

**MINUTES OF THE BOYNTON BEACH FIREFIGHTER PENSION FUND
SPECIAL MEETING HELD ON WEDNESDAY, MARCH 15, 2017 AT
9:00 AT THE BOYNTON BEACH FIRE RESCUE STATION
CONFERENCE ROOM, 2ND FLOOR, 2080 HIGH RIDGE BOULEVARD,
BOYNTON BEACH FLORIDA**

Present:

Matthew Petty, Chairman
Jonathan Raybuck
Bob Taylor
Ginger Bush
Stan Cale

Bonni S. Jensen, Board Counsel

1. Call to Order

The meeting was called to order by Matt Petty at 9:14 am.

2. Public Commentary

Since there was no public present, there was no public comment.

3. Approval of Agenda

The agenda was unanimously approved by motion of the Board.

4. Third Party Administrator:

The Board began the presentations of the third party administrators. Chair Petty explained before each presenter that since the Board had recently heard presentations by these proposers, he expected that most of the presentation time would be spent on Board member questions. Chair Petty explained that Stan Cale was not present for the first set of presentations, a brief discussion about the presenter should precede the question and answer session.

a. Foster & Foster

Ferrell Jenne and Toni Lozen appeared before the Board on behalf of Foster and Foster. They provided the Board with a summary presentation of the Firm, which they reviewed with the Board.

The Board asked a number of questions and posed different scenarios. Many of the questions centered around face to face meetings. Ms. Jenne indicated that every effort would be made to accommodate the members. it was expected that

**MINUTES OF THE BOYNTON BEACH FIREFIGHTER PENSION FUND
SPECIAL MEETING HELD ON WEDNESDAY, MARCH 15, 2017
Page 2 of 5**

most of the transactions with the members would be handled electronically and over the telephone. Ms. Jenne discussed the process for review of the forms and possible creation of new forms. She also indicated that the DROP loans should be calculated by the Fund's actuary.

Ms. Jenne discussed the systems that are in place to manage the pension fund benefits and to keep track of the members. These systems are backed up and secure. The member information is not kept or accessible on line. It was discussed that the Board owned software and historical data, but the Board preferred to move away from that system.

The Board discussed the number of plans that Foster and Foster could handle. Ms. Jenne indicated that they were looking to hire an administrative assistant and an experienced administrator. Ms. Jenne indicated that she was working with 8 plans.

They were also potentially bidding on 2 more Funds. Currently, the company has 2 administrators and 1 administrative assistant.

The Board discussed with Ms. Jenne and Ms. Lozen how problems were addressed with the Board and both responded that communication was key to the smooth operation with the pension fund. Ms. Lozen explained some examples.

The Board discussed whether Foster & Foster might have an office on the east coast of Florida at some time. Ms. Jenne indicated that it was a possibility.

The board also discussed the process for the transition with Ms. Jenne and Ms. Lozen. They explained that first they would need all the files. They would then separate member files from other records and these member records will be scanned in within the first couple of months. The other key component would be communication with the members about the transition.

Ms. Jenne and Ms. Lozen left the meeting at about 10:20 am.

At about 10:20 am, the Board took a 10 minute break. The meeting was resumed at about 10:34 am.

**MINUTES OF THE BOYNTON BEACH FIREFIGHTER PENSION FUND
SPECIAL MEETING HELD ON WEDNESDAY, MARCH 15, 2017
Page 3 of 5**

b. Precision Pension Administration

Bob Dorn appeared before the Board on behalf of Precision Pension Administration. He provided the Board with a presentation book and provided a summary of the history for the Trustees.

He discussed the transition of the Boynton Beach Police Officers Pension Fund from Ms. LaDue to Precision Pension Administration.

Mr. Dorn discussed his willingness and availability to meet with members, provided there was notice of where and when. He provided detail about his daily schedule.

Mr. Dorn stated that Precision Pension Administration is not interested in being the biggest administrator in the south Florida market and feels that with Boynton Fire, they likely would not seek additional funds without addition of more staff. Mr. Dorn works with 3 pension funds currently.

Mr. Dorn provided an overview of the process for meeting a member regarding retirement and discussed how he addressed problems within the Plan, citing specifically a custodian issue.

Mr. Dorn discussed Precision Pension Administration's lack of firefighter pension plans.

Mr. Dorn indicated that the fee proposed is reduced from the standard rate to get business and will be guaranteed for 3 years.

Mr. Dorn left the meeting at 11:35 am.

The Chair opened the floor for discussion. After, some discussion, **Bob Taylor made a motion to hire Precision Pension Administration to provide the third party administration for the Board, which was seconded by Stan Cale.**

Further discussion ensued. The Board liked both presentations. It was recognized that this was a hard decision which ultimately came down to a measure of how much the members would like to have face to face meetings. Dissenting members were asked whether they wanted more information. It was discussed whether to ask Foster & Foster whether they could open an office on the east coast. The Board was concerned

**MINUTES OF THE BOYNTON BEACH FIREFIGHTER PENSION FUND
SPECIAL MEETING HELD ON WEDNESDAY, MARCH 15, 2017
Page 4 of 5**

about succession issues with Precision Pension Administration as well as a caution about the professionalism of presentations to members.

After determining that it was not going to be a unanimous vote, the question was called and the **vote was 3-2 on the motion to hire Precision Pension Administration. Ginger Bush and Jonathan Raybuck voted against.**

Ms. Jensen requested that the Board approve the signing of the agreement in between the meetings so that the transition could be expedited. **Motion by bob Taylor to allow for signature between meetings seconded by Jonathan Raybuck. Motion passed unanimously.**

5. Other Business

The Board reviewed the revised Actuarial Valuation as of September 30, 2016. They also reviewed the email from Pete Strong at GRS regarding the changes that were made to the valuation as follows:

- (1) The assumed increase in covered payroll from the valuation date to the contribution year was changed from 4.0% to 2.74% (to match the increase rate used for amortizing the unfunded liability based on the 10-year historical average payroll increase rate).
- (2) The re-evaluation of the COLA cost caused the amount of State money used to fund the Plan to increase by \$77,632 - from \$704,322 to \$781,954 - starting in FY 2016, but the City contribution for FY 2016 was contributed at the beginning of the fiscal year (October 2015) -- prior to the re-evaluation of the COLA. This resulted in \$77,632 more than the required contribution being credited in FY 2016. Instead of treating this as a FY 2016 contribution, it can be carved out of the assets (i.e., not counted as a FY 2016 contribution) and set up as a prepaid contribution to help offset the October 2017 City contribution), which we have done in this revised report to help reduce the 2017-18 contribution requirement.

Motion was made by Jonathan Raybuck, seconded by Stanley Cale to approve the September 30, 2016 Actuarial Valuation. The motion passed unanimously.

**MINUTES OF THE BOYNTON BEACH FIREFIGHTER PENSION FUND
SPECIAL MEETING HELD ON WEDNESDAY, MARCH 15, 2017
Page 5 of 5**

The meeting was adjourned at 12:35 pm after announcement of the next meeting on May 3, 2017.