Members Present: Nadine Zilke, Art Lee, Scott Kaplan, James Reus, Scott Stoll, Donna Cooley, and Brian Liotta

Members Absent: None

Plan Attorney: Scott Christiansen

Plan Consultant: Dave West, AndCo Consulting

Investment Managers: None

Plan Actuary: Doug Lozen, Foster & Foster

Plan Administrator: Shelly Baumann

City Staff: City Manager, William Sturegon, Finance Director, Wendy Colozo, and Gloria Emanuel

CALL TO ORDER/ ROLL CALL

Chairman Nadine Zilke called the meeting to order at 1:06 p.m. There was a quorum with seven (7) members present.

HEAR THE AUDIENCE Items requiring a vote will be heard at a later date - None.

APPROVAL OF MINUTES – February 12, 2019 quarterly meeting, and special joint board meeting of April 2, 2019.

The minutes of the regular quarterly meeting of February 12, 2019, and special joint board meeting of April 2, 2019 were presented for approval.

Member Kaplan made a motion to approve the minutes of the quarterly meeting of February 12, 2019, and special joint board meeting of April 2, 2019; Member Cooley seconded the motion, which passed unanimously.

CONSENT AGENDA

Approval of Payments:

- Christiansen & Dehner, P.A $133.34 (legal service for January 2019), $3,009.91 (legal services for February 2019), $44.20 (legal service for March 2019),
CONSENT AGENDA Cont.

Approval of Payments:

- Shelly Baumann – Pension Administration Services, LLC $5,400.00 ($1,800 per month for February, March and April 2019)
- Shelly Baumann – Pension Administration Services, LLC $34.40 (reimbursing for postage)
- Fifth Third - Custodial Fees: R&D account - $113.25; Mutual Funds (EuroPacific, Templeton) - $1,744.95; Dana - $752.97; Gabelli - $393.77; Garcia Hamilton - $902.34 (1st quarter, 2019 - deducted from account)
- Dana Investment Advisors (1st quarter, 2019) - $13,823.63
- GAMCO Asset Management (1st quarter, 2019) - $9,844.00
- Garcia Hamilton & Associates (1st quarter, 2019) - $7,560.51
- American Realty (1st quarter, 2019) – $7,401.69
- Intercontinental – 1st quarter 2019) – deducted from account - $5,104.00
- AndCo Consulting (formerly The Bogdahn Group) (1st quarter, 2019) - $6,750.00
- FPPTA – 2018 CPPT Re-Certification for Donna Cooley - $30.00
- FPPTA – 2018 CPPT Re-Certification for Nadine Zilke - $30.00
- James Reus – reimburse for credit card payment of 2018 FPPTA Re-Certification - $30.00

Retirements, Refund of Contributions, DROP: Entry to, Rollover, or Refund

- Gregory Gibbs, refund of member contributions effective February 5, 2019 - $497.97.
- Wade Scianimanico, refund of member contributions effective February 5, 2019 - $375.63.
- Justin Bradtmuller, refund of member contributions effective February 8, 2019 - $939.53.
- Savino Savilla, refund of member contributions effective March 8, 2019 - $394.57.
- Luis Ortiz, refund of member contributions effective March 8, 2019 - $382.53.

Retirements, Refund of Contributions, DROP: Entry to, Rollover, or Refund

- Scott Stoll, entered the DROP effective May 1, 2019 – He selected a benefit for his Lifetime with 120 Payments Guaranteed - $3,751.00 per month
- Barbara Workman refund member contributions effective April 4, 2019 - $409.23.
- Christina Fullwood, refund of member contributions effective April 8, 2019 - $77.88.
- Ricardo Kisner, refund of member contributions effective April 8, 2019 - $1,329.98.
- Gregory Decker, commencement of normal retirement effective June 1, 2019 – He selected a benefit of his Lifetime with 100% continued to Joint Annuitant with pop-up - $3,366.01 / $3,366.01 / $3,653.75 per month.
- Gregory Decker, refund of DROP account balance effective June 1, 2019 – 20,751.26.
CONSENT AGENDA Cont.

Approval of Payments:

Deposits:
- $200.00  Thomas Newman for a special calculation to change his Joint Annuitant
- $183.48  Pfizer Securities Litigation Settlement
- $200.00  Ernest McDaniel – benefit calculation
- $550.42  Halliburton Class Action Settlement
- $200.00  William Sturgeon – military buyback calculation

Member Cooley made a motion to approve the Consent Agenda; Member Lee seconded the motion, which passed unanimously.

ACTUARY PRESENTATION

Mr. Doug Lozen with Foster & Foster addressed the Board to discuss the COLA Ordinance and impact statement. The impact statement shows that the city’s contribution will increase by 1% of p/r. Currently the city is over funding this Plan by putting in 18% instead of the 14% that is required. Member Cooley stated that the reason for the higher contribution is that the prior finance director used to stop contributions when funds were established to cover what was needed. The old rate is still being used. Mr. Lozen stated that the city would not need to actually put in additional funds and that the cost of the COLA could be absorbed by the current over funding.

INVESTMENT REPORT - AndCo Consulting - Report for quarter ending March 31, 2019

Mr. Dave West with AndCo Consulting was in attendance and addressed the Board to present the report for quarter ending March 31, 2019.

Mr. West reported that the concerns that drove the equity market down in the last quarter are no longer a concern. The Plan began with $54,655,523 and ended with $59,391,387 for a total fund return on investment for the quarter of 337,823. Earnings as a percentage for the quarter were 8.62% and 0.56% for the FYTD.

Mr. West believes that GAMCO should be put on watch and he reported that AndCo is looking into this. He then stated that for DANA the one (1) year number was very bad; however the three (3) and five (5) year numbers were better. Mr. West noted that the Board recently moved 3,000,000 out of DANA and he believes that they need to be put on watch as well. Mr. West will be able to suggest replacements at the next Board meeting if it becomes necessary to replace GAMCO and/or DANA. Mr. West had no recommendations regarding any changes to the asset allocation at this time.
Attorney’s Report – Scott Christiansen

- Attorney Christiansen reminded the Board that their Financial Disclosure Forms are due by July 1, 2019.
- Attorney Christiansen informed the Board that an Ordinance for IRS changes was adopted by the City on April 25, 2019.
- Attorney Christiansen reported that there were no legislative changes this year that would affect the General Plan.
- Attorney Christiansen informed the Board that he has revised form PF-2 “New Employee’ Acknowledgement of Plan Membership” to contain a signature line as requested.

Member Cooley then asked the attorney a question regarding employees who have been in the DROP and then get re-hired or go from the Police & Fire Plan to the General if there is a specific amount of time that the member must be gone from employment prior to being re-hired. Attorney Christiansen stated that for the General Employees’ Plan if you are 62 you can exit the DROP and get re-employed immediately, such as being terminated on Friday and re-hired on Monday.

Member Lee asked if you can be re-hired to your previous position to which Attorney Christiansen said yes you can be as long as you are 62. If the employee is younger than 62 then their benefit payments would stop and they would begin accruing a new benefit. Benefit payments would resume once they become 62.

Member Cooley asked what the Plan can do to eliminate some of the vagueness in the language. She also asked if there needs to be a record of the employees’ termination to which Attorney Christiansen stated that is for the city to take care of.

Plan Administrator’s Report – Shelly Baumann

- Administrator Baumann informed the board that a letter was received from retiree Kay Kerstetter requesting that a COLA be approved. Ms. Baumann sent Ms. Kerstetter a reply letting her know that the Board did submit a proposed ordinance to the city of adoption; however council has not taken any action at this time.
- Administrator Baumann notified the Board that Retiree Walter C. Gantz passed away February 22, 2019. We were notified in March by the death audit from Fifth Third. Mr. Gantz had a benefit for his lifetime only. Fifth Third was notified to stop all future payments and to pull back the March 1, 2019 payment which they were able to do.
- Administrator Baumann notified the Board that Retiree Charles Fields passed away April 17, 2019. His benefit was for his lifetime only. Fifth Third was notified to stop all future payments beginning with the May 1, 2019 payment.
- Administrator Baumann notified the Board that a letter was sent to Keith Brinkman declaring an expected rate of return.
- Administrator Baumann notified the Board that Ordinance No. 2019-18 was sent to Keith Brinkman along with a letter of no impact.
- Administrator Baumann notified the Board that a proposed Ordinance and Impact Statement for a one-time COLA was sent to Keith Brinkman to review prior to adoption.
Chair Report, Other Board Members

The Board discussed possible changes to the election process to offer the option of providing a biography of the candidate to accompany the ballot. Attorney Christiansen stated that language could be added to the Operating Rules that each candidate shall be encouraged to provide their background.

*Member Kaplan made a motion to add language to Section 1.7 of the Operating Rules that "each candidate shall be encouraged to provide a brief statement of their qualifications; Member Zilke seconded the motion, which passed on a 6 to 1 vote. Ayes: Zilke, Cooley, Kaplan, Stoll, Lee, and Reus. Nays: Liotta.*

The Board then began to discuss a proposal from the city manager that the city hire someone to be the Plan Administrator at no cost to the plan. Member Lee asked if the plan administrator is hired by the city then could they request them to do other work to which Attorney Christiansen stated that yes they could. Attorney Christiansen then said that the Board always has the right if they are not happy with the employees' performance to terminate them and go out and hire someone else.

City Manager William Sturegon was asked to provide a resume of the person that the city is looking at putting into the plan administrator position. Mr. Sturegon stated that he could do that and he would be back for the Joint Board meeting later today at 3:00 pm.

ADJOURNMENT - There was no further business, and the meeting was adjourned at 2:25 p.m.

Respectfully Submitted:  
Siera Feketa  
Plan Administrator

Approved:  
Scott Kaplan, CPPT  
Vice Chairman