

Regular Meeting Minutes  
Board of Trustees of the City of Winter Garden  
Pension Plan for General Employees  
March 5, 2013

A **REGULAR MEETING** of the Board of Trustees of the Pension Plan for General Employees was called to order by Chairman Theo Graham at 3:30 p.m. in Conference Room 213 at 300 West Plant Street, Winter Garden, Florida 34787-3009.

**PRESENT:** Chairman Theo Graham, Vice-Chairman Mark Griffith, Secretary Marguerite Kennington (arrived 3:54 p.m.), Board Member Kimberly Leisure, Board Member Joseph Conn, Grant McMurry of ICC Capital Management, Inc., Tyler Grumbles of Bogdahn Consulting, L.L.C., Scott Christiansen of Christiansen & Dehner, P.A., Douglas Lozen of Foster & Foster, and Laura Zielonka and Brian Strobeck of City Staff

**APPROVAL OF MINUTES**

Regular Meeting Minutes of December 4, 2012. **Motioned by Vice-Chairman Griffith to approve the minutes. Seconded by Board Member Conn and carried 4-0.**

**INVESTMENT REPORTS**

Grant McMurry of ICC Capital Management, Inc. presented his firm's Investment Review for the Quarter Ending December 31, 2012. The ICC portfolio had a market value of \$11.6 million as of December 31, 2012. Returns were 2.77% for the quarter, 11.52% fiscal year to-date, and an annualized 5-year return of 2.83%. The market value allocation of the ICC portfolio was 39.7% investments in fixed income, 41.8% in Value Equities, 15.9% in ADRs, and 2.7% in Cash & Equivalents as of December 31, 2012.

Tyler Grumbles of Bogdahn Consulting, L.L.C. presented his firm's Investment Performance Review for the Period Ending December 31, 2012. The fund experienced net (outflows) of (\$150,653) and investment gains of \$146,206, resulting in an ending balance of \$18,439,379 as compared to the previous quarter of \$18,443,826. The fund had a gain of 0.67% for the quarter compared to a policy index gain of 1.29%. For the trailing 3 years, 5 years, and since inception, the fund has had annualized returns of 8.07%, 1.75%, and 4.76%, respectively.

**OLD BUSINESS**

There was no old business for discussion.

**NEW BUSINESS**

The Board discussed the benefit calculation and benefit selection for Gary R. West. **Motioned by Vice-Chairman Griffith to approve the benefit calculation and benefit selection for Gary R. West. Seconded by Board Member Leisure and carried 4-0.**

Secretary Kennington arrived at 3:54 p.m.

The Board discussed an Application for Service Retirement Benefits submitted by Gilberto Fernandez. Mr. Fernandez was previously approved for a disability retirement. However, due to benefit offsets for Social Security Disability and Worker's Compensation, his benefit was reduced to zero for the first ten years. Thus, it is more beneficial for him to pursue an early retirement rather than the disability retirement. Since he had not yet drawn a payment under the disability retirement, Mr. Christiansen stated that it would seem to be permissible to allow Mr. Fernandez to withdraw his application for the disability retirement and reapply for an early retirement. **Motioned by Vice-Chairman Griffith to allow Mr. Fernandez to withdraw his Application for Disability Retirement and reapply for early retirement benefits. Seconded by Board Member Conn and carried 5-0.**

The Board discussed **Resolution 13-01**: A RESOLUTION OF THE BOARD OF TRUSTEES OF THE CITY OF WINTER GARDEN PENSION PLAN FOR GENERAL EMPLOYEES; DESIGNATING A RECORDS MANAGEMENT LIAISON OFFICER AND ADOPTING A RECORDS RETENTION SCHEDULE. Chairman Graham read Resolution 13-01 by title only, which designates Laura Zielonka as the Board's RMLO and adopts the State of Florida General Records Schedule GS1-SL as the Board's records retention schedule. **Motioned by Secretary Kennington to approve Resolution 13-01. Seconded by Vice-Chairman Griffith and carried 5-0.**

Mr. Lozen presented the Actuarial Valuation as of October 1, 2012, showing an increase in employer contributions from 11.31% of payroll for fiscal year 2013 to 13.47% of payroll for fiscal year 2014. **Motioned by Board Member Conn to approve the Actuarial Valuation. Seconded by Board Member Leisure and carried 5-0.**

The Board discussed and determined the expected annual rate of investment return for the next year, the next several years, and the long-term thereafter to be 7.25%. **Motioned by Vice-Chairman Griffith to approve the expected investment rate of return of 7.25% for the next year, the next several years, and the long-term thereafter. Seconded by Board Member Leisure and carried 5-0.**

The Board discussed the return of contributions to non-vested member Michael R. Givens. **Motioned by Board Member Leisure to approve the return of contributions to non-vested member Michael R. Givens. Seconded by Vice-Chairman Griffith and carried 5-0.**

#### **MATTERS OF THE CHAIRMAN AND BOARD MEMBERS**

There were no matters of the Chairman and Board Members.

#### **ATTORNEY'S REPORT**

Mr. Christiansen inquired whether Vice-Chairman Griffith had been reappointed by the City Commission. Vice-Chairman Griffith stated that he had been reappointed.

Mr. Christiansen stated that there are some new IRS code revisions that will need to be incorporated into the Plan in the near future to maintain the plan's tax qualification and requested that the Board authorize him to prepare an Internal Revenue Code compliance ordinance. **Motioned by Board Member Conn to authorize Mr. Christiansen to prepare an Internal Revenue Code compliance ordinance. Seconded by Secretary Kennington and carried 5-0.**

Mr. Christiansen stated that there is pending state legislation affecting fire and police plans, but none for general plans of significance.

Mr. Christiansen stated that the Circuit Court affirmed challenges to the Florida Retirement System's recently implemented 3% employee contribution and reduced cost of living adjustments. However, the Florida Supreme Court reversed the Circuit Court decision.

Mr. Christiansen stated that there is proposed legislation to close the Florida Retirement System Defined Benefit Plan to new employees effective January 1, 2014.

### **BILLS AND EXPENSES FOR APPROVAL**

The following expenses were presented to the Board for Approval:

- A. Christiansen & Dehner, P.A. statement dated October 31, 2012 in the amount of \$101.40
- B. Christiansen & Dehner, P.A. statement dated November 30, 2012 in the amount of \$33.80
- C. Bogdahn Consulting, L.L.C. Invoice 8540 dated December 14, 2012 in the amount of \$4,375.00
- D. ICC Capital Management Invoice 57532873 dated December 31, 2012 in the amount of \$11,618.26
- E. Christiansen & Dehner, P.A. statement dated December 31, 2012 in the amount of \$759.85
- F. Sawgrass Asset Management statement dated January 8, 2013 in the amount of \$8,301.00
- G. Salem Trust Company statement dated January 15, 2013 in the amount of \$3,172.14

**Motioned by Board Member Leisure to approve the bills and expenses as presented. Seconded by Vice-Chairman Griffith and carried 5-0.**

### **ADJOURNMENT**

The meeting was adjourned at 4:25 p.m.

  
Secretary

  
Chairman