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**CITY OF DELTONA, FLORIDA
FIREFIGHTER'S PENSION BOARD OF TRUSTEES MEETING
TUESDAY, July 15, 2008**

A Regular Meeting of the Firefighter's Pension Board of Trustees was held on Tuesday, July 15, 2008 in the City of Deltona's 2nd Floor Conference Room at 2345 Providence Blvd., Deltona, Florida.

1. CALL TO ORDER:

The meeting was called to order at 3:09 p.m. by Chairman Chris Nabicht.

2. ROLL CALL:

Chairman	Chris Nabicht	Present
Secretary	Chris Sievert	Present
Board Member	Earl "Mac" Deyette	Present
Board Member	John D. Adams	Absent (Excused/medical)
Board Member	James Koczan	Present
Plan Administrator	Lisa Spriggs	Present
Employee Benefits Specialist	Gene Gizzi	Present

Also present: Lee Dehner, Christianson & Dehner, P.A.; Janet Day, Executive Assistant, City Clerk's Office and Susan Helberg, Staff.

3. APPROVAL OF MINUTES & AGENDA:

A. ADOPTION OF MINUTES:

Motion by Mr. Deyette, seconded by Mr. Koczan to approve the minutes of June 17, 2008 with the correction of the spelling of Fritz Behring. Motion carried with members voting unanimously.

B. ADDITION OR DELETIONS TO THE AGENDA: None

Motion was made to approve the agenda as published by Mr. Sievert, seconded by Mr. Koczan. Motion carried with members voting unanimously.

4. MEMBER COMMENTS: None

5. APPROVAL OF EXPENDITURES:

A. THE BOGDahn GROUP, APRIL-JUNE

A bill was submitted by Bogdahn Group dated June 26, 2008 in the amount of \$6,125.00

After discussion, the Board concurred to table Item 5A until the August 19, 2008 meeting under Old Business for clarification.

B. LISA SPRIGGS, APRIL-JUNE

A bill was submitted by Lisa Spriggs dated June 15, 2008 in the amount of \$4,500.00 for administrative and consulting services for the months of April, May and June 2008.

1 **Motion by Mr. Sievert, seconded by Mr. Deyette to approve the bill submitted by Lisa Spriggs dated**
2 **June 15, 2008 in the amount of \$4,500.00.**

3
4 **Motion carried with the members voting unanimously.**

5
6 **C. ACTUARIAL CONCEPTS, MAY**

7
8 A bill was submitted by Actuarial Concepts dated June 19, 2008 in the amount of \$663.75 for completion of
9 actuarial valuation analyses and the Chairman asking Ms. Spriggs to Actuary clean up billing in the future.

10
11 **Motion by Mr. Koczan, seconded by Mr. Deyette to approve the bill submitted by Actuarial Concepts**
12 **dated June 19, 2008 in the amount of \$663.75.**

13
14 **Motion carried with the members voting unanimously.**

15
16 **D. CHRISTIANSEN & DEHNER, P.A.**

17
18 There was no bill submitted by Christianson & Dehner.

19
20 **After discussion, the Board concurred to table Item 5D until the August 19, 2008 meeting under Old**
21 **Business.**

22
23 **6. OLD BUSINESS:**

24
25 **A. Fiduciary Liability Insurance:**

26
27 Lisa Spriggs gave an update on the Fiduciary Liability Insurance referring to the information included in
28 the member's packets. The Board selected Gibson and Wirt, Inc. representing Travelers Insurance to
29 provide Fiduciary Liability Insurance with a premium of \$2,574.13 guaranteed for 3 years for \$1 million
30 each claim/aggregate and with a deductible of \$5,000.00, waiver of recourse included.

31
32 **Motion by Mr. Sievert, seconded by Mr. Deyette to select Gibson & Wirt, Inc. to provide Fiduciary**
33 **Liability Insurance.**

34
35 The Chairman instructed Ms. Spriggs to move forward with the execution the contract after Mr. Dehner's
36 review. The Board members agreed to track the status of item 6A Fiduciary Liability Insurance at the
37 August 19th meeting.

38
39 **Mr. Sievert restated the motion to select Gibson & Wirt, Inc. and to include the authorization to**
40 **expenditure for the annual premium in the amount of \$2,574.13, seconded by My Deyette.**

41
42 **Motion carried with the members voting unanimously.**

43
44 **B. Temporary Plan Administration Procedure:**

45
46 Ms. Spriggs reported that she would be providing back-up of all Florida Firefighter Pension (FFP) files
47 for safe keeping. The Chairman asked Mr. Dehner if an Ordinance was necessary. Mr. Dehner stated that
48 he would clean up the language contained in the Board's policy based on the discussion.

1 **The Board concurred to table Item 6B until the August 19, 2008 meeting for tracking purposes.**

2
3 **C. Actuarial Services Contract:**

4
5 The Chairman asked the members their recommendation on whether the Board should take over the
6 Actuarial Contract itself or leave with the City.

7
8 **The Board concurred that the Board should take over the contract.**

9
10 The Chairmen asked Mr. Dehner to speak with the Acting City Manager and the City Attorney to see if
11 there are any objections to the Board taking over the contract. If there are no objections, Mr. Dehner will
12 move forward.

13
14 **The Board concurred totable Item 6C until the August 19, 2008 meeting under Old Business.**

15
16 **D. Update on Enhancements Evaluated Out by the Actuary:**

17
18 Ms. Spriggs stated that she had submitted questions to the Actuary and was awaiting the answers. Ms.
19 Spriggs asked that the Actuary clarify some of the figures contained in the Statement of Actuarial Impact
20 that was submitted to the Board at the June 17th meeting. The Chairman asked Mr. Vroman what the
21 intent of the Union was. Mr. Vroman stated that he was intending to ask for a 3.1 – 3.2 multiplier. The
22 Chairman suggested that they could possibly conference in the Actuary. Ms. Spriggs stated that they
23 needed to understand the tables.

24
25 **The Board concurred to table Item 6D until the August 19, 2008 meeting under Old Business.**

26
27 **7. NEW BUSINESS**

28
29 **A. Parcial Lump Sum & Prior Prior Buy Back Plan Options:**

30
31 At the request of the FFP Board of Trustees at the June meeting, Mr. Dehner presented several examples
32 of partial lump sum payment options as well as prior service buybacks for the members to review and
33 discuss. The Chairman questioned whether an Ordinance would be required for a benefit of equivalent
34 actuarial value if this option was selected by a member. Mr. Gizzi stated that the tendency of the retiring
35 member was to look at the lump sum but offered that this may not be in the member's best interest. Mr.
36 Gizzi stated that the actuarial gain opens up the plan and feels that having a choice of options is good. Mr.
37 Dehner stated that some cities are opposed to combinations. The presentation also showed options for
38 those members who do not participate in the Differed Retirement Option Program (DROP) and the
39 member may elect a percentage of benefit in a lump sum. Mr. Dehner stated the option of 20% of the
40 member's benefit would be good, 25% would be the maximum. Mr. Deyette asked if an actuarial
41 evaluation would be required. Mr. Sievert suggested that 10 – 20% would be a good number. The
42 Chairman suggested having more options such as 5, 10, 15, or 20%. Mr. Dehner suggested taking 5% to
43 pay mortgage leaving 95% in retirement fund.

44
45 **Motion by Mr. Sievert, seconded by Mr. Deyette to select the 10, 15 and 20% options.**

46
47 **The motion carried 3 to 1; Chairman Nabicht voting against.**

48
49 Mr. Dehner was asked to put the information into Ordinance form to be presented to the Board at October
50 meeting.

1 **Motion by Mr. Koczan, seconded by Mr. Deyette to authorize Mr. Dehner to combine optional forms**
2 **of benefits to the DROP Program.**

3
4 Mr. Deyette asked if the Board Members would be able to review the Ordinance and Mr. Dehner replied he
5 would draft the Ordinance for the Board to review at the October Meeting.

6
7 **Motion carried with the members voting unanimously.**

8
9 Section 25 of the Buy Back Plan Option, FMLA.

10
11 The Chairman asked if Mr. Dehner could draft language. Mr. Dehner stated "yes" and asked what salary
12 would be used. Mr. Dehner did not recommend this apply to long term. Mr. Koczan asked that this option be
13 of no cost to the City above the City's normal contribution and that the base salary should be used. After
14 discussion, Mr. Dehner suggested that Section 25 be left out because of unanswered questions. The Chairman
15 stated that the Board needed answers from Human Resources (HR) before continuing discussion on this
16 section and Mr. Gizzi stated he would discuss the matter with HR.

17
18 **The Board concurred to table discussion of this item until the September meeting under Old**
19 **Business.**

20
21 Section 26 of the Buy Back Plan, Military Service Prior To Employment.

22
23 Mr. Dehner said that they would need a buyback provision in order to offer this option and it would
24 provide for a funding mechanism. The Chairman asked if it would mirror the Florida Retirement System
25 (FRS). Mr. Dehner stated he was not sure.

26
27 **The Board concurred to table discussion of this item until the October meeting under Old Business.**

28
29 Section 27 of the buy Back Plan, Prior Fire Service.

30
31 There were a lot of questions on this option that needed answers and Mr. Gizzi agreed to get the answers
32 and report back to the Board.

33
34 **The Board concurred to table discussion of this item until the October meeting under Old Business.**

35
36 **B. Ordinance Language Change for DROP Program:**

37
38 The Chairman suggested that the DROP be changed from 3 years to 8 years and Mr. Dehner was asked to
39 draft language.

40
41 **The Board concurred to table discussion of this item until the October meeting under Old Business.**

42
43 **C. Investment Strategy Discussion:**

44 Mr. Gizzi stated that a representative from Principal had been asked to attend the August meeting and he
45 planned to ask the representative to demonstrate how Principal could reduce the fees. He stated that they
46 needed to show some flexibility.

47
48 **The Board concurred to table discussion of this item until the August meeting under Old Business.**

49
50 **8. Attorney's Report:**

51

1 Mr. Dehner spoke about House Bill 171 and about a new bill to be re-filed. There is also a proposed
2 Federal Bill stating that for the FFP plan to be in compliance it would need to be amended. Mr. Dehner
3 will work on amending the plan and bring the item back to the Board for discussion.
4

5 **9. Plan Administration**
6

7 Ms. Spriggs reported that she will be giving the quarterly report at the July 21, 2008 Regular City
8 Commission Meeting and she had forwarded a copy of the report to the City Manager's office to be
9 included on the agenda. She also reported that all paperwork submitted to the State had been approved
10 and the plan would be receiving the planned tax refund. She reminded the members about the conference
11 in Orlando to be held September 8th – 10th. Mr. Deyette said he would be interested in attending.
12

13 **10. BOARD MEMBERS' COMMENTS:**
14

15 The Chairman spoke regarding Mr. Adams being absent due to medical problems and asked for a motion
16 to excuse him from the meeting.
17

18 **Motion by Mr. Deyette, seconded by Mr. Koczan to excuse Mr. Adams from the meeting due to
19 medical problems.**
20

21 **Motion carried with the members voting unanimously.**
22

23 The chairman asked Ms. Spriggs for an itemized report of the Board's expenses to be submitted to the
24 Board on a quarterly basis and Ms. Spriggs agreed.
25

26 **11. CONFIRMATION OF THE NEXT MEETING DATE, TIME AND LOCATION:**
27

28 The next meeting will be held on August 19, 2008 at 5:00 p.m. 2nd Floor Conference Room.
29

30 **Motion by Mr. Koczan, seconded by Mr. Deyette to adjourn the meeting.**
31

32 **Motion carried with members voting unanimously.**

33 There being no further business, the meeting adjourned at 6:09 p.m.
34

35 Approved this 19th day of August, 2008.
36
37

38 _____
39 **Chris Nabicht, Chairman**

40 **ATTEST:**
41
42

43 _____
44 **Janet Day, Executive Assistant**