HEARD

No members of the public were present to comment.

3. APPROVAL OF THE MINUTES

Rabbi Kasdan made a motion to approve the Minutes dated November 16, 2018. The motion was seconded by Frank Cona and approved by the Trustees, 8-0.

4. REPORTS

2018 Annual Valuation (Doug Lozen, Foster & Foster)

Mr. Lozen called into the meeting to present the October 1, 2018 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 frozen 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. This loss was partially offset by greater than expected mortality for Police and General employee's portion of the consolidated plan. 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 \$3,418,474.00 vs. \$3,393,342.00

Mr. Lozen reviewed the unfunded liability for the legacy Police Plan. He stated that unfunded accrued liability as of October 1, 2018 is \$4,660,843.00 with a funded ration of 61.0%. Mr. Lozen briefly reviewed the legacy Fire Plan stating the unfunded accrued liability as of October 1, 2018 is \$14,039,560.00 with a funded ration of 56.3%. Mr. Lozen stated that the legacy general plan's unfunded accrued liability as of October 1, 2018 is \$3,918,592.00 with a funded ration of 73.3%. Mr.

Lozen stated that the plans unfunded liability will see downward movements. The unfunded liability estimate of payoff is 2030.

Investment Consultant Report (David Wheeler & Charles Mulfinger Graystone Consulting)

Mr. Wheeler presented the Quarterly Investment Report to the Board and reviewed the market environment. Mr. Mulfinger reported that the Fund totaled \$33,136,020.00 as of the December 31, 2018. He noted that there was a loss, net of fees or \$-49,015.00 He stated that the quarterly return was -8.79%. Mr. Wheeler provided a detailed review of the Fund's Investment Managers.

Mrs. Kish informed the Board of an orphan account that has \$149,000.00 available to reinvestment into the portfolio. The account may have been original set-up for DROP distributions, but has not been touched since the plan merger.

Sandi Henley made a motion to close the orphan account and invest the fund into the portfolio. The motion received a seconded by Frank Cona and approved by the Trustees, 8-0.

Administrator Report (Amanda Kish, Resource Centers)

2019 Conference List:

Ms. Kish presented 2019 Conference List to the Board. She informed the Trustee's if they are interesting in attending any of the listed conference they can contact her directly and she will make the arrangements.

Mileage Rate Change:

Mrs. Kish informed the Board that the mileage rate has increase 3.5 cents from the 2018. The 2019 Mileage rate is .58 cents.

Alive and Well Memo:

Mrs. Kish presented the Live and Well Memo. She informed the Board that her firm is capable of handling the letters and the tracking of the alive and well process, but there would be a project fee. The Board held brief discussion. They requested Mrs. Kish to reach out to the plan custodian to see if they are capable of doing the alive and well process. The Board requested Mrs. Kish to come back with an estimated project fee.

Attorney Report (Ron Cohen ; Rice, Pugatch, Robinson, Storfer and Cohen)

Final Judgement:

Mr. Cohen informed the Board that he has produced the final judgement for William Fortner. He will need the chairman to execute the document prior to sending it to the Mr. Fortner

Andrew Sawyer made a motion to approve the Final Judgement for William Fortner. The motion received a seconded by Frank Cona and approved by the Trustees, 8-0.

5. PLAN FINANCIALS

Interim Financial Statement:

Mrs. Kish reviewed the interim financial statements.

Ratification of Warrants:

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

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Sandi Henley moved to approve the warrant for payment of invoices dated January 2, 2019 and February 20, 2019. Thomas Batchelor seconded. Motion carried 8-0.

6. NEW BUSINESS

Mrs. Kish informed the Board of an overpayment of benefits for Roland Carroll, who passed away in October, 2017 and continued to receive benefits through October, 2018. The Plan must be reimbursed for the overpayment. She presented the letter from First State explaining how the overpayment occurred. Discussion ensued regarding the best way to resolve the issue. Mr. Cohen had a discussion with the HR Manager Ms. Silvertooth and she will contact the deceased retiree's spouse to discuss options for repayment. Mr. Cohen suggested some kind of payment plan. A letter will be sent to the retiree's widow asking for a repayment or an explanation as to why she did not inform the Plan of the death.

BOARD COMMENTS

7. ADJOURNMENT

There being no further business, Chairman Branham adjourned the discussion at 11:00 AM.

Respectfully Submitted,



Sandi Henley