FIRE PENSION BOARD MINUTES

JANUARY 16, 2014

8:30 A.M.

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

PRESENT:

Keith Beattie, Vice Chairman
Michael Terry, Member
Bruno Falkenstein, Member
Mark Keenan, Member

ABSENT:

Ryan Holt, Member (Excused)

ALSO PRESENT:

Phil Milner, SPB Firefighter
Mary Jo Murphy, Recording Secretary
Tyler Grumbles, Bogdahn Consulting
Lynn Skinner, Salem Trust
Patrick Donlan, Foster & Foster
Lee Dehner, Christensen & Dehner

1. Roll Call/Pledge of Allegiance

2. Introduction of new Board Member Mark Keenan

Mr. Phil Milner introduced Mark Keenan as a new Board Member and he was sworn in by the Recording Secretary, Mary Jo Murphy.

> **Member Falkenstein made a motion to certify the election result. The motion was seconded by Vice Chairman Beattie and unanimously approved by a roll call vote.**

3. Appointment of Chairman & Secretary

Mr. Dehner, Board Attorney, informed the Board that Rule 1.4, Establishment of Offices, states: "The Board of Trustees shall elect a Chairman and Secretary every 2 years at the Board's October meeting." Mr. Milner commented that the elections were always in December. After Board discussion, it appeared that the Secretary position had exceeded two years. Therefore, Mr. Dehner recommended to put on the agenda of the next meeting to discuss and review the "Operating Rules and Procedures for the City of St. Pete Beach Firefighters' Retirement System." The last revision was April 29, 2010.

> **Vice Chairman Beattie made a motion for Mark Keenan to be the Chairman for today's meeting and nominate Ryan Holt as the new Chairman of the Fire Pension Board. The motion was seconded by Member Falkenstein and unanimously approved by a roll call vote (3-1).**

Member Falkenstein suggested tabling the appointment of Secretary until the next meeting and to wait for the changes of the bylaws of the Board until the Commission appoints the members of the Fire Pension Board in March 2014. Also, Member Falkenstein suggested a provision should be put in the bylaws that upon someone resigning from the Board, it shall be fulfilled, if possible, at the next meeting.

Mr. Milner made the following comments about the Payment of Invoices: one, the Board had not received a bill from Foster & Foster. Mr. Donlan confirmed that a bill had not been presented at the time. Two, the Salem Trust amount on the agenda did not include the discount, but the copy of the invoice in the packet has the correct amount, $2,182.50.

At this time Mr. Milner exited the dais.

4. Approval of Prior Minutes

> **Member Falkenstein made a motion for the approval of the minutes for October 17, 2013. The motion was seconded by Vice Chairman Beattie and unanimously approved by a roll call vote.**

5. Payment of Invoices and Bills

Payment of Invoices

- Anchor Capital Advisors LLC
- Bogdahn Consulting $3,800.00
- Brown Advisory
- Christiansen & Dehner
- Cutwater Management
- Foster & Foster
- Salem Trust $2,425.00
- Shea Barclay Group $ 894.48

> **Member Falkenstein made a motion to approve the payment of invoices with a change to the Salem Trust amount on the agenda to $2,182.50. The motion was seconded by Vice Chairman Beattie and unanimously approved by a roll call vote.**

At this point, Mr. Dehner advised the Board that No. 10 on the agenda, Audience Comments, should be moved to appear after Roll Call/Pledge of Allegiance or Approval of Prior Minutes in future agendas due to an amendment to the Sunshine statutes. After Board discussion, it was decided to put Audience Comments as No. 2 on the agenda.

Member Falkenstein made a motion to amend the agenda. The motion was seconded by Vice Chairman Beattie and unanimously approved by a roll call vote.

Acting Chairman Keenan asked if there were any audience comments. There were no audience comments.

6. <u>Reports</u>

a. Bogdahn Consulting

Tyler Grumbles, Bogdahn Consulting, informed the Board that he was the new representative for The Bogdahn Group. Mr. Grumbles has been working with Tim Nash on the account for a couple of years. Mr. Grumbles reviewed the St. Pete Beach Firefighters' Retirement Plan Investment Performance Review for December 31, 2013 with the Board.

Mr. Grumbles stated that performance-wise the plan was doing well. The expected rate of return for the plan is 7.75 %.

Member Falkenstein made a motion to accept the report . The motion was seconded by Vice Chairman Beattie.

Mr. Dehner instructed the Board that this report did not need a vote to accept it but Patrick Donlan's Actuarial Evaluation did need to be voted on.

b. Salem Trust

Ms. Skinner, representing Salem Trust, updated the Board that the system transition also affected the retirees. The 1099-R's that are issued, the retirees normally receive one. However, since Salem Trust is on two systems currently, the retirees will receive two 1099-R's. Therefore, there will be a mailing sent out to explain this to the retirees.

c. Christiansen and Dehner

Mr. Dehner reported that the Legislative Session is in March and April this year. One bill, Senate Bill 246, could impact the Board if it is adopted. The bill provides that funds that do not have a funded ratio of at least 80 percent, a certain portion of excess state monies has to be used for the purpose of increasing that funded ratio.

Mr. Dehner reminded the Board Members that Form 1's, Statement of Financial Interests, need to be filed. The filing would be for calendar year 2013 and the deadline for filing is July 1, 2014.

Mr. Dehner mentioned reviewing the Operating Rules and Procedures for the City of St. Pete Beach Firefighters' Retirement System at the next meeting. Mr. Dehner asked the Mary Jo Murphy, Recording Secretary, to distribute a copy to all of the Board Members.

Mr. Dehner stated there is a pending disability application. The status of that application is that three sets of medical records have not been received. Once all of the records have been received, an Independent Medical Examination will be arranged. The date for the hearing is March 2, 2014. Mr. Dehner recommended to the Board to suspend the time of the hearing for an additional 90 days and to have a special agenda and meeting for the process. Mr. Dehner informed the Board there needs to be a motion to extend the date of the initial hearing an additional 90 days.

Member Falkenstein made a motion to extend the date of the initial hearing an additional 90 days. The motion was seconded by Vice Chairman Beattie Beattie and unanimously approved by a roll call vote.

Member Falkenstein posed the question if it was permissible to obtain a plaque of appreciation for the previous Chairman of the Board and to present it at the next board meeting. The Board agreed to proceed forward with the suggestion.

d. Foster & Foster

Patrick Donlan, Foster & Foster, reviewed the evaluation report with the Board. Mr. Donlan commented that it was a good year and the funding requirements are decreasing for next year. There was an actuarial gain of $493,000 this year because investments were good and the salary increases were low.

Mr. Donlan commented to Mr. Dehner that the definition of salary is not in the City Ordinances and should be added.

Mr. Donlan informed the Board that there is still an excess state money reserve of $251,482. The money is waiting to be used. The Board decided to put this as an agenda item for discussion at the next meeting.

Acting Chairman Keenan made a motion to approve Patrick Donlan's report. The motion was seconded by Member Terry and unanimously approved by a roll call vote.

Mr. Dehner instructed the Board that there needed to be another motion to determine what the total expected rate of return for the fund will be and it should be based on Mr. Grumbles' recommendation.

Mr. Grumbles stated that 7.75 % is a reasonable expected rate of return for the current year, the next several years, and the long-term thereafter.

Member Falkenstein made a motion to expect a rate of return of 7.75%. The motion was seconded by Vice Chairman Beattie and unanimously approved by a roll call vote.

At this time Vice Chairman Beattie exited the Fire Pension Board meeting.

7. Old Business

No discussion was held.

8. New Business

Progress of Kevin McConn's Disability

Member Keenan reiterated that the progress of Kevin McConn's Disability is postponed until all reports are received.

9. Board Comments

Member Falkenstein commented that his term will be up in March 2014, unless appointed again, and wanted to express how much he enjoyed serving on the Board.

Member Terry commented that it had been an outstanding year investment-wise and wanted to thank Bogdahn Group and Patrick Donlan.

10. Audience Comments

At this time Vice Chairman Beattie entered the Fire Pension Board meeting.

Acting Chairman Keenan asked for any audience comments. There were no audience comments.

11. Adjournment

There being no further business to come before the Board, the meeting was adjourned at 9:45 a.m.

Attest:

Rebecca C. Haynes, City Clerk

Ryan Holt, Chairman

Minutes approved on: 7-17-14