

**Board of Directors Meeting
Sawgrass Marriott Golf Resort and Spa
Ponte Vedra Beach, FL
October 5, 2019**

**Approved
1/25/2020**

Call to Order

Mr. Prior called the meeting to order at 2:03pm

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
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
Susan Marden	Public Relations Consultant

Others Present:

Timothy Simms	Greater Naples Fire Pension Fund
Darrel Presley	Sanford Police Pension Fund

Previous Meeting Minutes

Mr. Olsen motioned to approve previous meeting minutes from the June conference (Board of Directors Meeting, General Membership Meeting, Special Call Meeting). Mr. Aspinall seconded the motion. Motion passed unanimously.

Consultant Reports

Education Committee – Peter Hapgood, CPPT

Mr. Hapgood reviewed the agenda for the fall school. There are four broadcast sessions, approximately 82 sessions and nearly 100 speakers. Mr. Hapgood thanked the Education Committee and FPPTA for their work.

Mr. Hapgood reported that the Education Committee had made arrangements for any members who would be affected by the overlap with Yom Kippur. Speakers who had a conflict due to the holiday were rearranged in the agenda so they could speak on Monday and depart. Mr. McKinstry had made the CPPT exams available for those who would need to leave early and they would have one full week to complete and submit their exam. Similarly, members in CEU would not sacrifice their credits if they needed to leave early.

Mr. Hapgood reported that theme for the annual conference would focus on communications and messaging. Mr. Hapgood discussed making an FPPTA Communications Tool Box – To highlight the tools the FPPTA has for members so they can speak about pensions to different audiences. The agenda will also include an economist, as well as other topics woven throughout the agenda. Mr. Hapgood is meeting with consultants on Sunday to discuss further and finalize some aspects of the agenda.

Mr. Hapgood reported the fall school would include the Legal Education Program as a specialty program. Mr. Hapgood thanked Mr. Chudachek and Ms. Levy for their work in designing the Legal Education Program.

Public Relations -- Susan Marden

Ms. Marden refers to the report in the meeting agenda as her report (below). Ms. Marden also complimented Ms. Thompson on her prior work to put together the Voice magazine citing just how much work it is. She also thanked Ms. Thompson for her help and guidance in Ms. Marden's first year taking the project over.

Ms. Marden submitted the following report: the Voice magazine began production immediately following the Annual Conference and has been my primary activity for the past quarter. It topped out at 76-pages and is in the mail to members.

Kim, Sean and I have continued to work on Associate Member recruitment. We designed, produced and mailed an invitation to former FPPTA Associate Members, and have created a follow-up package for interested parties. Kim has reviewed the membership rolls to determine who should receive them.

Social media: I continue to populate our social media feeds and our Twitter account is active and is now over 100 followers.

I continue to prepare and distribute the monthly newsletter for which I follow numerous industry trade publications, think-tanks and news media outlets to keep tabs on what's happening.

Fred Nesbitt has proposed a “tool kit” as part of our efforts to provide trustees with materials they can use with their pension boards and I have been collecting samples (as has Fred) for review with Fred and Peter Hapgood. The tool kit will most likely be available online as a digital resource.

I continue to provide editorial support for communications projects on behalf of Kim and the staff, e.g. editing services, collateral material, orientation kits, quiz games for the FPPTA App etc.

We are currently providing two Trustee School presentations on communications, one in the Intermediate class and one for the Advanced class. These presentations are updated for each school with fresh videos and current materials.

Mr. Prior commented that the staff had been tasked with creating a five-year plan. He asked the other directors to submit suggestions or things they would like address in the plan to the staff. Mr. Prior asked if testing could be done electronically as is being offered for those affected by the holiday – whether tablets or done at home. Mr. McKinstry explained that this time around the exam had been set up on SurveyMonkey, but that would not likely be feasible for the larger numbers of an entire school, but would see what other options were available. Mr. Hapgood suggested testing at home might impact the integrity of the CPPT program, but if it could be done electronically while on-site, that wouldn't affect the integrity.

New Business

None.

Old Business

None.

Mr. Prior recognized Mr. Simms:

Observer: Timothy Simms, Naples Firefighter Pension Plan

Mr. Simms addressed the board. He registered for the June Annual Conference, but became ill just before the conference. Cancellation policy by FPPTA was instituted this beforehand. Asked for reconsideration of the cancellation policy for his extenuating circumstances and questioned the effectiveness of the communications informing the membership of the new cancellation policy. Ms. Prior pointed out that every member who registered has to click a box acknowledging the cancellation policy when they register -- she knows not everyone reads our emails so that why we put it on the registration form. Mr. Mattingly discussed the cost of a cancellation to the organization within the week before the event. Mr. Mattingly also mentioned that members have a voice to speak at the general membership meeting and encouraged Mr. Simms to attend and participate in the general membership meeting and to encourage others to as well.

Mr. Prior pointed out that the FPPTA events are one of the more affordable organizations for events.

Ms. Prior discussed the rising hotel costs and the FPPTA's struggles to keep up with rising cost and the costs of cancellations has only contributed to that problem, hence the need for the policy. A week out from an event, the FPPTA has already paid the costs for an attendee to attend in materials and hotel costs.

Mr. Spencer asked if there was some compromise that could be made, maybe half the registration fee. Mr. Simms responded he would rather have credit towards another school. Mr. Aspinall motioned to give credit for the cost of one half a registration for another school. Mr. Olsen seconded. Mr. Spencer dissented citing the notice on the registration form. Motion passed.

Officer Reports

Chairperson – Pete Prior, CPPT

Items will be addressed in other sections of the meeting.

Vice Chairperson -- Tim Olsen, CPPT

No report.

Secretary -- Ann Thompson, CPPT

No report.

Treasurer – Steve Aspinall

Mr. Aspinall reported the following balances as of 10/1/2019:

Operating Account	\$	504,689.78
Money Market	\$	80,044.33
Relief Fund	\$	26,698.31
Scholarship Fund	\$	4,686.69
CD # 1	\$	50,000.00
CD # 2	\$	50,000.00
Total	\$	716,119.11

Chief Executive Officer – Kim Prior, CPPT

Ms. Prior reported that the CPPT and FPPTA trademarks have been renewed for the next ten years.

Ms. Prior reported that they have created a speaker reimbursement travel policy. Mr. Hapgood will communicate policy with speakers so they know what costs the FPPTA is and isn't responsible for.

Ms. Prior reported routine maintenance on the office building. It was pressure cleaned, some painting, and the replacement of the side office door.

Ms. Prior reported she was looking into a ransom ware insurance policy. She and Ms. Berta met with the insurance agent. There is currently minimal protection included in the insurance package. Ms. Prior recommended to the board and included in the budget a million dollar policy for ransomware and cyber security.

Ms. Prior reported that she sent out a mailing before the fall school inviting former associates who left in 2015 – 2016 to attend the school. Many of those people were no longer at their firms but did receive some response from those who may attend in January. Next mailing will target former members who left in 2017-2019.

Ms. Prior reported that George Diaz won a \$100 gift card at the June conference raffle. He was kind enough to donate \$50 to scholarship fund. Also, Tom Quinn donated to the scholarship fund with golf winnings. She wanted to recognize their generosity.

Ms. Prior reported that the board has discussed the five-year plan and budget over the last few days and those conversations have been constructive. Looking to have more detailed information in June.

Chief Operating Officer – MJ Chwalik

Ms. Chwalik reported that the cost of the FPPTA event app has been negotiated for the same rate for the next 3 years with no increase. The rate was scheduled to increase 5% each year.

Ms. Chwalik reported that she was working with the website programmer to get ready for membership and CPPT renewal. She hoped to have renewal open by late October. There are still some issues with invoices and email receipts.

Ms. Chwalik reported there were 619 attendees and 33 CPPT signed-up for the Basic program. 50 signed up for the legal program and currently 42 guests registered.

Ms. Chwalik reported on sponsorship for the June conference and reviewed some of the features on the app.

Book Keeper – Cindy Berta

Ms. Berta reported the winter school took in \$405,000 in revenue and total expenses were \$257,000 resulting in \$148,000 net income.

Ms. Berta referred to the Annual conference income and expense report in the meeting agenda. \$570,000 in revenue. More trustees came than expected, but fewer associates, it was still more than the previous year. Guest fees were under budget and there were a few less expo booths than expected. Ms. Berta reported that Sponsor income was right on target, just \$550 over budget on sponsorship. Over all 91% of

what was budgeted was brought in. Overall expenses were 107% of what was budgeted. Some of that over budget numbers were the result of audio visual expenses, but can get back on track at the fall school for the year. The only other high variance was in education materials -- overbudget by roughly \$3,000 and that's because in place of a speaker fee for David Webber, the FPPTA purchased 150 books for attendees instead of what could have been a \$10,000 speaker fee.

Food and beverage also had an overage.

Ms. Berta reported that Director lodging was \$0 per the contracted one per 40 room's credit. Overall net income for the June conference of \$178,000.

Ms. Berta estimates \$45,000 in processing fees. If that processing fee was not adopted, the organization would have ended the year in the red.

Mr. Prior announced he would entertain a motion to pass the budget for 2020 of total expenses of \$2,165,723 and an income of \$2,200,702. Mr. Olsen motioned to pass the budget as is. Ms. Thompson seconded the motion. Motion passed unanimously.

Director of Research -- Sean McKinstry, CPPT

Mr. McKinstry reported he created the study guides for the CPPT courses. Speakers are getting used to the study guidelines we've given them over the last couple years and that uniformity makes the process much easier.

Mr. McKinstry worked with Mr. Michael Spencer to create the CPPT exams from the questions submitted by speakers. An online version was created for those affected by Yom Kippur -- they will have one week to complete the exam and the exam must be completed in one sitting.

Mr. McKinstry continues to maintain the Public Pension Institute. He also taught Ms. Marden how to post materials and she is free to add to the content as she sees fit. Spikes in traffic tend to correlate to when the monthly newsletter goes out. The days following the June conference, the website saw its highest traffic to date with over 200 unique visitors who viewed an average of 2-3 pages per visit.

Mr. McKinstry reported he would attend the NIRS Visionary Circle meeting as a representative of the FPPTA where NIRS would discuss upcoming research projects and ask for feed back from members. Mr. McKinstry asked the board if there is a topic they would like to see addressed to let him know so he can pass it on to NIRS.

Professional Reports

Accountant, Allison Harrell

Ms. Harrell reported the FPPTA is fully online with QuickBooks and QuickBooks online payroll. Mr. Jorge Rivera and Ms. Berta worked through all issues and the books are reconciled through August. As of

August 31, 2019 the FPPTA is 80% of the way of budget for revenue, not including the fall school. Total expenses are at 67% of the budget which is right on target.

Net income through the end of August is \$359,000.

Attorney -- Ron Cohen, CPPT

No report

Mr. Prior wanted to address a gray area in bylaws as it pertains to offices physically in Florida. Mr. Cohen suggested clarifying that the language reflect “a principle office in Florida” would give the flexibility to have satellite offices elsewhere. Attorney will send the language change to the bylaws committee.

Committee Reports

Audit Committee - Steve Aspinall, CPPT

Mr. Aspinall reported there are still issues with remote depositing checks. Prime Meridian representatives to the office a couple times. The machine tends to jam. Other issues with depositing checks, receiving confirmation, but they don't actually go through.

Ms. Prior recommends getting rid of the check deposit machine, it just doesn't work well and is more trouble than it is worth.

Bylaws Committee – Tim Olsen, CPPT

Mr. Chudachek reported the changes to by-laws to require members to be CPPT certified to run for a director's seat were made.

Mr. Aspinall motioned to approve changes to the bylaw. Ms. Thompson seconded the motion. Motion passed unanimously.

Mr. Chudachek reported that committee recommends to the board that by-law 8.022 is changed to reflect expenses over 110% of the budgeted amount the CEO must report that variance to the board. Expenses at or below 110% can be made up by other categories of administrative expenses coming under budget by a similar amount.

Mr. Aspinall motioned to approve the change to the by law. Mr. West seconded the motion. Mr. Spencer asked for clarification. Ms. Harrell explained once an event reaches 111%, the CEO must report it to the board. It will keep the overall budget the same even if there are some variance in any category. Motion carries.

Executive Oversight Committee– Pete Prior, CPPT

None.

Exhibit Hall Committee -- Ken Harrison, CPPT

Mr. Harrison reported that the exhibit hall went well.

Election Committee -- Ken Harrison, CPPT

There was no election in June as there were no new candidates. The qualifications to run have now been clarified.

Golf Committee -- Steve Aspinall, CPPT

Mr. Aspinall referenced the financials of the tournament on page 37 of the meeting agenda. He noted the net income of \$2,347.65 did not include income from two shirt sponsors for an additional \$3,000. Mr. Aspinall reported they had changed the shirt brand from Nike to Calloway. The total income is \$5,347.65. Mr. Aspinall instructed the proceeds of \$5,347.65 will go to the Raymond T. Edmondson Scholarship account.

Relief Fund Committee -- Steve Aspinall, CPPT

Mr. Aspinall reported the balance of the relief fund as \$26,698.85

There are four applications that need approval. The Relief Fund Committee will meet after the advisory meeting to consider the applications.

Scholarship – Chris Spencer, CPPT

Mr. Spencer asked that the committee have all redacted information submitted to them by the beginning of April from the staff with the idea that with enough advanced notice the recipients can attend the June conference and receive their scholarship in person. Regarding a deadline, Ms. Prior said she would need about two weeks between the deadline and preparing the materials for the committee. There was some discussion regarding the timing of acceptance letters and scholarship deadlines. The date on the application will need to be changed to reflect that timing.

Mr. Prior entertains a motion to adjourn. Mr. Olsen motioned to adjourn the meeting. Mr. Aspinall seconded the motion. Meeting adjourned at 3:46pm.

Respectfully submitted by:

FPPTA Staff