# AGENDA

**Gainesville Retirement Plan A Board Meeting**
**Tuesday, October 9, 2018, 10:00 AM**
**Administration Building, Board Room**
**300 Henry Ward Way, 3rd Floor**
**Chairman or Vice Chairman Presides**

## REPORTS:

- SEGAL Economic Assumptions — Malichi Waterman

## NEW BUSINESS:

- 2018 Election Calendar — Denise Jordan
- Plan Document Amendments Re City Clerk — David Frazier
- Elections Policy Amendment — David Frazier

## EXECUTIVE SESSION:

- Personnel Matters

## REGULAR BUSINESS:

- New Disbursements Report — Karen Rojas
- New Benefits Report — Karen Rojas
- Rehire of Retirees Report — Karen Rojas
- Minutes: August 14, 2018 Executive Session — Karen Rojas
- Minutes: August 14, 2018 Meeting — Karen Rojas

## ADJOURNMENT:

Final: Monday, October 8, 2018; 3:30 PM

NEXT SCHEDULED MEETING
NOVEMBER 13, 2018, 10:00 AM

# CITY OF GAINESVILLE

## AGENDAREQUEST

**Date Submitted**: 10/3/2018

**Presenter**: Malichi Waterman

**Item of Business**: SEGAL Economic Assumptions

**Meeting Date**: 10/9/2018

**Purpose of Request**:
The purpose of this request is to review the economic assumptions for the July 1, 2018 actuarial valuation in order to further consider a change in the assumed investment rate of return for the Retirement Plan A.

**History/Background**:

**Facts & Issues for Consideration**:

**Department Recommendation**:

**Department Director**:
David Frazier

**If funding is involved, are funds approved within the current budget?**

**Amount Requested**: **Source of Funds**:

**Finance Comments**:

**Administrative Comments:**

ATTACHMENTS:

| Description | Type |
|---|---|
| Segal - Economic Assumptions | Powerpoint Presentation |

Segal Consulting

## City of Gainesville Retirement Plan A

# Review of Economic Assumptions for the July 1, 2018 Actuarial Valuation

October 9, 2018

*Presented by:*
**Malichi Waterman, FCA, MAAA, EA**
*Consulting Actuary*

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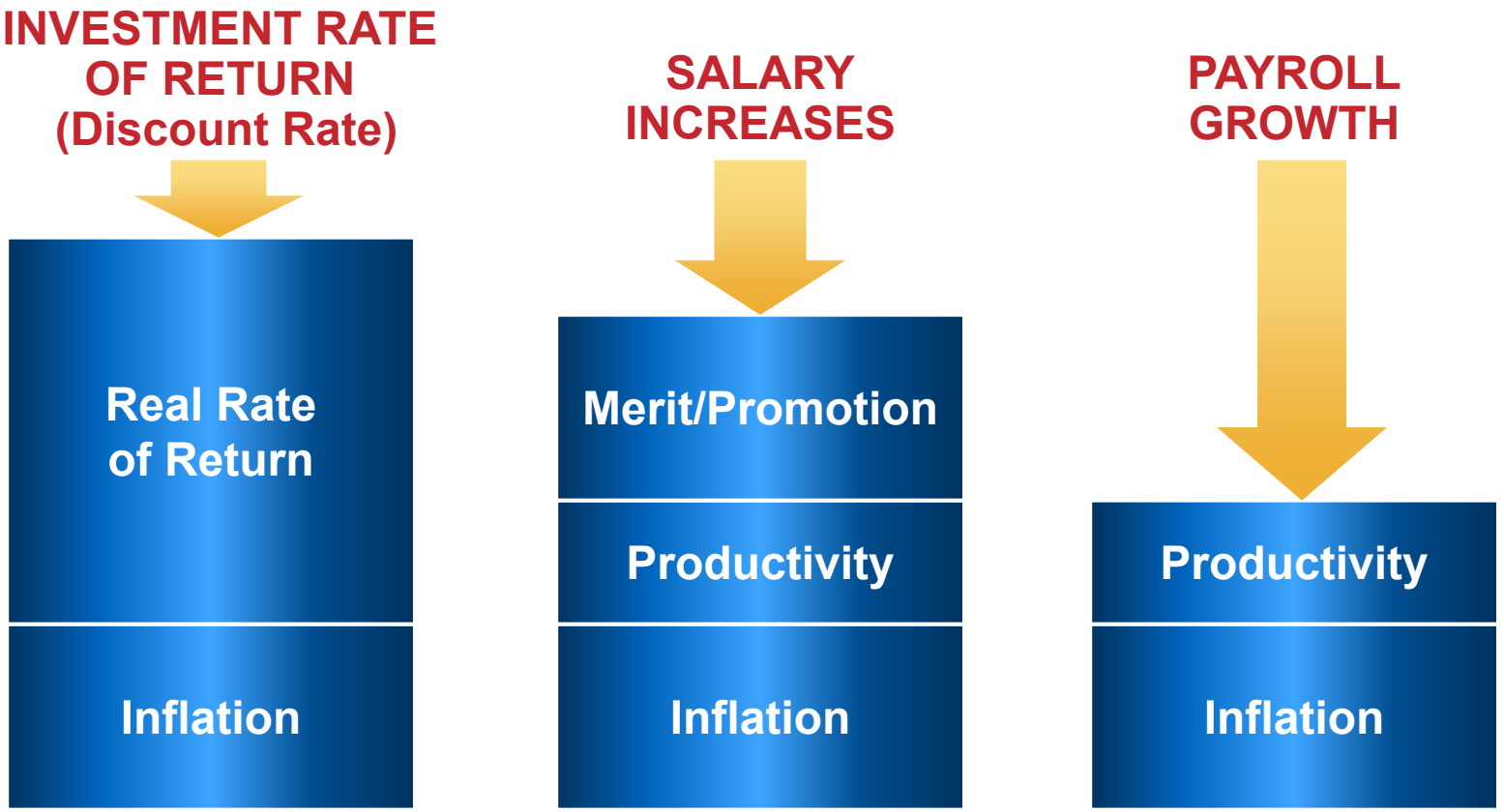
# Economic Assumptions

- Inflation Rate
- Investment Return
- Administrative Expenses
- Payroll Growth
- Salary Increases

# Economic Assumptions
*Building Block Approach*

Each economic assumption has two or three components (or building blocks).

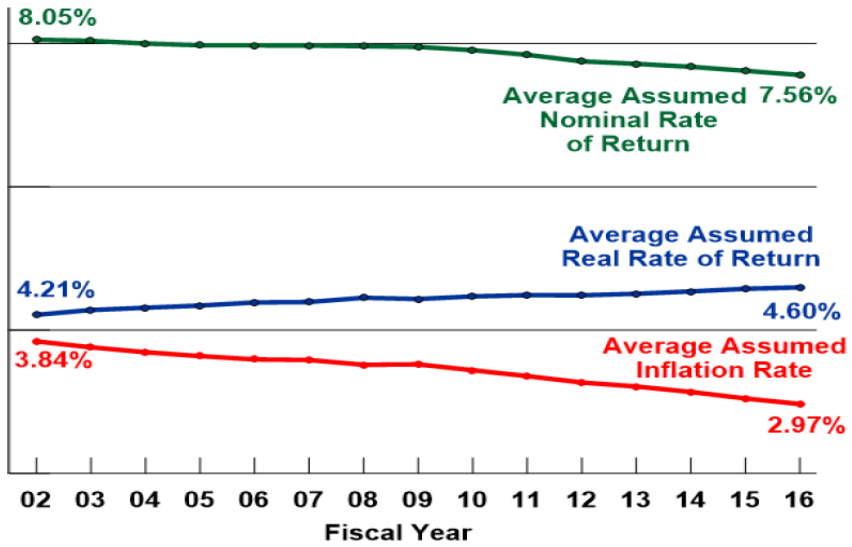



**Building blocks must be consistent across all economic assumptions.**

# Investment Rate of Return – National Trends

- Survey conducted by the National Association of State Retirement Administrators, February 2018
  - 129 plans in the data set
  - Nearly 75% of survey respondents lowered their assumption since 2010
  - Average has decreased to 7.36%

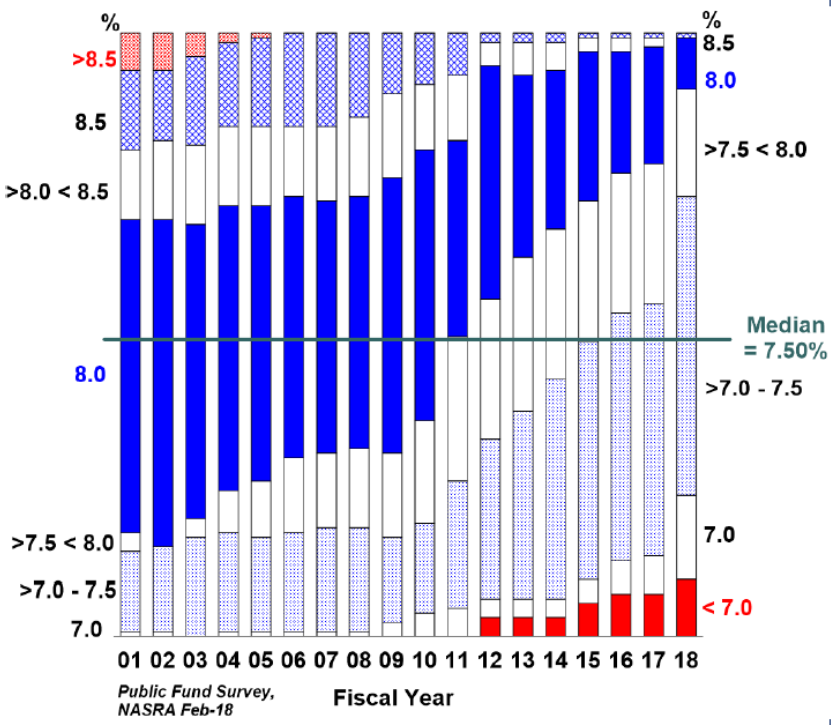
Figure 2: Average nominal and real rate of return, and average assumed inflation rate, FY 02 – FY 16




## NASRA Issue Brief: Public Pension Plan Investment Return Assumptions

**Updated February 2018**

Figure 4: Change in Distribution of Public Pension Investment Return Assumptions, FY 01 to FY 18




Source: Compiled by NASRA based on Public Fund Survey, February 2018

# Investment Rate of Return – Peer Group

| Entity | Investment Rate of Return |
|---|---|
| Clayton County | 8.00% |
| Carroll County | 7.50% |
| Cherokee County | 7.50% |
| Cobb County | 7.50% |
| DeKalb County | 6.50% |
| Fulton County (closed 7/1999) | 7.25% |
| Georgia ERS | 7.50% |
| Georgia Municipal Employee Benefits System | 7.50% |
| City of Atlanta | 7.25% |
| Douglas County | 7.25% |
| Fayette County | 7.25% |
| Gwinnett County (closed 1/2007) | 7.00% |
| Forsyth County (closed 1/2001) | 6.90% |
| Coweta County (closed 7/2006) | 6.50% |

Source: Most recent comprehensive annual financial reports (CAFRs) available on line.

# Plan Specific Review

**City of Gainesville Retirement Plan A**
**Review of Expected Investment Returns**

**Segal Marco Advisors**
**2018 Assumptions**

| *Asset Classes* | Plan Allocation | *Average Arithmetic Returns* 10-Year Horizon | 20-Year Horizon |
|---|---|---|---|
| Domestic Equity | 55% | 7.86% | 8.40% |
| Core Fixed Income | 35% | 3.21% | 3.75% |
| High Yield Fixed Income | 5% | 5.76% | 6.30% |
| Core Real Estate | 5% | 6.56% | 6.90% |
| Total Plan Assets | 100% | 6.06% | 6.59% |
| Assumed Inflation | | 2.00% | 2.00% |
| Expected Real Return | | 4.06% | 4.59% |

| *Annualized Geometric Returns** | 10-Year Horizon | 20-Year Horizon |
|---|---|---|
| 90th Percentile | 10.45% | 9.77% |
| 75th Percentile | 8.47% | 8.38% |
| 50th Percentile | 6.32% | 6.86% |
| 25th Percentile | 4.21% | 5.35% |
| 10th Percentile | 2.35% | 4.01% |

| *Probability of Meeting Benchmark Returns** | 10-Year Horizon | 20-Year Horizon |
|---|---|---|
| Annualized Returns of 7.50% | 35.50% | 38.70% |
| Annualized Returns of 7.25% | 38.50% | 46.00% |
| Annualized Returns of 7.00% | 41.50% | 47.50% |
| Annualized Returns of 6.75% | 44.60% | 51.90% |

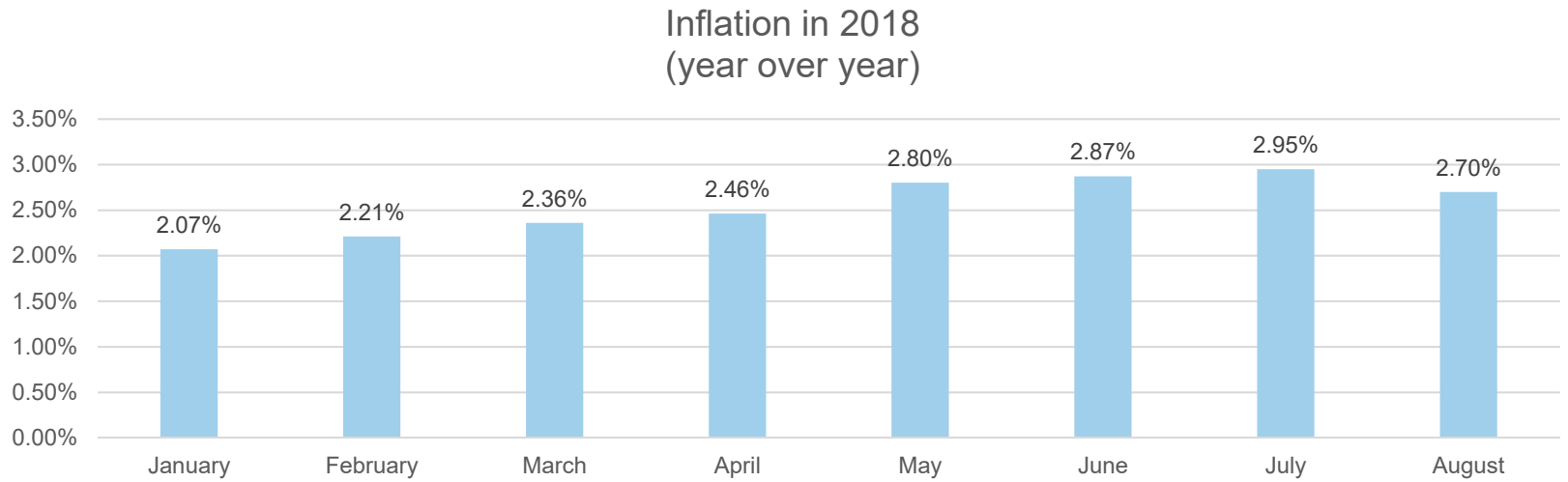
*Assuming 2.75% Inflation

# Inflation Rate

## ➢ Current Assumption: 3.00%

## ➢ Benchmarks:

- *Past Five Years of CPI-U:* 1.5%
- *Past 20 Years of CPI-U:* 2.7%
- *Current Year Monthly CPI-U:*




## ➢ Recommendation:

- *Decrease assumption to 2.75%*

# Investment Rate of Return

## Current Assumption: 7.25%

## Actual results in last five years:

- 6.45% on Actuarial Value
- 9.05% on Market Value

## Comments

- Develop using "building block" approach under ASOP standards
- Inflation + Real Rate of Return
- Real Rate of Return
  - Consider historical returns and the Capital Market Outlook
  - Reasonable Range: 3.8% to 4.4%

## Recommendation

- Lower the rate from 7.25% to 7.00%
- 2.75% Inflation + 4.25% Real Rate of Return
- Assume that the return is net of investment fees only (account for administrative expenses separately)

# Administrative Expenses

## Current Assumption

- $130,000, payable mid-year

## Comments

- Assumption adopted prior to 2017 valuation
- $165,260 in 2017
- $219,595 in 2018

## Recommendation

- Increase assumption to $190,000 in the year beginning July 1, 2018
- Review annually and adjust as necessary

# Payroll Growth

## Current Assumption: 3.00%

## Comments

- Used to amortize UAAL as a level percentage of payroll
- Usually equivalent to inflation assumption

## Recommendation

- Lower the assumption to 2.75%

# Salary Scale

## Current Assumption

- Service-based
- 14.00% annual increase in the first year
- 6.00% in the second and third years
- 5.00% in years two through four
- 4.00% in years five to fourteen
- Decreasing to 3.50% through twenty-four years
- 3.00% thereafter

## Comments

- Includes inflation component of 3.00%

## Recommendation

- Maintain the service-based table
- Lower the underlying inflation rate to 2.75%

# Actuarial Asset Smoothing Method

## Current Method

- Reflects 10 year smoothed value of assets
- Corridor of 30% around market
- Treats realized and unrealized losses equally
  - Sale of assets does not affect actuarial value
- Implemented in 2009
- Smoothed actuarial value of assets is 93.7% of market value as of July 1, 2018
- Net deferred investment gains of $6.3 Million

## Recommendation

- Decrease the smoothing period from 10 years to 5 years
- Modify the corridor around market value to 20%
- Consider a fresh start of past gains and losses, resetting to market as of July 1, 2018

# Impact of Proposed Changes

## Estimated Impact Based on Preliminary July 1, 2018 Results

| Item | (1) Preliminary 7/1/2018 Valuation Results | (2) 7/1/2018 Valuation Results Including Proposed Assumption Changes | (3) 7/1/2018 Valuation Results Including Proposed Assumption and Asset Method Changes | (4) 7/1/2018 Valuation Results Including Proposed Assumption and Asset Method Changes with Fresh Start |
|---|---|---|---|---|
| Normal Cost | $2,674,737 | $2,723,194 | $2,723,194 | $2,723,194 |
| Normal Cost as a % of Pay | 11.30% | 11.02% | 11.02% | 11.02% |
| Actuarial Accrued Liability | $147,625,941 | $151,137,882 | $151,137,882 | $151,137,882 |
| Actuarial Value of Assets | $93,301,323 | $93,301,323 | $95,379,355 | $99,606,816 |
| Unfunded Actuarial Accrued Liability | $54,324,618 | $57,836,559 | $55,758,527 | $51,531,066 |
| % Funded (Actuarial Value) | 67.47% | 61.73% | 63.11% | 65.90% |
| Total Recommended Contribution, Adjusted For Timing | $9,018,318 | $9,313,253 | $9,188,492 | $8,934,682 |
| Projected Payroll | $25,552,050 | $25,401,752 | $25,401,752 | $25,401,752 |
| Recommended Contribution as a % of Pay | 35.34% | 36.66% | 36.17% | 35.17% |
| Effective Amortization Period | 23.5 years | 27.8 years | 26.0 years | 22.8 years |

# Summary of Proposed Assumption Changes

| Assumption | July 1, 2017<br>Current Assumptions | July 1, 2018<br>Proposed Assumptions |
|---|---|---|
| Interest Rate | 7.25%, net of investment expenses | 7.00%, net of investment expenses |
| Inflation | 3.00% | 2.75% |
| Administrative Expenses | $130,000, adjusted annually as appropriate based on inflation and experience | $190,000 in the year beginning July 1, 2018, adjusted annually as appropriate based on inflation and experience |
| Salary Scale | Service-based table, with an ultimate rate of 3.00% | Service-based table, with an ultimate rate of 2.75% |
| Payroll Growth | 3.00% | 2.75% |

# Questions and Discussion

# Thank You!

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# CITY OF GAINESVILLE

## AGENDAREQUEST

**Date Submitted**: 10/5/2018

**Presenter**: Denise Jordan

**Item of Business**: 2018 Election Calendar

**Meeting Date**: 10/9/2018

**Purpose of Request**:
The purpose of this request is to present an election calendar to address positions that will expire on February 22, 2019.

**History/Background**:

**Facts & Issues for Consideration**:
An election will be needed to address the following positions:

- All Employees Representative
- All Other Employees Representative
- Water Resources Representative
- Retirees Representative

**Department Recommendation**:
Accept the recommended calendar.

**Department Director**:
David Frazier

**If funding is involved, are funds approved within the current budget?**
No

**Amount Requested**:

**Source of Funds**:

**Finance Comments**:

**Administrative Comments:**

ATTACHMENTS:

| Description | Type |
|---|---|
| 2018 Election Calendar Options | Backup Material |
| Election Policy | Policy |

# Retirement Plan A - 2018 Election Calendar

**Terms Expire on 2/22/19**

Tommy Hunt, All Employees Representative
Matt Hamby, All Other Employees Representative
Danny Ingram, Water Resources Representative
David Frazier, Retirees Representative

| TASK | PREFERRED (Working Calendar Option 7) | ALTERNATE (Working Calendar Option 4) |
|---|---|---|
| Eligible voters list | 10/22/18 | 10/10/18 |
| Post election schedule | 10/29/18 | 10/16/18 |
| First day for nominations | 11/5/18 | 10/22/18 |
| Last day for nominations | 11/16/18 | 10/31/18 |
| Letters identifying candidates | 11/19/18 | 11/5/18 |
| Prepare ballots | | |
| Prepare sign in registers | | |
| Absentee Voting Period | 12/3/18 – 12/14/18 | 11/19/18 – 11/28/18 |
| Advance Voting (*TBD)<br>1:30 PM to 3:30 PM | 12/12/18 | 11/26/18 |
| Election – (*TBD)<br>10:00 AM to 3:00 PM | 12/14/18 | 11/28/18 |
| **Run-off election** | | |
| Post Notice | 1/7/19 | 11/30/18 |
| Absentee Voting | 1/9/19 | 12/3/18 – 12/14/18 |
| Advance Voting – (*TBD)<br>1:30 PM to 3:30 PM | 1/17/19 | 12/12/18 |
| Run-off Election – (*TBD)<br>Room 10:00 AM to 3:00 PM | 1/23/19 | 12/14/18 |

*Location To Be Determined

**Dates to Consider:**

- Meetings/training/conferences/PTO
- Thanksgiving – November 22-23, 2018
- Christmas – Dec. 25 – 26, 2018
- New Years – Jan. 1, 2019
- Martin Luther King Day – Jan. 21, 2019

*"Qualified participants shall be defined as those participants enrolled in Retirement Plan A prior to the first day of Absentee Voting. No one entering the Plan on or after the first day of Absentee Voting will be eligible to vote."*

**City of Gainesville, Retirement Plan A** RPA Policy #:0003

Originally Adopted: 05/13/2015
Amended: 08/10/2016, 9/27/17 Effective Date: 9/27/17

## Election of Board Members

Purpose:
The purpose of this policy is to provide guidelines concerning elections of board members.

Additional Authority: Plan Document

Scope:
Applies to Retirement Plan A Board

Responsible Party: Retirement Plan A Chair

POLICY

I. Policy Statement

The board will conduct elections in a timely manner in compliance with the Plan Document and in a manner that encourages maximum participation within a reasonable and verifiable voting process.

II. Procedure

A. The City Clerk shall prepare an Election Calendar and shall conduct the election in accordance with said calendar. Deviations from the calendar may occur with the consent of the Chairman of the Board.

B. Prior to requesting nominations, a "Qualified Participants List", identifying all Participants eligible to vote during an election will be prepared by the Payroll Office and maintained by the City Clerk. The list will identify all employees/retirees enrolled in or receiving a retirement benefit from Retirement Plan A. In the case of elections that, pursuant to the Plan Document, are limited to specific groups of employees or retirees, the City Clerk will filter the list to include only Qualified Participants within that group. The list shall be updated as of the first day of absentee voting and will remain the same throughout the election cycle, including any run-off election.

1. The list shall contain the Participant's name, hire date, Plan A participation/enrollment date, and department. As to retirees, the list will contain retirement date.
2. The list will be prepared in Microsoft Excel or other format agreed upon by the City Clerk and Payroll Office that will facilitate use of the data in preparing labels, statistics, sorted lists, or other reports necessary for conducting or documenting the election.

3. The City Clerk has the authority to investigate questions regarding qualified participants.

C. Qualified Participants enrolled in Plan A prior to the first day of the nomination period shall be eligible to submit one nomination for each position in which he/she is eligible to cast a vote.

D. Qualified Participants may opt to vote via Absentee Ballot for any reason.

1. Participant will complete an Absentee Voting application and submit it to the City Clerk's Office. Upon receipt, the City Clerk's Office will date stamp the application.
2. If approved, within 24 hours of receipt of the application an absentee ballot packet will be mailed to the applicant containing the following: Ballot, Instructions, Official Absentee Ballot Envelope, and an envelope addressed to the City Clerk's Office.
3. Absentee Ballot must be delivered to the City Clerk's Office, either in person or by mail by 4:00 p.m. on Election Day in the envelope provided, as stated in the instructions.
4. Upon receipt by the City Clerk's Office the Absentee Ballot will be date stamped and will remain un-opened and stored in a secure location until the votes are tallied.
5. Any Absentee Ballot delivered in person by the Participant at the voting location during the advance or regular voting period will be declared void and the Participant will be asked to cast a ballot.
6. Any Absentee Ballot shall be declared void if the voting instructions were not followed.

E. On the Day Before Advance Voting and Election Day the election workers will receive instructions regarding their assigned tasks and the voting station(s) will be prepared, including signs, ballots, and other necessary materials for the election location.

F. During Advance Voting the following process will be followed:

1. Election signs will be posted.
2. Each election worker will be provided with information pertaining to their task.
3. Instructions will be reviewed and questions answered.
4. Polls will open and close at the time specified within the election calendar.
5. For each Participant voting, a picture identification will be checked and it will be verified that each Participant is entitled to vote. An Employee ID Card or Driver's License is preferred.
6. Each Participant will sign the register prior to voting.
7. Each Participant will receive a ballot and be directed to a private voting area.
8. Participant will place their ballot in the ballot box.

9. At the end of each day, an election worker will certify that the number of ballots in the ballot box is equivalent to the number of advance voters shown on the register.
10. Ballots will be placed in a sealed, date-stamped envelope.
11. The date-stamped envelope will be place in a secure location until the votes are tallied.

G. On Election Day the following process will be followed:

1. Election signs will be posted.
2. Each election worker will be provided with information pertaining to their task.
3. Instructions will be reviewed and questions answered.
4. Polls will open and close at the time specified within the election calendar.
5. For each Participant voting, a picture identification will be checked and it will be verified that each Participant is entitled to vote. An Employee ID Card or Driver's License is preferred.
6. Each Participant will sign the register prior to voting.
7. Each Participant will receive a ballot and be directed to a private voting area.
8. Participant will place their ballot in the ballot box.

H. A Provisional Ballot will be issued to any employee/retiree desiring to vote whose name is not printed on the Qualified Participant list. Provisional Ballots will be verified in accordance with Section I.4 of this policy. Only those votes cast on provisional ballots by Qualified Participants shall be included in the official election results upon completion of the verification process. A Provisional Ballot will also be issued to an employee/retiree who fails to provide proper identification at the voting precinct. The voter must provide identification within one business day after the voting period closes for his/her vote to be counted.

I. The following process will be used to Tally Votes by two people who will see that the results are entered into a spreadsheet:

1. On Election Day
   a) One election worker will pull the ballots from the box, announce the vote, and sort the ballots accordingly, while a second election worker marks a blank ballot keeping count of the votes that were cast.
   b) One election worker will count the ballots in each stack while the second election worker tallies the marks on the ballot for each candidate. The two should be the same
2. Absentee Votes
   a) Ballots will be removed from their secure location.
   b) The absentee ballot outer envelope will be opened, removing the unmarked envelope and placing in a separate stack.
   c) Unmarked envelopes will be shuffled in order to maintain voting secrecy.

d) Unmarked envelopes will be opened.

e) One election worker will announce the votes and stack ballots accordingly, while a second election worker marks a ballot, keeping count of the votes that were cast.

f) One election worker will count the ballots in each stack while the second election worker tallies the marks on the ballot for each candidate. The two should be the same.

3. Advance Votes

a) Ballots will be removed from their secure location and the envelopes will be opened.

b) One election worker will announce the votes and stack the ballots accordingly, while a second person marks a ballot keeping count of the votes that were cast.

c) One election worker will count the ballots in each stack while the second election worker tallies the marks on the ballot for each candidate. The two should be the same.

4. Provisional Ballots

a) Ballots will be removed from their secure location.

b) The voter must present picture identification within one business day, i.e., City Clerk's Office business day, from closing the election if not presented at the time the provisional ballot was cast. Within five business days, a determination will be made as to whether the voter is a Qualified Participant. If so, the process is continued. If not, "not qualified" will be marked on the outer envelope and it will not be opened.

c) Election worker will open qualified "Provisional Ballot" outer envelope, remove the unmarked inner envelope and place it in a stack.

d) Unmarked envelopes will be shuffled to maintain voting secrecy.

e) Unmarked envelopes will be opened.

f) One election worker will announce the votes and stack the ballots accordingly. A second election worker will mark a ballot, keeping count of the ballots that were cast.

g) One election worker will count the ballots in each stack while the second election worker tallies the marks on the ballot for each candidate. The election workers will confirm that the totals match and resolve any differences if necessary.

J. As soon as practical After the Election, if discrepancies exist on the spreadsheet, the tallies will be revisited to resolve or explain said discrepancies. After doing so, the spreadsheet shall serve as the certified election results and shall remain on file with the election materials. A letter will be prepared to Qualified Participants announcing the certified election results.

K. The winner of an election shall be determined by majority vote of the Qualified Participants who voted. A majority vote equals 50% of the votes cast plus one vote.

L. A Run-off election is required between the top two candidates when there are more than two candidates and no one receives the majority vote. A run-off election will be conducted using the same election process and the same Qualified Participants List.

M. In the event of a tie vote in an election that includes only two candidates, a one day election will be held in an attempt to break the tie, using the "Election Day" procedures contained in this policy. If the tie is unresolved after this election, the election will be decided by a coin toss conducted by the City Clerk.

III. Campaigning

Candidates may campaign in break rooms and in common areas, i.e., where employee information is posted. However, said campaigning shall not be offensive, shall not be negative toward other candidates and shall not be in a manner that adversely effects the performance of employees. Citywide emails for campaigning purposes must be distributed by the Communications and Tourism Director. Campaigning is not allowed in voting areas during election hours.

# CITY OF GAINESVILLE

## AGENDAREQUEST

**Date Submitted**: 10/3/2018

**Presenter**: David Frazier

**Item of Business**: Plan Document Amendments Re City Clerk

**Meeting Date**: 10/9/2018

**Purpose of Request**:
To propose amendments to the Plan Document Sections 6.01 and 8.01 (b) relating to the City Clerk.

**History/Background**:
As a result of previous action, certain functions designated by the Plan Document to be performed by the City Clerk will now be performed by the Retirement Manager, who is an Employee in the Human Resources Department. In order for for the Plan Document to accurately the practices previously adopted, the proposed changes are necessary.

**Facts & Issues for Consideration**:
Whether to recommend to the City Council that the amendments to Sections 6.01 and 8.01 be adopted.

**Department Recommendation**:
Recommend adoption of the amendments.

**Department Director**:
David Frazier

**If funding is involved, are funds approved within the current budget?**

**Amount Requested**: **Source of Funds**:

**Finance Comments**:

**Administrative Comments:**

ATTACHMENTS:

| Description | Type |
|---|---|
| Optional Form of Payment Amendment 2018 - Draft | Backup Material |
| Plan Document Amendment Elections 2018 - Draft | Backup Material |

**ARTICLE VI**
**Manner of Payment and Other Benefits**

**6.01 Optional Form of Benefit Payments:** By filing a written election with the Pension Board prior to the date Pension payments commence, a Participant who has a Spouse and who is entitled to a Normal, Delayed or Early Retirement Pension or a Deferred Vested Pension may elect to receive a Pension payable in accordance with a "Joint and Survivor Option' in an Actuarially Equivalent amount, in lieu of the Pension to which he may otherwise become entitled.

Under the Joint and Survivor Option, such a Participant who has a Spouse may elect to receive a reduced Pension payable during the joint lives of the Participant and his Spouse so that, following the death of the Participant, payment of the Pension in an amount equal to one-hundred, seventy-five or fifty percent (100, 75 or 50 %) (as elected by the Participant) of the Participant's reduced Pension shall continue to be made to his Spouse, if surviving, with the last payment to be made as of the first day of the month in which the death of his Spouse occurs.

At the time of his retirement, a Participant who chooses a Joint & Survivor Option will be covered by a "Pop Up" provision. This "Pop Up" provision, upon the death of a designated Spouse prior to the Participant's death, will cause the Participant's benefit to revert to the Normal, Delayed, or Early retirement benefit chosen at the time of retirement, with no reduction for the Joint & Survivor Option. The cost of this "Pop Up" provision is included in Joint & Survivor Option and will not result in any increase in the reduction of the Participant and Spouse's benefits. It shall be the responsibility of the Participant to notify the Plan in writing, through the Human Resources Department ~~City Clerk~~, of the death of a designated Spouse. Notification shall include a death certificate. Effective as of the first day of the month following the death of the designated Spouse, the pension benefit will revert from the amount the Participant was receiving under the Joint & Survivor Option to the amount he would have been entitled to on a Single Life Income basis. However, if the Participant fails to furnish the Plan with proper proof of the designated Spouse's death within a one (1) year period of such death, then said increase shall not become effective until the first day of the month following the date such proof is submitted. The pension payment will be recalculated and adjusted during the next regular payment cycle after notification requirements have been met. If the designated Spouse predeceases the Participant, all payments will cease upon the death of the Participant and no further benefits will accrue to his estate or beneficiaries.

Except as provided in Section 6.02(b), the election by a Participant of this Joint and Survivor Option shall be null and void if either the Participant or his Spouse should die prior to the receipt of the first Pension payment. After Pension payments have commenced, no future elections or revocations of this optional form shall be permitted. Notwithstanding the preceding sentence, in the limited circumstances of a same-sex married Participant who was legally married prior to the date of his or her retirement and commenced Pension payments prior to June 26, 2015, a one-time, thirty (30) day window will be offered for the same-sex married Participant to retroactively

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elect the Joint and Survivor Option, in a time and manner prescribed by the Pension Board. By filing a written election with the Pension Board, such same-sex married Participant may elect the Joint and Survivor Option, with such election to be retroactively effective to the Participant's retirement date. Any same-sex married Participant making the retroactive Joint and Survivor Option election must repay the Plan for any overpayments of benefits the Participant received as a result of the change in the form of the retired Participant's benefit payments, as determined by the Actuary. Any retroactive election of the Joint and Survivor Option will be determined with the Joint and Survivor Option that was in place at the time of the Participant's retirement, such that same-sex married Participants who retired prior to October 18, 2011 will not be covered by the "Pop Up" provision and will instead receive a benefit awarded using the pre-"Pop Up" mortality tables.

The Pension Board may, at its discretion, direct the Trustee to pay all Participants' Normal, Delayed or Early Retirement Pension or Delayed Vested Pension in a single lump-sum distribution, if the lump-sum Actuarial Equivalent of the Participant's interest in his vested Accrued Benefit is not greater that $5,000. Provided, however, effective July 1, 2006, no distribution shall be made from the Plan without consent of the Participant.

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ARTICLE VIII. 8.01 (b).

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Election of Members:

Each and every Participant who is qualified shall be entitled to vote in an election for a Pension Board member to represent them ~~in the membership~~ as enumerated in Subparagraph (a) of this Section 8.01. All persons who are qualified to vote at said election shall be notified of the election ~~–~~in person or in ~~by~~ writing five (5) days in advance by the City Human Resources Department ~~Clerk~~. The Pension Board shall establish procedures for the conduct of elections with provisions for, but not limited to, absentee voting and establishment of voting hours. The City Human Resources Department ~~Clerk~~ shall preside at the election of said member and a majority of those voting shall elect.

The term of office of each of said Board members, except the City Clerk, shall commence on the first Monday after his election and continue for a period of two (2) years, and until his successor shall be elected and qualified. An election shall be held, in the manner hereinbefore described, at the expiration of the term of office of each Board member, except the City Clerk, for the purpose of electing his successor; and election for each member, except the City Clerk, shall be compulsory every two (2) years

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# CITY OF GAINESVILLE

## AGENDAREQUEST

**Date Submitted**: 10/3/2018

**Presenter**: David Frazier

**Item of Business**: Elections Policy Amendment

**Meeting Date**: 10/9/2018

**Purpose of Request**:
To present a proposal to amend the RPA Elections Policy

**History/Background**:
Due to previous action, certain responsibilities related to Elections have been reassigned from the City Clerk to the Retirement Manager, who serves as the Board Secretary.

**Facts & Issues for Consideration**:
In order for the policy to accurately reflect the changes, the policy must be amended.

**Department Recommendation**:
Approve amendments.

**Department Director**:
David Frazier

**If funding is involved, are funds approved within the current budget?**

**Amount Requested**: **Source of Funds**:

**Finance Comments**:

**Administrative Comments:**

ATTACHMENTS:

| Description | Type |
|---|---|
| Election of Board Members Policy - Draft | Policy |

**City of Gainesville, Retirement Plan A** RPA Policy #:0003

Adoption Date: 05/13/2015 Effective Date: 05/13/2015 Revised: 08/10/2016

## Election of Board Members

Purpose:
The purpose of this policy is to provide guidelines concerning elections of board members.

Additional Authority:
Plan Document

Scope:
Applies to Retirement Plan A Board

Responsible Party:
Retirement Plan A Chair

POLICY

I. Policy Statement

The board will conduct elections in a timely manner in compliance with the Plan Document and in a manner that encourages maximum participation within a reasonable and verifiable voting process.

II. Procedure

A. Elections shall be conducted by the ~~City Clerk~~Board Secretary.

B. Prior to requesting nominations, a "Qualified Participants List", identifying all Participants eligible to vote during an election will be prepared by the Human Resources Department ~~Payroll Office~~ and maintained by the ~~City Clerk~~Board Secretary. The list will identify all employees/retirees enrolled in or receiving a retirement benefit from Retirement Plan A. In the case of elections that, pursuant to the Plan Document, are limited to specific groups of employees or retirees, the ~~City Clerk~~Board Secretary will filter the list to include only Qualified Participants within that group. The list shall be updated as of the first day of absentee voting and will remain the same throughout the election cycle, including any run-off election.

1. The list shall contain the Participant's name, hire date, Plan A participation/enrollment date, and department. As to retirees, the list will contain retirement date.
2. The list will be prepared in Microsoft Excel or other format agreed upon by the ~~City Clerk~~Board Secretary and Human Resources Department

~~Payroll Office~~ that will facilitate use of the data in preparing labels, statistics, sorted lists, or other reports necessary for conducting or documenting the election.

3. The ~~City Clerk~~Board Secretary has the authority to investigate questions regarding qualified participants.

C. Qualified Participants enrolled in Plan A prior to the first day of the nomination period shall be eligible to submit one nomination for each position in which he/she is eligible to cast a vote.

D. Qualified Participants may opt to vote via Absentee Ballot for any reason.

1. Participant will complete an Absentee Voting application and submit it to the ~~City Clerk~~Board Secretary's Office. Upon receipt, the ~~City Clerk~~Board Secretary's Office will date-stamp the application.
2. If approved, within 24 hours of receipt of the application an absentee ballot packet will be mailed to the applicant containing the following: Ballot, Instructions, Official Absentee Ballot Envelope, and an envelope addressed to the ~~City Clerk~~Board Secretary's Office.
3. Absentee Ballot must be delivered to the ~~City Clerk~~Board Secretary's office, either in person or by mail by 4:00 p.m. on Election Day in the envelope provided, as stated in the instructions.
4. Upon receipt by the ~~City Clerk~~Board Secretary's Office the Absentee Ballot will be date-stamped and will remain un-opened and stored in a secure location until the votes are tallied.
5. Any Absentee Ballot delivered in person by the Participant during the advance or regular voting period will be declared void.
6. Any Absentee Ballot shall be declared void if the voting instructions were not followed.

E. On the Day Before Advance Voting and Election Day the election workers will receive instructions regarding their assigned tasks and the voting station(s) will be prepared, including signs, ballots, and other necessary materials for the election location.

F. During Advance Voting the following process will be followed:

1. Election signs will be posted.
2. Each election worker will be provided with information pertaining to their task.
3. Instructions will be reviewed and questions answered.
4. Polls will open at 9:00 a.m.

5. For each Participant voting, a picture identification will be checked and it will be verified that each Participant is entitled to vote. An Employee ID Card or Driver's License is preferred.
6. Each Participant will sign the register prior to voting.
7. Each Participant will receive a ballot and be directed to a private voting area.
8. Participant will place their ballot in the ballot box.
9. At the end of each day, an election worker will certify that the number of ballots in the ballot box is equivalent to the number of advance voters shown on the register.
10. Ballots will be placed in a sealed, date-stamped envelope.
11. The date-stamped envelope will be place in a secure location until the votes are tallied.

G. On Election Day the following process will be followed:

1. Election signs will be posted.
2. Each election worker will be provided with information pertaining to their task.
3. Instructions will be reviewed and questions answered.
4. Polls will open at 9:00 a.m.
5. For each Participant voting, a picture identification will be checked and it will be verified that each Participant is entitled to vote. An Employee ID Card or Driver's License is preferred.
6. Each Participant will sign the register prior to voting.
7. Each Participant will receive a ballot and be directed to a private voting area.
8. Participant will place their ballot in the ballot box.
9. Polls will close at 4:00 p.m.

H. A Provisional Ballot will be issued to any employee/retiree desiring to vote whose name is not printed on the Qualified Participant list. Proper identification must be shown at the time the ballot is issued. Provisional Ballots will be verified within a reasonable amount of time after the conclusion of the election. Only those votes cast on provisional ballots by Qualified Participants shall be included in the official election results. A Provisional Ballot will also be issued to an employee/retiree who fails to provide proper identification at the voting precinct. The voter must provide identification within two business days after the voting period closes for his/her vote to be counted.

I. The following process will be used to Tally Votes by two people who will see that the results are entered into a spreadsheet:

1. On Election Day
    a) One election worker will pull the ballots from the box, announce the vote, and sort the ballots accordingly, while a second election worker marks a blank ballot keeping count of the votes that were cast.
    b) One election worker will count the ballots in each stack while the second election worker tallies the marks on the ballot for each candidate. The two should be the same
2. Absentee Votes
    a) Ballots will be removed from their secure location.
    b) The absentee ballot outer envelope will be opened, removing the unmarked envelope and placing in a separate stack.
    c) Unmarked envelopes will be shuffled in order to maintain voting secrecy.
    d) Unmarked envelopes will be opened.
    e) One election worker will announce the votes and stack ballots accordingly, while a second election worker marks a ballot, keeping count of the votes that were cast.
    f) One election worker will count the ballots in each stack while the second election worker tallies the marks on the ballot for each candidate. The two should be the same.
3. Advance Votes
    a) Ballots will be removed from their secure location and the envelopes will be opened.
    b) One election worker will announce the votes and stack the ballots accordingly, while a second person marks a ballot keeping count of the votes that were cast.
    c) One election worker will count the ballots in each stack while the second election worker tallies the marks on the ballot for each candidate. The two should be the same.
4. Provisional Ballots
    a) Ballots will be removed from their secure location.
    b) A determination will be made if the voter is a Qualified Participant. If so, the process is continued. If not, “not qualified” will be marked on the outer envelope and it will not be opened.
    c) Election worker will open qualified “Provisional Ballot” outer envelope, remove the unmarked inner envelope and place it in a stack.
    d) Unmarked envelopes will be shuffled to maintain voting secrecy.

e) Unmarked envelopes will be opened.

f) One election worker will announce the votes and stack the ballots accordingly. A second election worker will mark a ballot, keeping count of the ballots that were cast.

g) One election worker will count the ballots in each stack while the second election worker tallies the marks on the ballot for each candidate. The election workers will confirm that the totals match and resolve any differences if necessary.

J. As soon as practical After the Election, if discrepancies exist on the spreadsheet, the tallies will be revisited to resolve or explain said discrepancies. After doing so, the spreadsheet shall serve as the certified election results and shall remain on file with the election materials. A letter will be prepared to Qualified Participants announcing the certified election results.

K. The winner of an election shall be determined by majority vote of the Qualified Participants who voted. A majority vote equals 50% of the votes cast plus one vote.

L. A Run-off election is required between the top two candidates when there are more than two candidates and no one receives the majority vote. A run-off election will be conducted using the same election process and the same Qualified Participants List.

M. In the event of a tie vote in an election that includes only two candidates, a one day election will be held in an attempt to break the tie, using the “Election Day” procedures contained in this policy. If the tie is unresolved after this election, the election will be decided by a coin toss conducted by the ~~City Clerk~~Board Secretary.

# CITY OF GAINESVILLE

## AGENDAREQUEST

**Date Submitted**: 10/3/2018

**Presenter**:

**Item of Business**: Personnel Matters

**Meeting Date**: 10/9/2018

**Purpose of Request**:

**History/Background**:

**Facts & Issues for Consideration**:

**Department Recommendation**:

**Department Director**:
David Frazier

**If funding is involved, are funds approved within the current budget?**

**Amount Requested**: **Source of Funds**:

**Finance Comments**:

**Administrative Comments:**

# CITY OF GAINESVILLE

## AGENDAREQUEST

**Date Submitted**: 10/3/2018

**Presenter**: Karen Rojas

**Item of Business**: New Disbursements Report

**Meeting Date**: 10/9/2018

**Purpose of Request**:
To provide a report of all disbursements since the last RPA Board Meeting and to seek the Board's approval of the disbursements as presented.

**History/Background**:

**Facts & Issues for Consideration**:
Disbursements processed as of 09/30/2018.

**Department Recommendation**:

**Department Director**:

**If funding is involved, are funds approved within the current budget?**

**Amount Requested**: **Source of Funds**:

**Finance Comments**:

**Administrative Comments:**

ATTACHMENTS:

| Description | Type |
|---|---|
| New Disbursements Report | Report |

# RETIREMENT PLAN A
# DISBURSEMENT REPORT
# October 9, 2018

| | EMPLOYEE NAME | DEPARTMENT | TERMINATION DATE | DISTRIBUTION INFORMATION | | | | |
|---|---|---|---|---|---|---|---|---|
| | | | | DATE PROCESSED | CONT AMT | VESTED | DEATH BENEFIT | LUMP SUM ROLLOVER LUMP SUM/ROLLOVER |
| 1 | Riczo, Kyle Austin | DWR | 7/27/2018 | 8/22/2018 | | No | No | Lump Sum |
| 2 | Parks, Scott | Comm. Dev. | 6/1/2018 | 8/15/2018 | | No | No | Rollover |
| 3 | Pizano, Juan Antonio | Police | 7/16/2018 | 8/7/2018 | | No | No | Lump Sum |
| | **TOTAL** | | | | **$ 9,477.00** | | | |

# CITY OF GAINESVILLE

## AGENDAREQUEST

**Date Submitted**: 10/3/2018

**Presenter**: Karen Rojas

**Item of Business**: New Benefits Report

**Meeting Date**: 10/9/2018

**Purpose of Request**:
To provide a report of new retirement benefits processed as of 09/30/2018.

**History/Background**:

**Facts & Issues for Consideration**:
New benefit payments processed as of 09/30/2018.

**Department Recommendation**:
To approve payment as presented.

**Department Director**:

**If funding is involved, are funds approved within the current budget?**

**Amount Requested**: **Source of Funds**:

**Finance Comments**:

**Administrative Comments:**

ATTACHMENTS:

| Description | Type |
|---|---|
| 10/09/201 New Benefits Report | Report |

# RETIREMENT PLAN A
# NEW BENEFITS PAYMENT REPORT
# October 9, 2018

| | RETIREE BENEFICIARY | DEPARTMENT | EFFECTIVE DATE | BENEFIT INFORMATION | | | | SERVICE | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | TYPE | AMOUNT | START DATE | SPOUSAL OPTION | TOTAL Eligibility+ Conv Sick | CREDITED (Includes Conv Sick) |
| 1 | Standridge, Angie | Police | 8/3/2018 | Normal | | 9/1/2018 | No | 26.40 | 26.40 |
| 2 | | | | | | | | | |
| 3 | | | | | | | | | |
| | **TOTAL** | | | | **$ -** | | | | |

## SPECIAL REPORTS

| | RETIREE BENEFICIARY | DEPARTMENT | EFFECTIVE DATE | BENEFIT INFORMATION | | | | SERVICE | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | TYPE | Amount | START DATE | SPOUSAL OPTION | TOTAL | CREDITED |
| 1 | | | | | | | | | |
| 2 | | | | | | | | | |
| 3 | | | | | | | | | |
| | | | | | **$0.00** | | | | |

# CITY OF GAINESVILLE

## AGENDAREQUEST

**Date Submitted**: 10/4/2018

**Presenter**: Karen Rojas

**Item of Business**: Rehire of Retirees Report

**Meeting Date**: 10/9/2018

**Purpose of Request**:
To provide a verbal report of recent rehire of retirees.

**History/Background**:

**Facts & Issues for Consideration**:

**Department Recommendation**:

**Department Director**:
David Frazier

**If funding is involved, are funds approved within the current budget?**

**Amount Requested**: **Source of Funds**:

**Finance Comments**:

**Administrative Comments:**

ATTACHMENTS:

| Description | Type |
|---|---|
| Rehired Retiree MOU | Backup Material |
| Amended MOU Rehiring of Plan A Retirees | Contract/Agreement/MOU |

**Memo of Understanding**
**Retirement Plan A Retiree Rehires**

**Intent:** The Board's intent with this Memo of Understanding is to prohibit the rehire of a Plan A Retiree who would replace a Plan A Participant and therefore Plan A contributions to the Plan. The secondary intent to is to discourage early retirement (which is costly to the Plan) by prohibiting immediate rehire as a non-Participant.

A Plan A Retiree shall not be required to cease payment of their pension if rehired under the following circumstances:

1. A retiree may be rehired in a part-time non-plan A position if pension payments have been received for at least six months.

2. The City Manager may approve the rehire of a Retiree, with less than 6 months of receiving a Pension, for a part-time temporary position with work hours of 29 or under per week to fill a short-term Plan A or Plan B vacancy (up to 12 weeks) and/or to train a new Plan A or Plan B employee.

**Required Notification to the Board:** Prior to a Plan A retiree rehire, the Human Resources Office shall notify the Board Chairman and the City Clerk (the Board's Secretary). The Board's Chairman, within 3 business days, shall respond to the Human Resources Office with any questions or concerns. Such email notifications shall be retained in the employee and retiree file.

**Such part-time employment by a rehired Retiree shall not be counted as Eligibility Service under the Plan and such Participant shall accrue no further benefits under the Plan during such part-time employment.**

**By: Janeanne Allison, Director of Administrative Services**

Janeanne Allison **Date:** 1/23/17

**By: David Frazier, RPA Board Chairman**

**Date:** 1-17-17

**Memo of Understanding**
**Retirement Plan A Retiree Rehires**

**Intent:** The Board's intent with this Memo of Understanding is to prohibit the rehire of a Plan A Retiree who would replace a Plan A Participant and therefore Plan A contributions to the Plan. The secondary intent to is to discourage early retirement (which is costly to the Plan) by prohibiting immediate rehire as a non-Participant.

A Plan A Retiree shall not be required to cease payment of their pension if rehired under the following circumstances:

1. A retiree may be rehired in a part-time non-plan A position if pension payments have been received for at least six months.

2. The City Manager may approve the rehire of a Retiree, with less than 6 months of receiving a Pension, for a part-time temporary position with work hours of 29 or under per week to fill a short-term Plan A or Plan B vacancy (up to 12 weeks) and/or to train a new Plan A or Plan B employee.

**Required Notification to the Board:** Prior to a Plan A retiree rehire, the Human Resources Office shall notify the Board Chairman and the Retirement Manager (the Board's Secretary). The Board's Chairman, within 3 business days, shall respond to the Human Resources Office with any questions or concerns. Such email notifications shall be retained in the employee and retiree file.

**Such part-time employment by a rehired Retiree shall not be counted as Eligibility Service under the Plan and such Participant shall accrue no further benefits under the Plan during such part-time employment.**

**By: Janeann Allison, Director of Administrative Services**

**_____ Date: _____**

**By: David Frazier, RPA Board Chairman**

**_____ Date: _____**

# CITY OF GAINESVILLE

## AGENDAREQUEST

**Date Submitted**: 10/3/2018

**Presenter**: Karen Rojas

**Item of Business**: Minutes: August 14, 2018 Executive Session

**Meeting Date**: 10/9/2018

**Purpose of Request**:
The purpose of this request is to allow the Board to adopt the minutes from the referenced meeting.

**History/Background**:

**Facts & Issues for Consideration**:

**Department Recommendation**:
Adopt the minutes presented.

**Department Director**:
David Frazier

**If funding is involved, are funds approved within the current budget?**

**Amount Requested**: **Source of Funds**:

**Finance Comments**:

**Administrative Comments:**

# CITY OF GAINESVILLE

## AGENDAREQUEST

**Date Submitted**: 10/3/2018

**Presenter**: Karen Rojas

**Item of Business**: Minutes: August 14, 2018 Meeting

**Meeting Date**: 10/9/2018

**Purpose of Request**:
The purpose of t his request is to allow the Board to adopt the minutes from the referenced meeting.

**History/Background**:

**Facts & Issues for Consideration**:
Draft minutes were distributed via email to the Board and Ex-Officio Members for comments/corrections.

**Department Recommendation**:
Adopt the minutes accepting edits as presented.

**Department Director**:
David Frazier

**If funding is involved, are funds approved within the current budget?**

**Amount Requested**: **Source of Funds**:

**Finance Comments**:

**Administrative Comments:**

ATTACHMENTS:

| Description | Type |
|---|---|