

**Board of Directors Meeting Minutes  
February 2, 2019  
Rosen Centre Hotel, Orlando, FL**

Approved 6/29/19

**Call to order:** 2:04 pm

**Roll Call:** by Secretary, Ann Thompson  
Pete Prior, CPPT Chairperson  
Tim Olsen, CPPT Vice-Chairperson  
Ann Thompson, CPPT Secretary  
Steve Aspinall, CPPT Treasurer  
Christopher Spencer, CPPT Director  
Dwight Mattingly, CPPT Director  
Warren West, CPPT Director  
Ken Harrison, CPPT Director Emeritus

**Others Present:**

Kim Prior, CPPT Chief Executive Officer  
MJ Chwalik, Chief Operating Officer  
Peter Hapgood, CPPT, Education Consultant  
Allison Harrell, Accountant  
Stephanie Wehrly, Executive Assistant  
Ron Cohen, CPPT, Attorney  
Brent Chudachek, CPPT, Attorney  
Cindy Berta, Book Keeper  
Darrell Presley, CPPT, Photographer  
Sean McKinstry, CPPT, Director of Research  
Susan Marden, Public Relations  
Ms. Parker, Key West, Observing  
Mr. Elkens, Key West, Observing

**Absent:** Renee Lipton, CPPT Director Emeritus

**Motion to approve the previous meeting minutes by Mr. Olsen. Motion seconded by Mr. Aspinall.  
Motion passed.**

## **Consultant Reports**

### **Peter Hapgood, CPPT, Education Consultant**

**Mr. Hapgood** reported there would be 84 presentations with 100 speakers at the School along with two specialty programs, The Individual Retirement Program and the Investment Consultant Certificate Program. Both specialty programs had about 40 people pre-registered.

Mr. Hapgood reviewed that CEU sessions would be set as two breakouts with a hollow square format. A podium would be available for speakers who like to stand or walk around inside the hollow square. The CEU classroom would be set up theater style.

Mr. Hapgood reported that there would only be 20 or so printed presentations for each session available in the back, but the transition to go digital with materials via the app should be considered the norm at this point.

Mr. Hapgood reported that he had been working with Mr. McKinstry on the program for the Annual Conference. The theme for the Conference will be of investment around the globe which will be broken up in 7 parts. CNBC host, Ron Insana will host the FPPTA Investment Roundtable.

Mr. Hapgood reported that he is still working on the Wall Street Program agenda and the program is currently two sponsors short, but has lined up some potential sponsorship and feels confident he can fill the vacancies.

Mr. Hapgood reported that Mark Boghich has stepped down from the Education Committee. David Puscher will be coming back to the Education Committee to take Mr. Boghich's place.

#### **Susan Marden, Public Relations Consultant**

Ms. Marden reported she continues to send press releases of other organization's study for greater distribution hoping to get it beyond the industry professionals and into the greater public.

Mr. Prior asked about social media efforts. Ms. Marden says it's going well and mainly her Twitter followers are other industry professionals. She was pleased that they represent a wide range of views both pro-DB and pro-DC to have a better understanding of the landscape.

Ms. Marden referred to the rest of her report in the meeting agenda.

Mr. Olsen asked if Ms. Marden might include some "Community Tips" in the Voice -- articles that may not be about the organization or pensions, but would offer some useful value. Ms. Marden says she's in the early stages of thinking about the Voice and its contents but would consider all suggestions. Ms. Thompson added that Nuveen might have articles about healthcare issues.

Mr. Mattingly noted a couple bills that could be considered in the upcoming legislative session having to do with closing DB plans to new hires for FRS. He notes the bill hasn't been filed yet, but wonders if the association should take a proactive stance in getting ahead of it. Ms. Marden said in the past they've run op-eds to raise awareness. She could compile some research and talking points to be ready should the bill move forward. Mr. Mattingly worries that pensions could be a target for budget pinching.

Mr. Spencer added a point about political turnover and the loss of some institutional knowledge. He encouraged direct communication with legislators. He would like to see the FPPTA be considered a necessary constituent to be listened to by legislators.

Mr. Prior urges constraint until more information is available. At this point the bill is basically a rumor -- we can prepare, but we need to know what the position is before the FPPTA makes a stance. Mr. Prior

suggests reaching out to unions to see if they have a finger on the pulse of any legislation coming down the pipe line.

Mr. Prior asked the two FPPTA members observing the meeting if they had any general thoughts or suggestions. Mr. Elkens suggested supplying retirement boards with information packets they can pass along to their local leaders referring to the legislation in discussion. Also complimented the FPPTA Event App.

**Media Consultant, Fred Nesbitt**

No report.

**Dean of Faculty, Mike Spencer –**

Excused medical absence. Ms. Prior reported that Mr. Spencer reviewed presentations for the School and worked with Mr. McKinstry to create the CPPT exams and organized the study guides.

**Old Business**

None

**New Business**

Mr. Mattingly reiterated that he would like to see a more proactive stance in getting ahead of upcoming legislative efforts to curb DB plans. Waiting until the bill is filed will be too late -- people will have formed their opinions. He proposed making a report about the positive economic impacts of DB plans that can be shared with every legislator.

**Mr. Mattingly motions to have the Board authorize the media and PR consultants to move forward to prepare for more proactive measures like information packets that can be distributed to legislators. Mr. Aspinall seconded the motion.**

Mr. Harrison mentioned this is a debate we've had since FPPTA's inception and how closely we want to toe the line of lobbying. The FPPTA does not lobby and therefore we tend to be reactionary by nature. Mr. Harrison worries this move is too close to a lobbyist position. Ms. Thompson suggested no one is targeting a specific bill, but putting general information about DB plans.

Mr. Spencer reiterated the importance of keeping those lines of communication open without taking a position, offering good information, and knowing unions and firefighter would take a position -- while The FPPTA can provide background information and Education.

Mr. Hapgood suggested it may be time to have a meeting with the leadership of the League of Cities as they always have a finger on the pulse and may be able to offer insight.

**Motion carries unanimously.**

## **Officer's reports**

### **Chairman, Pete Prior, CPPT**

Mr. Prior reported the Edmondson Scholarship Committee is off the ground and recognizes Mr. Chudachek. Mr. Chudachek reported the attorneys are working on guidelines and the application. The idea was to have the Scholarship ready for the 35<sup>th</sup> Anniversary Conference in June. The Board has the draft of the application and guidelines. Mr. Chudachek recommended Board approval on the guidelines and application so things can move forward on schedule.

**Mr. Olsen motioned to approve the application and guidelines. Motion seconded by Mr. Aspinall.** Mr. Mattingly asked about US citizenship requirement for applications. Mr. Prior says the Board decided to keep the requirement in. **Motion passed.**

**Ms. Thompson motioned to amend the Bylaws to reflect the inclusion of the Scholarship Committee. Mr. Olsen seconded the motion. Motion passed.**

**Mr. Mattingly motioned to create a Standing Committee for the Scholarship to be Ms. Thompson, Mr. Spencer, and Mr. Prior. Mr. Aspinall seconded the motion. Motion passed.**

**Mr. Aspinall motioned to appoint Mr. Spencer to chair of the Scholarship Committee. Ms. Thompson seconded. Motion passed.**

Mr. Harrison added the deadline for Scholarship applications is May 1<sup>st</sup>. Mr. Chudachek says a special meeting can be done by phone if needed and staff can send an email blast to get information out to membership. Ms. Prior says there can also be a flyer at the registration desk.

Mr. Prior asked that it be reflected in the minutes that the question of whether a new 501(c)(3) corporation would need to be established for the Scholarship fund was posed to the Accountant. The question was resolved and there was no need to file per the Accountant.

Mr. Prior reported the 2019 budget was complete.

**Mr. Olsen motioned to accept the budget. Ms. Thompson seconded the motion.**

Ms. Thompson mentioned the budget may need to be amended depending on whether or not the missing sponsorships for Wall Street can be replaced.

Mr. Hapgood mentioned the speaker budget had been increased and may be used in the Wall Street Program if sponsors Fall short, but feels confident the sponsorships can be filled.

Mr. Spencer questioned whether that at the end of the year, if there is reconciliation. Mr. Prior confirmed that Ms. Prior will give any explanation for variances, the reasons for them, and how it is corrected.

**Motion passed unanimously.**

Mr. Prior asked Mr. Cohen to speak about HB 265. Mr. Cohen reported that it's a Broward county ordinance that required Boards to post the meeting agenda and all back up material 48 hours before the meeting on the city website. The bill is pretty hazy about whether you can hand out materials at the meeting not previously posted. Mr. Cohen will be meeting with city attorneys to discuss and get more information.

**Vice chairman, Tim Olsen, CPPT**

No report

**Secretary, Ann Thompson, CPPT**

No report.

**Treasurer, Steve Aspinall, CPPT**

Mr. Aspinall reported bank account balances as:

Operating Account:	\$ 425,815.10
Money Market:	\$ 79,751.43
Relief Fund:	\$ 24,914.30
CD (matures 12/26/19):	\$ 50,000.00

**Chief Executive Officer, Kim Prior, CPPT**

Ms. Prior reported she had met with Mr. Langan and Mr. Hapgood to discuss future event plans as it pertained to the 2019 budget regarding A/V and classes. There would be further meetings as well to button up plans. It was concluded that video taping at the Trustee Schools could be scaled back to allow for more of a focus at the Annual Conference.

Ms. Prior reported as part of a five-year plan, she has worked with several hotels and has signed eight agreements for booking locations out to 2024. Ms. Prior reported that booking the January Trustee School is becoming more difficult regarding availability and seasonal trends. Booking events this far in advance is helpful as she plans future budgets to more accurately present anticipated costs. Ms. Prior intends to present the five-year plan at the June Conference.

Ms. Prior reported she has been working with Mr. McKinstry and Ms. Marden regarding a membership recruitment effort -- both for pension boards and associates. For the most part the plan and the materials are ready to go. One reason for delaying the roll out of the effort is the current state of the FPPTA website and more information available to potential members online. The first impression of a prospective member is important and she wants to make sure everything is in good condition before moving forward. Ms. Prior says ideally, they would launch the associate side of the recruitment campaign for the June Conference and invite some associates to the Conference and explain the benefits of a membership. Ms. Prior says they would offer a complimentary registration for new or returning associates in order to show them what the organization is all about. Someone on staff or a

consultant would also be available to meet, assist, and answer any questions prospective members may have while at the Conference. Ms. Thompson asked why a complimentary registration as opposed to a discount for returning associates – Ms. Prior says that was discussed but the idea is to get them there so they can see and feel the scope of the Conference, especially if they haven't been in a number of years.

Ms. Prior reported Winter Trustee School attendance as 542 registered attendees, which breaks down to 136 associates and 406 trustees. 260 attendees have already received their CPPT and 198 are attending, but are not certified or registered for the CPPT classes with a total number of 608 attendees. Ms. Prior reported there are about 40 people signed up for each of the specialty programs – the individual retirement program and the investment consultant program.

Ms. Prior reported there were 21 guests registered. Ms. Prior said the reception of the guest fee has been overall positive.

Ms. Prior reported that after feedback from the Directors at the morning meeting, it was agreed that the cancellation policy will be added to the policy and procedures manual to read that cancellations received on or before 30 days prior to the start of the event will be refunded 100% less \$50. Cancellations received 7 days prior to the start of the event will be refunded 50% of the registration fee. Cancellations received less than 7 days prior to the event will receive no refund. Ms. Prior explained the reason that cancellations less than 7 days before an event will not be refunded is based on when the final numbers are due to the hotel regarding food and beverage.

Mr. Prior asked the observing public guests if they find policy changes agreeable. Both responded that they thought it was fair, adding that they too often see people abusing the guest policy so the change is welcomed.

**Mr. Aspinall motioned to accept the cancellation policy. Mr. Olsen seconded the motion. Motion carried unanimously.**

Ms. Prior reported she has been working on hotel contracts with Rosen Centre, Hilton Bonnet Creek, Rosen Shingle Creek, Hyatt Orlando, and Renaissance Sea World. Several of them are for multiple years and some for one event. The Hilton Bonnet Creek was very good to work with and came way down on food prices to accommodate.

Ms. Prior reported the plans for the 35<sup>th</sup> Anniversary celebration at the June Conference. The welcome gathering will be a dinner party with dancing. She will be meeting with some members on the Advisory Board to discuss potential additional sponsorships for the reception. Whether associates can purchase tables for their clients, or other ideas. She wants the reception to be attractive enough to discourage associates from taking trustees out on Sunday night and away from the dinner party.

Ms. Prior reported that Christine Turner, longtime associate member of the FPPTA, was diagnosed with stage-4 lung cancer. An associate member, The Beta Class Action Group, wanted to make a donation to the relief fund to be given to Ms. Turner. Ms. Prior responded that it couldn't be done that way. Ms. Prior had reached out to Ms. Turner to let her know the Relief Fund was available if she needed assistance and that this group had offered to do this. Ms. Turner said she didn't need the assistance, but encouraged the associate to donate to the Relief Fund so future recipients could benefit. Ms. Prior

informed the associate firm of that and the firm will be hosting a golf tournament and will be accepting additional sponsorships to have those proceeds donated in Ms. Turner's name to the Relief Fund.

Ms. Prior reported that Howard Bos is stepping down from the Advisory Board and the Golf Committee. Mr. Bos recommended Paul Lundmark take his place. Mr. Bos would like to stay on Relief Fund Committee and offers any help to the Scholarship Committee.

Ms. Prior also reported the Executive Director from PAPERS would be attending the Winter School. A lot has changed since the FPPTA offered to help them several years back -- and the Director is looking to improve their organization and is looking for ideas from the FPPTA.

### **Chief Operating Officer, MJ Chwalik**

Ms. Chwalik reported the final numbers for the Fall trustee School as:

2018 Fall School Attendees:	592
Associates Registration:	120
Trustees Registration:	472
CPPT Registration:	36
Guest Registration:	54
Guest registration onsite:	51

Ms. Chwalik reported there were five silver and two gold sponsorships at the 2019 Winter trustee School as:

Great Lakes Advisors—Silver  
Richmond Capital Management— Silver  
CS McKee— Silver  
National Investment Services – Silver  
Saxena White— Gold  
Intercontinental Real Estate—Gold

Ms. Chwalik reported that the app is in good shape for the School. She worked with the app company prior to the change at the Fall School and it was easy to transition back. The videos loaded to the app are new, there's a schedule to each track for the agenda, and a number of other familiar features. Ms. Chwalik reported the check-in codes would be provided to the room moderators at the Education Committee meeting on Sunday. The time frame to check in will be longer than in previous Schools to give folks a chance to get settled.

Ms. Prior reported the current website developers are not working out. The site is nowhere near where it should be and it was promised to be completed in June of 2018. Ms. Prior spoke at length with Mr. Cohen and Mr. Chudachek prior to the meeting regarding legal measures to take against the developers. Mr. Chudachek and Ms. Prior suggested waiting while the developers still had control over the data information. Ms. Prior has met with a couple of companies that could either take over the project or start from scratch. One company seemed like a good candidate. They submitted a proposal submitted to FPPTA and Ms. Prior is cautiously optimistic and has plans to further vet them through previous clients.

The platform is popular with other associations akin to the FPPTA and the front end is on Word Press, a website software that some of the staff is already familiar with. Ms. Prior said she really wanted to immerse the new company in the day-to-day duties of the website and the Directory so they have a full understanding of what is needed and make sure they can meet the needs of the staff and the membership. Ms. Prior would like to build the website as a “ghost website” while the current website is still online and when the new one is ready, make the switch and put the current developers, Aesir, on notice. Board members recommended Ms. Prior look into an IT specialist/consultant to help guide the process. Mr. Prior recommends Ms. Prior talk to clients the new company has lost and ask them why and also to research if the payment structure of 50% of costs up front is typical in these types of agreements. Mr. Cohen believes his firm can handle any legal recourse the FPPTA may choose to take against the current developers.

### **Book Keeper, Cindy Berta**

Ms. Berta reported \$348,406.00 in Fall Trustee School revenue. There are still 11 registrations from that School that are unpaid which should bring the revenue up to \$356,706. There is also on associate invoice still outstanding for \$1,700 for an onsite registration and one pre-paid registration. Ms. Berta reported that the 2019 budget should be more reflective of the 2018 actuals.

Ms. Berta reported that the largest expense is the AV costs -- the variance mostly has to do with additional breakout sessions at the Fall School. The FPPTA has also given Vanguard some of the rigging responsibilities so while the number is growing there, it saves money from what the hotel would charge.

Food and beverage were under budget by about \$12,000 due to paying for fewer lunches and less alcohol consumed at the welcome gathering. Outside of food and beverage, the largest expenses were lodging, parking, and stipend. Expenses were \$31,262, budgeted for \$31,291 – only \$29 under budget.

Ms. Berta reported we were over budget on signage by \$1,000, but many of those were one time costs and will not be needed again in 2019. She reported being slightly over budget on speaker fees as well.

### **Director of Research, Sean McKinstry, CPPT**

Mr. McKinstry reported he undertook the creation of the study guides; there were not too many changes from the Fall School. Mr. McKinstry reported the introduction of new PowerPoint slide templates for presentations in an effort to make the presentations more uniform across the Board and avoid advertising policy violations. Most speakers had no problem complying with the change. Mr. McKinstry reported that he had again worked with Mr. Spencer to create the exams for the School. From the Fall School to the Winter School, the curriculum stays more or less the same – the big changes for the year come at the Education Committee meeting in the spring for next year’s trustee schools. Based on the exam scanning software, Mr. McKinstry and Mr. Spencer identify any issues with the exam from the Fall and correct them for the Winter School.

Mr. McKinstry reported the new PPI website is working out well. He continues to update with studies and reports as they come available as well as the news clips from Mr. Nesbitt. Mr. McKinstry welcomes



any suggestions should the Board or anyone else come across something that should be posted to the site.

Mr. McKinstry reported that he is working with Ms. Marden and Ms. Prior on the recruitment campaign as they had mentioned in their reports.

Mr. McKinstry reported he continues to work closely with Ms. Marden on future videos, infographics, and other multi-media projects designed to boost our social media presence and make accessible information available to a wider audience.

## **Professional Reports**

### **Accountant, Allison Harrell**

Ms. Harrell reported she is working with Ms. Berta to finish up December financials and to make sure everything is in good shape to finish up the year, to look at any bills being paid in January and February for 2018 expenses so there's the most accurate picture of expenses for 2018.

Mr. Aspinall compliments Ms. Harrell's professionalism and the way in which she and Ms. Berta work to get materials and reporting done in a timely manner.

### **Attorney, Ron Cohen**

No report

## **Committee Reports**

### **Audit Committee, Steve Aspinall, CPPT**

Committee met to discuss transitioning to electronic deposit for checks received in the office.

The current process entails Ms. Edmondson to manually log each check, prepare deposit slip, then take it to the bank, make copies, give a copy to Ms. Berta for reconciliation to the bank statement, which is then signed off on and approved by the accountant to be reconciled. The new process will allow for fewer steps, electronic storage and the ability to run some other reporting features.

### **By-Law Committee, Tim Olsen, CPPT**

Mr. Olsen reported they are reviewing 7.01 and 8.02 for any recommendations at the June Conference.

### **Executive Oversight Committee, Mr. Prior**

No report

### **Exhibit Hall Committee, Ken Harrison, CPPT**

No report.

### **Election Committee, Ken Harrison, CPPT**

No report.

**Golf Committee, Steve Aspinall, CPPT**

Mr. Aspinall reported the Committee has been in touch with the course, but there is still more work to be done. Committee will meet at this School.

**Relief Fund Committee, Steve Aspinall, CPPT**

Mr. Aspinall reported a couple new donations. He explained any payouts are done anonymously, but are approved by the Committee. Mr. Aspinall reported a fund balance of \$24,414.30. The next tournament proceeds will be earmarked for the Scholarship Fund. Staff needs to transfer money from last year's tournament to the Relief Fund. Mr. Aspinall explained that \$5,000 remains in the tournament for the next year as a buffer.

Mr. Mattingly asked where the application to the Relief Fund can be found. Ms. Prior answered it is on the website and can also be emailed.

**Scholarship Committee, Pete Prior, CPPT**

Mr. Prior thanked everyone who participated in putting it together. Mr. Prior's report was covered in discussions previously in the meeting. Ms. Thompson added that Mr. Bos and Mr. Bell were especially helpful and suggested Ms. Prior send letter/email to them to thank them and inform them of the changes to the Committee.

**Mr. Olsen motioned to adjourn the meeting. Mr. Aspinall seconded the motion.**

***Meeting adjourned at 4:44PM.***

Respectfully submitted by FPPTA staff.