

Minutes of the Firefighter’s Pension Board Meeting

Chairman Ronald Glass called the meeting to order on Thursday, October 21, 2010 at 9:45 a.m., 2nd floor, conference room R, City Hall at 400 S. Orange Avenue, Orlando, Florida. There was a quorum.

Members Present:

Ronald Glass, Chairman
Shannon Raybon, Trustee
Michael Droege, Secretary
Mario A. Garcia, Trustee
Kevin Edmonds, Trustee

Also Present:

Christopher P. McCullion, Executive Director
James B. Loper, Board Attorney
Rochelle L. Burlon, Pension Coordinator
Amanda Green, Department Advocate
Katrina Laudeman, Deputy Executive Director
Katie Zuccarini, Employee Benefits
Randall Stanley, Stanley, Holcombe & Associates

Chairman Glass welcomed back Kevin Edmonds to the Pension Board as a trustee.

2. MINUTES

A MOTION TO APPROVE THE MINUTES OF SEPTEMBER 16, 2010 was made by M. Droege and seconded by S. Raybon; **MOTION CARRIED UNANIMOUSLY.**

3. CONSENT AGENDA

A MOTION TO APPROVE THE CONSENT AGENDA AS PRESENTED was made by M. Droege and seconded by S. Raybon; **MOTION CARRIED UNANIMOUSLY.**

Name

Jeffrey Cervenka

Date of Retirement

October 1, 2010

4. PENDING/OLD BUSINESS

a. STATUS OF DISABILITY APPLICATIONS

Patrick Gallagher

Notebooks turned in October 5, 2010.
IME scheduled for November 12, 2010.

Jacqueline Goldenberg

Notebooks turned in on August 28, 2010.
IME was scheduled for October 19, 2010.

John Panzella

Notice of Appearance filed by M. Clelland. No application has been submitted.

John Tormos (neck & back)

MRI films were submitted by applicant. Questions were submitted by Board and Randy Brown (applicant's attorney), to schedule a deposition with the IME physician. Motion to Stay filed on August 6 by Mr. Brown. Motion Denied by Pension Board at their meeting of August 19, 2010. Deposition to be scheduled by A. Green, for the third week of November.

John Tormos (hypertension)

Petition for Writ of Certiorari filed by Erin J. O'Leary, attorney for applicant on July 23, 2010 with the Circuit Court of the Ninth Judicial Circuit. Motion to Strike filed by J. Loper. Response to Motion To Strike filed by Applicant's attorney September 2, 2010.

**b. NATIONWIDE AGREEMENT AND
UPDATE ON MEMBERSHIP'S APPROVAL**

R. Glass advised that the members ratified the vote on October 11 and 12 to hire Nationwide Retirement Solutions to administer the Share Program. **A MOTION AUTHORIZING THE CHAIRMAN TO SIGN THE AGREEMENT WITH NATIONWIDE RETIREMENT SOLUTIONS AS THE THIRD PARTY ADMINISTRATOR FOR THE FIREFIGHTERS' SHARE PROGRAM** was made by M. Droege and seconded by S. Raybon; **MOTION CARRIED UNANIMOUSLY.**

**c. UPDATE ON HEART ACT ORDINANCE
UPDATE ON SHARE PLAN ORDINANCE**

Ordinances were adopted on 2nd Reading by City Council on October 18, 2010.

**d. UPDATE ON SHARE PROGRAM
INFORMATION TO RETIREES**

Staff advised that letters and a beneficiary form already went out to the retirees and the Share Ordinance is presently on the pension board website. A second letter will be mailed on October 29, 2010 advising the retirees that the Share Program Initial Calculations for years 1998-2008 will be posted on the website by October 29, as well as an email to all active firefighters and those firefighters who retired after July 1, 2009. The letters will advise that to contest the calculation of shares they must file a written complaint to the Board of Trustees within thirty days from the date it is posted on the website.

Staff will work on scheduling a quasi-judicial hearing for those who have filed a timely written complaint.

C. McCullion advised that the shares are calculated for all eleven years and one share is equal to a full calendar year. No money amounts will be posted until shares have been confirmed and administrative fees deducted. We are hoping this will be fully enacted by the end of 2010.

A MOTION TO APPROVE THE SHARE CALCULATIONS AS PRESENTED SUBJECT TO THE CHAIR'S APPROVAL AND POST ON THE FIREFIGHTERS' PENSION WEBSITE, was made by M. Droege and seconded by K. Edmonds; **MOTION CARRIED UNANIMOUSLY.**

A MOTION TO SET A HEARING DATE AS SOON AS POSSIBLE AFTER THE CALCULATIONS HAVE BEEN POSTED FOR THIRTY DAYS AND WRITTEN COMPLAINTS FILED, was made by M. Droege and seconded by S. Raybon; **MOTION CARRIED UNANIMOUSLY.**

A MOTION TO HAVE STAFF MEET WITH FIREFIGHTERS WHO SUBMIT WRITTEN COMPLAINTS TO SEE IF IT CAN BE RESOLVED PRIOR TO HEARING was made by M. Droege and seconded by S. Raybon; **MOTION CARRIED UNANIMOUSLY.**

A MOTION TO APPROVE THE BOARD'S DESIGNATION OF BENEFICIARY FORM FOR ACTIVE EMPLOYEES AND THOSE WHO RETIRED AFTER JULY 1, 2009, was made by M. Droege and seconded by S. Raybon; **MOTION CARRIED UNANIMOUSLY.**

1. FIVE YEAR ACTUARIAL EXPERIENCE STUDY

Randall Stanley, of Stanley, Holcombe & Associates reviewed the 2005-2009 experience study that was completed on October 14, 2010. We will retain a payroll growth assumption equal to 5% annually; asset allocation method will remain unchanged with a 20% Write Up Method; continue the existing 20-year amortizations, with amortization over 20 years for all new bases in the future. The current investment return assumption of 8%, is compounded annually, net of investment expenses and that may be viewed as a combination of 3.5% inflation and 4.5% due to real return and risk premium. They do not recommend any changes to the current disability assumption. The estimated city contribution was \$10,342,536 as of October 1, 2009. He pointed out various recommendations that could be changed and the Trustees opted to wait until the actuarial valuation is presented for September 30, 2010 in February 2011.

A MOTION TO ADOPT THE DEMOGRAPHIC ASSUMPTION CHANGES, INCLUDING THE CHANGE TO THE RP 2000 MORTALITY TABLE, AND TO LEAVE THE ASSUMED RATE OF INVESTMENT RETURN AT 8%, was made by M. Droege and seconded by M. Garcia; **MOTION CARRIED UNANIMOUSLY.**

A MOTION TO APPROVE THE EXPERIENCE STUDY AS PRESENTED was made by M. Droege and seconded by S. Raybon; **MOTION CARRIED UNANIMOUSLY.**

5. **NEW BUSINESS/GENERAL APPEARANCE**

a. **ELECTION OF FIFTH MEMBER AND OFFICERS FOR THE TERM
OCTOBER 1, 2010 THROUGH SEPTEMBER 30, 2012**

A MOTION TO ELECT SHANNON RAYBON AS THE FIFTH MEMBER was made by R. Glass and seconded by M. Droege; **MOTION CARRIED UNANIMOUSLY.**

A MOTION TO ELECT RON A. GLASS AS CHAIRMAN; was made by M. Droege and seconded by M. Garcia; **MOTION CARRIED UNANIMOUSLY.**

A MOTION TO ELECT SHANNON RAYBON AS VICE CHAIRMAN AND F. MICHAEL DROEGE AS SECRETARY was made by R. Glass and seconded by K. Edmonds; **MOTION CARRIED UNANIMOUSLY.**

Meeting adjourned at 12:00 p.m.

Respectfully submitted,

Rochelle (Shelly) L. Burlon
Pension Coordinator