

## GENERAL EMPLOYEES' RETIREMENT SYSTEM

### TRUSTEE BOARD MEETING

July 27, 2016

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Chairman Roberts called the board meeting to order. In attendance were Trustee Alicia McMillian, Trustee Terry Anderson, Pension Attorney Ron Cohen; David Kelly, Bowen Hanes and Deputy Clerk Brenda Wiggins. Trustee Commissioner Tommy Chastain and Mayor Commissioner Danny Nugent were absent.

Chairman Roberts entertained a motion to approve the minutes of the April 27, 2016 meeting.

Trustee Anderson made the motion to approve the minutes as published, second by Trustee McMillian; passed 3-0.

Chairman Nugent entertained a motion to approve the warrants for April, May and June 2016.

Trustee McMillian made the motion to approve the warrants, second by Trustee Anderson; passed 4-0.

Mr. Kelly presented the evaluations from last week. Total returns fiscal year to date is 14.5% double of the bench mark.

The portfolio summary shows market values Cash/Money Market 4.9; Fixed Income 19.9; Common Stock 75.2, which is over and he will be selling to get that number back.

Beginning market value 10/24/07 \$7,155,773.20; Net Additions/Withdrawals - \$2,120,321.38; Capital Appreciation and Income \$3,877,632.89; Ending Market Value on 7/20/16 \$8,913,084.71.

Trustee Commissioner Nugent arrived.

Trustee McMillian made the motion to accept the report, second by Trustee Anderson; passed 4-0.

Attorney Cohen presented a draft of the Summary Plan Description for 2016. This is a summary of how the plan works, who the trustees are, how to apply for retirement, etc.

He asks the board to review the summary so they can be distributed to the members.

Chairman Roberts ask for the members to get the report and review if there are any changes give the changes to Brenda within 2 weeks. A meeting will be held August 16 at 12 noon to approve the summary plan.

Chairman Roberts wanted to give the summary plan to the employees for their review and if the employees wanted to change something they would come to the board members. He wanted to give the employees 2 weeks for the review process.

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Attorney Cohen explained anyone can have a copy of the summary plan as long as it is marked drafted. His concern is all these copies floating around no one will know which one is approved. In the past the board approves the summary plan and passes it along to the employees. If there is something the employee would like to change we can do so.

Attorney Cohen also discussed the beneficiary form for the plan. Due to the situation we had regarding the Atwal the forms needed to be updated. He also provided an ordinance regarding the change needed in the beneficiary.

Attorney Cohen presented the ordinance regarding the 10 year certain option of benefits and the beneficiary.

The ordinance will permit in the event the retiree dies and there is more than one named beneficiary and a beneficiary dies before the full 120 payments have been made each remaining monthly payment will be adjusted pro – rata and paid to the remaining beneficiary or beneficiaries in an amount equal to one full monthly payment, In the event that the retiree dies and subsequently all remaining beneficiaries die before 120 full monthly payments have been made the remainder of the 120 monthly payments shall be paid to the estate of the last surviving beneficiary.

This is the Option A for 10 years certain; also changed is the Option B 50 % survivor.

They added the following; persons as the retiree shall have nominated by written designation duly executed and filed with the board. If more than one person is so designated by the retiree the retiree can designate the percentages that each person is to receive. If no percentages are listed it will be paid in equal percentages.

The payments to each beneficiary will cease upon his or her death.

Option C payments to the beneficiary will cease upon the death of the beneficiary.

The board requested that at open enrollment of each year the employees complete a new beneficiary form. They can still update information throughout the year but will need to complete a form at open enrollment to make sure their files are updated with the most current information.

Attorney Cohen requested the board to recommend this ordinance to the city commission for approval.

Trustee Anderson made the motion to recommend the ordinance to the city commission for approval, second by Trustee Nugent; passed 4-0.

Deputy Clerk Wiggins requested Mr. Cohen and Mr. Wilson to review the current forms and recommend changes and updates.

Trustee Nugent made the motion to have Mr. Cohen and Mr. Wilson review the forms, second by Trustee Anderson; passed 4-0.

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Deputy Clerk presented the following applications for approval.

Robert McGee made application to go in the DROP.

Trustee Nugent approved the application for DROP, second by Trustee Anderson; passed 4-0.

Christy Ramos-Vargas application for retirement November 30

Trustee Nugent made the motion to approve the application, second by Trustee McMillian; passed 4-0.

Deloris Dampier will be leaving DROP August 31, 2016

Trustee Anderson made the motion to approve Ms. Dampier leaving the DROP< second by Trustee Nugent; passed 4-0.

There being no further discussion a motion was made to adjourn the meeting by Trustee McMillian, seconded by Trustee Nugent; passed 4-0.

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Trustee Scott Roberts, Chairman

ATTEST:

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Ricky Thompson, Administrator/City Clerk