

TAB 7

POINT PAPER
GENERAL EMPLOYEES' PENSION PLAN
BOARD OF TRUSTEES' APPOINTMENTS

BACKGROUND:

The terms of the sixth and seventh trustees of the General Employees' Pension Plan Board of Trustees expire in January.

ISSUE:

Pursuant to City Code Sec. 22-83, the Board of Trustees of the General Employees' Pension Plan is charged with the appointment of a sixth and seventh trustee of the Board. The appointments are submitted to City Commission for ratification, as a ministerial act.

By a unanimous vote on December 1, 2008, the Board of Trustees reappointed Ellen Leonard and Allen Tusing as the sixth and seventh trustee, to a term ending January 2012.

RECOMMENDATION:

Recommendation is to ratify the appointment of Ellen Leonard and Allen Tusing as the sixth and seventh trustee of the General Employees' Pension Plan Board of Trustees.

Sec. 22-83. Board of trustees.

- (1) The sole and exclusive administration of and responsibility for the proper operation of the system and for making effective the provisions of this article are hereby vested in a board of trustees. The board of trustees is hereby designated as the plan administrator. The board of trustees shall consist of seven (7) trustees, two (2) of whom, unless otherwise prohibited by law, shall be legal residents of the city, who shall be appointed by the city commission, two (2) of whom shall be members of the system, who shall be elected by a majority of the general employees who are members of the system, one (1)

of whom shall be the city clerk, and two (2) of whom shall be chosen by a majority of the previous five (5) trustees as provided for herein, and such persons' names shall be submitted to the city commission. In the event the mayor or a member of the city commission is appointed to the board, his duties as trustee shall be deemed ex-officio duties to his duties as mayor or commissioner. Upon receipt of the sixth and seventh persons' names, the city commission shall, as a ministerial duty, appoint such persons to the board of trustees as its sixth and seventh trustees. The sixth and seventh trustees shall have the same rights as each of the other five (5) trustees appointed or elected as herein provided and shall serve three-year terms unless either sooner vacates the office. Each resident trustee shall serve as trustee for a period of three (3) years, unless he sooner vacates the office or is sooner replaced by the city commission at whose pleasure he shall serve. Each member trustee shall serve as trustee for a period of three (3) years, unless he sooner leaves the employment of the city as a general employee or otherwise vacates his office as trustee, whereupon a successor shall be chosen in the same manner as the departing trustee. Each trustee may succeed himself in office. DROP participants can be elected as and vote for elected trustees. The board shall establish and administer the nominating and election procedures for each election. The board shall meet at least quarterly each year. The board shall be a legal entity with, in addition to other powers and responsibilities contained herein, the power to bring and defend lawsuits of every kind, nature, and description.

- (2) The trustees shall, by a majority vote, elect a chairman, vice-chairman and a secretary. The secretary of the board shall keep a complete minute book of the actions, proceedings, or hearings of the board. The trustees shall not receive any compensation as such, but may receive expenses and per diem as provided by law.
- (3) Each trustee shall be entitled to one (1) vote on the board. Four (4) affirmative votes shall be necessary for any decision by the trustees at any meeting of the board. A trustee shall abstain from voting as the result of a conflict of interest and shall comply with the provisions of F.S. § 112.3143.
- (4) The board shall engage such actuarial, accounting, legal, and other services as shall be required to transact the business of the system. The compensation of all persons engaged by the board and all other expenses of the board necessary for the operation of the system shall be paid from the fund at such rates and in such amounts as the board shall agree.
- (5) The duties and responsibilities of the board shall include, but not necessarily be limited to, the following:
 - a. To construe the provisions of the system and determine all questions arising thereunder.
 - b. To determine all questions relating to eligibility and membership.
 - c. To determine and certify the amount of all retirement allowances or other benefits hereunder.

- d. To establish uniform rules and procedures to be followed for administrative purposes, benefit applications and all matters required to administer the system.
 - e. To distribute to members, at regular intervals, information concerning the system.
 - f. To receive and process all applications for benefits.
 - g. To authorize all payments whatsoever from the fund and to notify the disbursing agent, in writing, of approved benefit payments and other expenditures arising through operation of the system and fund.
 - h. To have performed actuarial studies and valuations by the actuary selected by the board, at least as often as required by law, and make recommendations regarding any and all changes in the provisions of the system.
 - i. To perform such other duties as are required to prudently administer the system.
- (Ord. No. 575, § 3, 11-4-96; Ord. No. 04-822, § 3, 10-18-04)

Sec. 22-84. Finances and fund management.

Establishment and operation of fund.

- (1) As part of the system, the fund is hereby continued, into which shall be deposited all of the contributions and assets whatsoever attributable to the system, including the assets of the prior general employees' retirement system.
- (2) The actual custody and supervision of the fund (and assets thereof) shall be vested in the board. Payment of benefits and disbursements from the fund shall be made by the disbursing agent but only upon written authorization from the board.
- (3) All funds of the general employees' retirement system may be deposited by the board with the finance director of the city, acting in a ministerial capacity only, who shall be liable in the same manner and to the same extent as he is liable for the safekeeping of funds for the city. However, any funds so deposited with the finance director of the city shall be kept in a separate fund by the finance director or clearly identified as such funds of the general employees' retirement system. In lieu thereof, the board shall deposit the funds of the general employees' retirement system in a qualified public depository as defined in section 280.02, Florida Statutes, which depository with regard to such funds shall conform to and be bound by all of the provisions of chapter 280, Florida Statutes. In order to fulfill its investment responsibilities as set forth herein, the board may retain the services of a custodian bank, an investment advisor registered under the Investment Advisors Act of 1940 or otherwise exempt from such required registration, an insurance company, or a combination of these, for the purpose of investment decisions and management. Such investment manager shall have discretion, subject to any guidelines as prescribed by the board, in the investment of all funds assets.