

**Call to Order:**

Meeting called to order at 2:12PM by Mr. Prior

**Roll Call:**

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
Kim Prior, CPPT	Chief Executive Officer
Peter Hapgood, CPPT	Education Consultant
Allison Harrell	Accountant
Kathleen Brothers	Auditor
Ron Cohen, CPPT	Attorney
Brent Chudachek, CPPT	Attorney
MJ Chwalik	Chief Operating Officer
Sean McKinstry, CPPT	Director of Research
Stephanie Wehrly	Executive Assistant
Cindy Berta	Book Keeper
Darryl Presley	Photographer
Terry Elkins	Key West General – Observing

**Approval of Previous Meeting Minutes**

Mr. Olsen motioned to approve previous meeting minutes. Ms. Thompson seconded the motion. Motion passed.

**Educational Consultant – Peter Hapgood, CPPT**

Mr. Hapgood reported that the theme of the Conference would be “investing in a global economy” focusing on different regions of the world and their place in institutional investing. Mr. Hapgood reported that he worked with Mr. Spencer and Mr. McKinstry in developing the agenda as well as an introduction video for Monday morning. Mr. Hapgood reviewed the staging set up as well as the logistics for the Monday morning ceremonies with the Board of Directors. Mr. Hapgood reviewed the keynote speakers and topics, highlighting the speakers he thought would be well received, Peter Richiutti, David Webber and Ron Insana.

Mr. Hapgood reported that the October School agenda was well into development. The CEU tracks would be split into one large classroom with theater seating and two small rooms set up in the round seating. He emphasized the need to have a larger room to accommodate the number of attendees.

Mr. Hapgood reported there would be a couple changes to the Education Committee. Jack Farland would be stepping down from the Committee and will be replaced by Brad Rinsem. David Puscher was also stepping down as he had changed professions. Debbie McCoy will move into the Trustee slot of Mr. Puscher. Mr. Harrison will be added as an advisory member to the Committee.

### **Public Relations – Susan Marden**

Ms. Marden reported that the membership recruitment campaign would launch in July. She expressed the need for the FPPTA website to be complete before the recruitment campaign began so that more information about the FPPTA was available for those targeted in the campaign. The mailing was designed for repeat sending use and can be sent two or three times over the next year for potential associate members. The campaign to recruit pension boards would begin in the Fall.

Ms. Marden reported that she would be active on social media during the Conference to promote the hashtags #FPPTA35 in reference to the 35<sup>th</sup> anniversary and #globalecon to promote the Conference theme. Ms. Marden also discussed the gaming feature on the FPPTA app. She worked with Mr. McKinstry to develop some FPPTA trivia as well as trivia that included information from presentations at the Conference. Attendees could also accumulate points by sharing photos; tweeting about the Conference, etc... Prizes would be awarded to the high scores on Wednesday.

Ms. Marden reported there was a new LeRoy Collins Institute report card out. The report was more positive than the previous report and she said it confirmed that pension plans were proactive in mitigating the effects of the last recession and were in stable condition for the most part. Mr. Hapgood spoke to the potential of having representatives from the LeRoy Collins Institute to speak in a panel at an FPPTA event.

Mr. Harrison expressed hesitation of having LeRoy Collins speak, because it may then give their report credibility. Mr. Hapgood agreed and said it would need to be framed as a challenge to their methodology and the FPPTA was not interested in giving them a platform for the sake of disseminating misinformation.

Ms. Marden reported that the newsletter continues to go out on a monthly basis. She is taking over the Voice Magazine development and would be doing some recruitment for ads and commitments for articles at the Conference. She also reported she would be focusing energy on driving traffic to the Public Pension Institute website.

Mr. Mattingly suggested a focus of communication with participants using new methods. The younger generation's reliance on apps, smartphones, social media, etc... should be used by pension boards to communicate with their participants. Information about financial readiness and retirement could be disseminated through the use of advanced technology.

Mr. Hapgood added to his report that the certificate program in October would focus on a legal certificate program. Mr. Chudachek and Ricki Levy were coordinating that program's agenda.

Mr. Prior asked about offering the certificate programs digitally. Mr. Hapgood said that might hurt attendance and that the interactive nature of the program would not translate well to a digital course. Mr. Harrison mentioned the Bar Association does that and charges for access to the materials, but agrees there could be negative effects on attendance. There were also costs and difficulties associated

with filming a program like that and they were looking to cut those costs at the Schools and focus more on video for the Conferences.

Ms. Thompson asked if any consideration was given to the October School's timing in regards to the Jewish holiday. Ms. Prior responded that if folks reached out, they could be accommodated, whether that meant offering them their full CEU credits or allowing them to take the exam on Tuesday in the CPPT program. Mr. Hapgood responded that was taking into consideration when scheduling speakers as well and he would work to make sure those affected would be accommodated.

**Old Business:**

None

**New Business:**

None

**Officer Reports**

**Chairperson – Pete Prior, CPPT**

Mr. Prior reported on the Scholarship Committee. The Scholarship Committee reviewed twelve candidates. Unfortunately, the recipient would not be present at the Conference due to a scheduling conflict. Ms. Thompson, Mr. Spencer and Mr. Prior reviewed applications and were impressed by the caliber of applicants. Mr. Prior complimented everyone involved in order to get it done in a limited amount of time so it could be awarded at the Conference.

Mr. Prior reported there would be no election at this Conference as no one was challenging the sitting incumbents. Therefore, there would be no Tuesday meeting for the seating of the new Directors. Seating of the incumbents would be at the end of this meeting.

**Vice Chairperson -- Tim Olsen, CPPT**

No report.

**Secretary – Ann Thompson, CPPT**

No report.

**Treasurer – Steve Aspinall, CPPT**

Ms. Thompson reported for Mr. Aspinall the bank balances as of June 21, 2019 as:

Operating Account:	\$525,480.71
Money Market:	\$ 79,910.70
Relief Fund:	\$ 28,159.63
Scholarship Fund:	\$ 4,300.00
CD:	\$ 50,000.00

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

Ms. Prior reported there were a couple of items on the budget to keep an eye on. Income is down in active membership. Pension boards are down by five and associate membership is down by thirty-one. Ms. Prior hopes to gain some of those members back through the membership recruitment campaign. Ms. Marden had reported on and anticipates better success in 2020. She cited the old inadequate website and the new website transition as one obstacle members had to renewal. She mentioned that CPPT application fees were also down significantly and that the old website really did not have enough information regarding the program available for newer members.

Ms. Prior reported there was a lengthy discussion about credit card fees in the executive meeting. ( i.e. looking to add a service fee to address the cost of running cards).

Ms. Prior reported the budget for A/V would be another spot she would keep an eye on as we've reached the half way point for the year and still have the October School to go.

Ms. Prior reported the five year plan is in the DropBox. Ms. Berta did a lot of work to develop it. It includes hotel, food and beverage, room rates over the next 4-5 years. Next task will be to dig in and determine what it costs per person to better inform registration fees for the different events.

Ms. Prior reported the registration and cancellation policy has been going well. There haven't been any complaints. The policy is on the website and attendees must acknowledge they've read the policy before they can continue registering.

Ms. Prior spoke with Mr. Chudachek to tighten up the CPPT/CEU guidelines. They put everything in writing to clarify so the Bylaws Committee has good information. There will be a few changes that need to be added and she will share with the Board so the policy can be fully developed when the Board meets again in October.

Ms Prior reported that the 35<sup>th</sup> anniversary celebration will include a nice dinner, a photo booth, live band and dance floor. Anticipating a good turnout. 40 guests were registered by attendees and paid the \$65 fee. Attendees are all welcome without additional fees, it's included in the registration.

Ms. Prior reported she would have a meeting with Bob Williams of Battea. They hosted a golf tournament for Christine Turner and made a \$5,600 donation in her name to the Relief Fund. He would like to make that a regular event so she will continue that discussion to determine how to do that and how to work together to continue to donate to the Relief Fund or the Scholarship Fund.

Ms. Prior reported the new website is going great. It looks good and is easy to use. Staff still has a lot to learn, but the programmers have been great to work with and have been giving staff tutorials on the software. Ms. Thompson asked if the old site was still active during the transition, Ms. Prior reported the old site is not up anymore and the transition to the new site is complete. There was still more to learn with the new one.

Ms. Prior reported on office operations. Transition to QuickBooks online for accounting has been a bit of a challenge for Ms. Berta and Ms. Harrell. Still a lot more to learn, but it's still in transition.

The office has been leasing a cutting machine for printed materials. It was not being used enough to justify the cost so we'll be giving up the lease which would save about \$100 per month.

Ms. Prior reported the office is using Vista Print Pro for signage. It costs \$99 per year, but ends up being a massive savings for signage. Ms. Prior and Mr. McKinstry still design the signs and through Vista Print Pro an order of 14 signs that would normally cost \$2,600, through this plan now costs \$1,400.

Ms. Prior is getting quotes for a new air handler in the office, as well as for painting and pressure cleaning the outside of the office building. Just routine maintenance.

Mr. Mattingly responded to the savings in printing and asked if there was any discussion about using only union companies and if using non-union would hurt our own membership. Ms. Prior thought that should be a discussion for the Board of Directors and a policy she would implement if directed by the Board. Mr. Prior questioned whether there even were any union shops for printing in Tallahassee, but it can be looked into and taken into consideration.

### ***Board breaks for short period. Meeting reconvenes at 3:46PM***

#### **Terry Elkins, Trustee – Key West**

Mr. Elkins asked to speak and gave his compliments to the event app. Mr. Elkins also expressed the need for pension boards to be aware of the ransomware attacks. Cyber security will increasingly become an issue for municipalities. Mr. Hapgood responded that there is a session in CEU regarding cybersecurity and hoped Mr. Elkins might attend and give his feedback, but that it was an issue of concern and needs more education. Mr. Elkins complimented and thanked the staff and Board of Directors for putting together the Schools and Conferences. Ms. Prior added they have insurance for the FPPTA's systems, but it was brought up at the executive meeting as well and will be reviewed again to make sure coverage is adequate.

#### **Chief Operating Officer – MJ Chwalik**

Ms. Chwalik reported there were 26 guests who registered for a \$75 fee. There were 22 guests who registered for the dinner reception for the \$65 fee. There were 18 guests who paid for both the dinner as well as the full Conference.

Fifteen kids registered for the Sunday dinner for the children's room. There will be a DJ, games, and other activities to give parents a chance to enjoy the dinner. 32 children registered for the Conference.

Ms. Chwalik reported there were 249 associates and 417 Trustees registered for the Conference. In addition, there are 39 attendees that fall under speakers, staff, or Directors. A total of 752 attendees. There are still a few registrations coming in so these numbers aren't quite final. While guest registrations are down after the fee increase, there is a significant rise in attendance overall this year in both Trustees and associates.

Ms. Chwalik reported for sponsorship there were five silver sponsors, six gold sponsors, and two diamond sponsors. Saxena White and Intercontinental sponsored the band for the reception.

There are 16 sponsors for golf. More \$1,000 sponsors than the \$650-hole sponsor. 16 holes were sponsored. Ms. Chwalik complimented Mr. Lundmark's efforts to recruit sponsors, but in the end there were two holes still without sponsorship.

Ms. Chwalik reported there would be two security guards at the front entrance of the Conference area. The registration desk and guest registration will be in front of the security area so everyone can get their

packet before they head in. There will be a children's room and children will be given a bracelet that will correspond to a bracelet given to parents. Security at this hotel was very expensive with a minimum of four-hour shifts.

Ms. Chwalik reported that the app is up and running and is getting easier to work with. She appreciated the compliments from Mr. Elkins. Ms. Chwalik mentioned the game center in the app that Ms. Marden reported. We tried the game at the Wall Street Program and said there were some attendees who were very competitive and it should be fun for attendees.

### **Book Keeper – Cindy Berta**

Ms. Berta reported that credit card fees were budgeted for \$53,499 for the year. We are already at the half way point of that and that doesn't include fees for June. With the October School still to go, Ms. Berta suggested a 3% increase on fees across the board - membership, sponsorship, registration. This would result in \$66,500 in additional in revenue. Projecting the fees just for this year it will hit \$60,000. That would take the registration fee for pension boards for trustee schools from \$650 to \$670, \$850 to \$880 for associates. It would increase the fees for sponsorship for silver by \$65, gold by \$105, platinum by \$200, and diamond by \$300. Conference registration for Trustees would increase from \$700 to \$725, associates from \$950 to \$980, exhibit booths from \$900 to \$930. Membership would go from \$600 to \$625 for pension boards and \$1,900 to \$1,975 for associates. CPPT enrollment would go from \$900 to \$930, onsite \$1,000 to \$1,030. Wall Street registration would go from \$800 to \$825, guests from \$400 to \$415 and \$6,500 to \$6,700 for sponsors.

Mr. Mattingly motioned to adopt the fee increase immediately for the next event however to give people an option to pay by check and avoid the fee increase for sponsors. Mr. Olsen seconded the motion. Tim withdraws. Ms. Prior questioned that if you give the option for sponsors, you would need to give the option for all fees. Mr. Mattingly disagreed pointing out that a sponsorship is an investment into the organization. Mr. Prior suggested waiving the increase for sponsorships. Mr. Olsen withdraws his second. Mr. Mattingly withdraws his motion. Mr. Mattingly motioned to increase fees for everything by 3% except for sponsorships. Ms. Thompson seconded the motion for discussion. Mr. Spencer speaks against the motion and suggested the increase correlates to the costs of running a business. It's not about making money, it's about keeping up with the costs. Mr. Mattingly views sponsorship as a way to dissipate the costs to members. Mr. Spencer points out that sponsors receive advertising in exchange for their sponsorship and doesn't view the increase as a punitive amount, the benefit they receive in exchange for the sponsorship is significant. Ms. Prior added that there are often sponsorship bundles in which they receive registrations, advertisements, etc. Ms. Thompson withdrew her second. Mr. Mattingly withdrew his motion. Mr. Mattingly motioned to increase fees by 3% across the board, Ms. Thompson seconded the motion. Motion passed. Motion goes into effect immediately and the increases will be reflected in the fees for the October School.

Ms. Berta reported the Winter Trustee School revenue collected. Revenue seemed low and it turns out there is some outstanding income due to reporting shortcomings. There is about \$30,000 to \$40,000 in outstanding fees. Expenses for the Winter School are slightly under in most categories, and slightly over in only a couple. A/V was right on target. Food and beverage was under by \$8,000. Saved \$4,810 in Director rooming by hitting the room quota, so Directors' rooms were taken off as charges. Hotel did not charge for parking which saved \$2,500. Overall, the event expenses were under budget by \$30,000. Mr. Spencer asked about the missing revenue. Ms. Berta explained how she and Ms. Chwalik determined

the outstanding amount. Mr. West asked if a policy for late payment needs to be reviewed to require the last event to be paid before registering to a new event.

Mr. Spencer asked about adding a late fee on payments. Mr. Prior agrees there needs to be some sort of policy after an event for payment on invoices overdue. Board directs Ms. Prior to implement a policy that invoices over due by 30 days are subject to a 10% late fee. Mr. Mattingly stated the membership needed to be made aware of the change by email or otherwise. Mr. Prior suggested putting the policy on the invoices and put notice on the registration for the next event.

Ms. Berta reported for the Wall Street Program there were 38 attendees, 26 guests. \$3,600 under budget in projected guest revenue. Expenses were under budget. A/V was under by \$556, food and beverage was \$2,659 under and \$2,000 under for internet costs. Portfolios were over budget, but the office now has a 3 year supply so it will be a savings in the long run. Signage was over budget, but some of those signs can be used again and we have moved to the new signage account Ms. Prior mentioned, which is a much better rate.

Overall the Wall Street Program was \$5,600 under on expenses and a \$444 surplus on the net income.

#### **Executive Assistant – Sean McKinstry, CPPT**

Mr. McKinstry reported he worked with Mr. Hapgood to develop the Conference agenda, staging and logistics. Mr. McKinstry reported he created the video for the Conference, which uses animation from google earth maps, as a non-profit the FPPTA was given permission to use those graphics to take a “tour” of the regions being presented on.

He continues to update the Public Pension Institute website and reported he has been giving Ms. Marden some training so she can also add content as she feels necessary. PPI works in the same language as the new FPPTA website so there’s some nice familiarity there. Mr. McKinstry reported that the website traffic reporting on the site is an improvement from the last and he was able to determine the site receives approximately 200 unique visitors every month. Average user accesses 5-6 pages or article per visit. There are spikes in visits during and after FPPTA events.

Mr. McKinstry coordinates membership emails with Ms. Prior. The new website offers email messaging so once everyone is comfortable using that we can get rid of the GoDaddy email service.

#### **Accountant – Allison Harrell**

Ms. Harrell reported that the January meeting reports are reconciled. After they were able to reconcile, they were at 95% of the budgeted income, only 5% short. Expense side had been reconciled by then and to reiterate was about 2% over budget. Ms. Harrell reported that the transition to QuickBooks Online would be a benefit in the end. She is looking at backing up data as well as ransomware protection.

We are through the 1/3 point of the year, overall revenue budgeted is at 43% for the year. Overall expenses are at 32% for the budget for the year so right on track.

### **Auditor – Kathleen Brothers**

Ms. Brothers thanked Ms. Prior and the staff and reported that they were a pleasure to work with. Ms. Brothers explained some of the changes as to how unrestricted, restricted and permanently restricted assets would be reported going forward.

Ms. Brothers highlighted some of the line items comparing gains or losses from the previous year and some more detailed reporting. Overall Ms. Brothers reported a net loss of about \$9,000 compared to 2017.

Ms. Brothers reported she had no issues with internal control matters. Overall a good report for the organization.

### **Attorney – Ron Cohen**

Mr. Cohen reported there was a special meeting in May regarding qualifications for who can run for/remain on the Board of Directors in relation to CPPT and CEU credits. The Directors instructed him to look into possible changes to Bylaws in order to make those qualifications clearer. Ms. Thompson motioned to direct the Bylaws Committee to review pending language from legal counsel and ask the Committee for recommendation at the October school. Mr. Spencer seconded the motion. Motion passed unanimously.

Ms. Thompson motioned the Bylaws Committee to look into the change of language to honorary members to include lifetime honorary member option. Mr. West seconded the motion. Motion passed unanimously.

Mr. Olsen motioned to have counsel review Bylaw 8.02 that gives authority to the CEO to move money around from one line item to another category in the budget. Mr. West seconded the motion. Passed unanimously.

Mr. Mattingly motioned to accept the audit report. Ms. Thompson seconded the motion. Motion carried. Ms. Thompson suggested it should be recommended by the Audit Committee before a motion is made. Motion to reconsider by Mr. West. Ms. Thompson seconded the motion. Motion passed.

## **Committee reports**

### **Audit Committee - Ann Thompson, CPPT**

Audit Committee met yesterday. Ms. Thompson reported the draft of the audit report looked good and recommended that the Board accept it. Ms. Thompson motioned to accept the audit of the financial statement. Mr. Mattingly seconded. Motion passed.

Ms. Thompson complimented the staff for having a clean audit.

### **Bylaws Committee – Tim Olsen, CPPT**

Mr. Chudachek reported that he would amended Bylaw 7.015-A to include a Standing committee for the Scholarship. Ms. Thompson motioned to amend the Bylaws to include the Scholarship Committee. Mr. West seconded the motion. Motion passed.



**Executive Oversight – Pete Prior, CPPT**

No report.

**Exhibit Hall – Ken Harrison, CPPT**

Mr. Harrison reported there are 57 exhibitors. Nothing else to report.

**Election Committee - Ken Harrison, CPPT**

Only the incumbents have qualified so there is no election.

**Relief Fund – Steve Aspinall, CPPT**

Mr. Aspinall reported the Relief Fund is in good standing. They will meet on Monday to discuss one application. There is currently \$28,159.63 in the Relief Fund. \$2,000 has been paid out this year.

**Golf Tournament - Steve Aspinall, CPPT**

Mr. Aspinall reported there were 86 people signed up for the tournament.

**Scholarship Committee – Chris Spencer, CPPT**

Mr. Spencer reported the officers did a great job. Only recommendation is there be more redaction from the application to remove all identifying information. All applications were very impressive.

Scholarship Committee recommended Lexi Smith for this year’s scholarship recipient. Mr. Olsen motioned to accept the recommendation to award the scholarship to Lexi Smith. Mr. West seconded the motion. Motion passed.

**Seating of Officers**

Mr. Olsen motioned to reseal Mr. Spencer and Ms. Thompson. Seconded by Mr. West. Motion passed unanimously.

Mr. Olsen motioned to keep officers in the same positions. Mr. West seconded. Mr. Spencer speaks against the motion. Motion passed 6-1.

Mr. Prior asked if any changes to committees are wanted. No nominations suggested.

Mr. Aspinall motioned to adjourn. Ms. Thompson seconded.

***Meeting adjourned at 5:30 PM.***

Respectfully submitted by FPPTA Staff