

MINUTES
FIREFIGHTERS & POLICE PENSION PLAN BOARD OF TRUSTEES
February 25, 2016, Regular Meeting

Pursuant to Public Notice, Chairman Harry Pawlak convened a regular meeting of the City of Satellite Beach Firefighters & Police Pension Plan Board of Trustees on February 25, 2016, at 2:50 p.m. in the City Hall Conference Room.

Board members present were Harry Pawlak, Bill Spiegelhalter, Jay Dragon, Robert Mench, and Bill Mayer.

Also present were Paul Shamoun from the Florida League of Cities, Jennifer Howland and Dominick Montanaro with the City of Satellite Beach, and Steve Cypen Plan attorney by phone.

PLEDGE OF ALLEGIANCE *recognized in the General meeting*

PUBLIC COMMENTS: None

ELECTION OF OFFICERS: CHAIRMAN AND VICE-CHAIR

ACTION: Mr. Spiegelhalter MOVED, SECOND Mr. Mench to re-elect Mr. Pawlak as Chairman. VOICE VOTE: ALL AYES. MOTION CARRIED

ACTION: Mr. Mench MOVED, SECOND Mr. Dragon to elect Mr. Mayer as Vice-Chairman. VOICE VOTE: ALL AYES. MOTION CARRIED

ADOPTION OF MINUTES:

November 19, 2015, regular meeting

ACTION: Mr. Dragon MOVED, SECOND Mr. Mench to approve the minutes as presented. VOICE VOTE: ALL AYES. MOTION CARRIED

Invoice approval of FLC/FMPTF \$375 per meeting administration fee November 19, 2015, meeting
Ratification of Payment \$150/month retainer for December and January for Cypen & Cypen
Ratification of Payment \$5,980.16 for FLC/FMPTF for Quarterly Fees 12/31/2015
Ratification of Payment \$1,000.00 for FLC/FMPTF for Annual Administration Fee 01/01/2016

ACTION: Mr. Dragon MOVED, SECOND Mr. Mayer to approve/ratify the payments. VOICE VOTE: ALL AYES. MOTION CARRIED

RETIREMENTS FOR APPROVAL- None

PRESENTATION OF THE 10/01/2015 VALUATION

Mr. Shamoun presented the actuarial valuation. He informed the Board the actuary was instructed to prepare the valuation using the assumption rate of 7.75% and show what the numbers would be at 7.25%. The actuary took upon himself to produce the valuation at 7.25% knowing he may have to redo the valuation for free. The Board reviewed the minimum required contribution rates for the City at 7.75% and 7.25%. Mr. Shamoun informed the Board if the assumption rate was changed to 7.50% the City's required contributions would be about the same as this fiscal year. The City asked in order to maintain the budget the Board approve something in between the 7.25% and 7.75%. The City will be able to plan better for future years knowing the increase is coming. The Board discussed the usage of the State Excise Tax money; its usage is under mutual consent with the City and the union contracts.

**FIREFIGHTERS' & POLICE OFFICERS' PENSION PLAN BOARD OF TRUSTEES
FEBRUARY 25, 2016 MINUTES**

PAGE 2

ACTION: Mr. Dragon MOVED, SECOND Mr. Mayer, to change the assumption rate on the actuarial valuation to 7.50%.
VOICE VOTE: ALL AYES. MOTION CARRIED.

ANNUAL REPORT

Mr. Pawlak informed the Board they need to do three things concerning the Annual Report: state the long-term rate of return, approve the detailed account report, and approve the summary plan document. Mr. Shamoun informed the Board even though they just approved the assumption rate to be changed for the valuation, they also needed to approve it again so the required letter could be sent to the State. He further explained part of the new legislation the Detailed Accounting Report had to be included in the Annual Report even though the expenses were already listed in the Annual Report.

ACTION: Mr. Dragon MOVED, SECOND Mr. Mench, to state the long-term investment rate be set at 7.50%. VOICE VOTE: ALL AYES. MOTION CARRIED.

ACTION: Mr. Mench MOVED, SECOND Mr. Dragon, to approve the Detailed Accounting Report as presented. VOICE VOTE: ALL AYES. MOTION CARRIED.

ACTION: Mr. Mench MOVED, SECOND Mr. Pawlak, to approved Summary Plan Description as presented. VOICE VOTE: ALL AYES. MOTION CARRIED.

PRESENTATION OF THE DECEMBER 31, 2015, QUARTERLY INVESTMENT REPORT

Mr. Shamoun presented the investment report in the General meeting. No one had questions about the report.

OLD BUSINESS: None

PLAN TRUSTEE COMMENTS:

Mr. Dragon asked about how the Share Plan gets set up. A Share Plan was created in the new union contract but it was not stated how the Share Plan was set up. Mr. Shamoun explained the assets would be kept in the Plan and the Share money would be accounted for in an excel file. The City Council would have to amend the Plan to establish the policies governing the administration of the Share Plan. At the next meeting Mr. Shamoun would bring sample language for the Board to review including: share allocations – retroactive for past years or everyone starting equally with one share, how earnings are accumulated and allocated, and allowing for credit for partial years of service/or not.

PLAN ATTORNEY COMMENTS: None

PLAN ADMINISTRATOR COMMENTS:

Mr. Shamoun informed the Board the only legislation that could affect the Plan this year was a bill that presumed all firefighter cancer disability cases were an in the line of duty disability. He did not think the bill would pass this year, but laid the ground work for next year. This would have little impact on the pension plan but a large impact on the City's Worker' Comp.

AMGEN Class Action Mr. Shamoun reported this was brought to the League's attention. There is no resolution to the case yet but we are monitoring the case.

ACTION: Mr. Spiegelhalter MOVED, SECOND Mr. Mayer to adjourn the meeting. VOICE VOTE: ALL AYES. MOTION CARRIED

**FIREFIGHTERS' & POLICE OFFICERS' PENSION PLAN BOARD OF TRUSTEES
FEBRUARY 25, 2016 MINUTES**

PAGE 3

The meeting was adjourned at 2:30 p.m.

Stephanie Forbes, Florida Municipal Pension Trust Fund