Finance & Budget Review Committee Meeting

155 Corey Avenue

8/23/2010
3:00 P.M.

Call to Order
Pledge of Allegiance
Roll Call

REGULAR MEETING

1. **Changes to the Agenda**

2. **Audience Comments**

3. **Approval of Minutes**
   a. May 6, 2010
   b. July 7, 2010
   c. July 8, 2010

4. **Action Items**
   a. Recommendation on changes suggested to Section 66-67 of the General Employee Pension Fund

5. **Open Discussion**

6. **Reports**

7. **Adjournment**

APPEALS

If a person decides to appeal any decision made at this Meeting, they will need a record of the proceeding and, for such purpose, may need to ensure that a verbatim record of Meeting is made, which record includes the testimony and evidence upon which the appeal is to be based. (F.S. 286.0105) the city does not furnish verbatim transcripts; interested parties should make the necessary arrangements for verbatim transcripts.

Agenda Material is available for review at City Hall on the Friday preceding the Meeting. In accordance with the American's with disabilities Act and F.S. 286.26, persons with disabilities needing special accommodations to participate in this Meeting should contact Connie Kest at (727) 363-9243 no later than four (4) days prior to the Meeting for assistance.

FINANCE & BUDGET REVIEW COMMITTEE

MINUTES

August 23, 2010

CALL TO ORDER

The Meeting was called to order by Chairman Pete Uebelhoer at 2:00 pm.

PLEDGE OF ALLEGIANCE

ROLL CALL

PRESENT

John Phillips, Sr.
Joanne Melodayo
John Samorajczyk
Thomas Gadacz
Pete Uebelhoer, Chairman

ALSO PRESENT

Elaine Edmunds, Finance Director
Theresa McMaster, City Clerk

1. Approval of Meeting Minutes

a. May 6, 2010 Meeting Minutes

Chairman Uebelhoer noted a typographical error on page 2, paragraph 3, third line from the bottom. It should read . . . $268,000 toward its "debt" service obligation.

It was moved and seconded to approve the May 6, 2010 Meeting Minutes as corrected.

The motion was unanimously approved by voice roll call vote.

b. July 7, 2010 Meeting Minutes

It was moved and seconded to approve the July 7, 2010 Meeting Minutes as presented.

The motion was unanimously approved by voice roll call vote.

c. July 8, 2010 Meeting Minutes

Chairman Uebelhoer noted the following three corrections:

(1) page 5, third paragraph from bottom, last line should be changed to read: . . .thereby eliminating that dollar "amount" from the city's budget."

(2) Page 8, third paragraph from top: Mr. Samorajczyk reported that the City will be in the black by 2012. This should read: Mr. Samorajczyk reported that the "reclaimed water division" will be in the black by 2012.

(3) Last page, insert words second line from bottom: "nor decrease" after the word increase.

It was moved and seconded to accept the July 8, 2010 Meeting Minutes as noted with changes.

The motion was unanimously approved by voice roll call vote.

2. Action Items

a. Recommendation on changes suggested to Section 66-67 of the General Employees Pension Fund.

Ms. Edmunds reported that the City's Pension Plan Attorney, Christenson and Dehner, recommended some proposed changes to the Pension Ordinance for the employees General Pension Plan. These proposed changes were reviewed by the City Attorney. Ms. Edmunds presented the City's pension plan with comments by City Attorney Jim Lynn.

The Finance and Budget Committee was asked by City Manager Bonfield to review Section 66-67 dealing with finances and fund management. This revision makes several changes to the plans current limitations on investments of the assets. Ms. Edmunds noted proposed changes.

Mr. Joe Bogdahn, consultant for all three Pension Plans, was present to explain why these changes are proposed to the Pension Plan. Mr. Bogdahn spoke to investing in foreign securities, REITS, stocks, the real estate market, etc. and answered questions by the Finance and Budget Review Committee. There was considerable discussion concerning the low interest rate on bonds. The Board members expressed concern for the low interest rates on bonds, 8.5% rate of return, and the trustees not getting enough information regarding interest rates.

Mr. Bogdahn suggested that the members of the Finance and Budget Review Committee meet with the three Pension Board Trustees. He will send out a memorandum to the Trustees and he will also attend a meeting with them to help them better understand the Pension Plan. The Committee members would then meet with the City Finance Director, the City Manager and the City Commission.

The Board members were receptive to holding a round table discussion open to the public.

> **It was moved and seconded that this Board recommend to the City Commission that Section 66-67 of this proposed regulation be approved as written.**
>
> **The motion was unanimously approved by voice roll call vote.**

There were concerns regarding the individual Board members having the authority to act on any investment decision.

The Board members expressed their thanks to Mr. Bogdahn for coming to this Meeting.

Adjournment

Time being 3:30 p.m. and no further business, this Meeting was adjourned.

Pamela Prell for TMc
Theresa McMaster, City Clerk

Urban Uebelhoer
Urban Uebelhoer, Chairman

Minutes approved on: 9-23-10