

**September, 2015**

POLICE AND FIREFIGHTERS' PENSION BOARD  
REGULAR BOARD MEETING  
888 South Andrews Avenue, Suite 202  
Fort Lauderdale, FL 33316  
Wednesday, September 16, 2015, 12:30 p.m.

Present

Michael Dew, Chair  
Ken Rudominer, Vice Chair  
Jim Naugle, Trustee  
Scott Bayne, Trustee  
Dennis Hole, Trustee  
Jeff Cameron, Trustee  
Lynn Wenguer, Executive Director  
Linda Logan-Short, Deputy Director/CFO  
Steve Cypen, Board Attorney  
Robert Klausner, Board Attorney

Absent

Richard Fortunato, Secretary

Also Present

Amanda Cintron, Deputy Director  
Alexandra Goyes, Administrative Assistant  
John Herbst, City Auditor  
James Spears, attorney for Aaron Larsen  
Aaron Larsen, Firefighter  
Danielle Larsen  
Carl Borino, Retirees Association  
George Fitzpatrick, Retirees Association  
Ralph Finno, Retirees Association  
Jack Chew, Retirees Association  
Dave McGrath, Retirees Association  
Ann Lindie-MacNeil, Retirees Association Secretary/Treasurer  
Bruce MacNeil, Retirees Association  
Paul DeBold, Retirees Association  
Rick Theiss, Retirees Association  
Jim Ingersoll, Retirees Association President  
Fred Nesbitt, Communication Director  
Rick Schulze, Police Department  
Lisa Edmondson, Recording Secretary, Prototype Inc.

**ROLL CALL/CALL TO ORDER**

Chair Dew called the meeting to order at 12:30 p.m. Roll was called and a quorum was determined to be present.

**PLEDGE OF ALLEGIANCE/MOMENT OF SILENCE**

The Pledge of Allegiance was followed by a moment of silence.

**MINUTES:**

Regular Meeting: August 12, 2015

Motion made by Mr. Hole, seconded by Mr. Rudominer, to approve the minutes of the August 12, 2015 meeting. In a voice vote, the motion passed unanimously.

COMMENTS FROM PUBLIC

None.

NEW HIRES

Chair Dew recognized the new hires.

BENEFITS

POLICE DEPARTMENT:	DROP Retiree:	Lori Stewart Gregory Blazs
	Lump Sum Refund:	Yacoub Al-Ashhab
	Vesting:	Brice Brittenum
FIRE DEPARTMENT:	DROP Retiree:	Wilfret Anderson Jr.
	New Beneficiary:	Mattie Barnes

Ms. Wenguer stated Gregory Blazs had rescinded and then reinstated his retirement, effective September 25. The benefit was the same but the DROP balance had increased slightly

Motion made by Mr. Naugle, seconded by Mr. Rudominer, to approve payment of the benefits as stated. In a voice vote, the motion passed unanimously.

SERVICE INCURRED DISABILITY APPLICATION: Aaron Larsen

Mr. Klausner reminded the Board that the burden of proof was on the applicant to show that he was permanently and totally disabled as a result of an accident in the line of duty while serving as a Fort Lauderdale firefighter.

The board heard Mr. Larsen’s case.

Motion made by Mr. Bayne, seconded by Mr. Rudominer to approve Mr. Larsen for total, permanent, in-service incurred disability. In a roll call vote, motion passed 6-0.

Mr. Klausner explained that Mr. Larsen had been in effect receiving a full paycheck using donated sick time, so his disability would be effective 9/17/15 and he would receive a pro-rata disability payment.

The Board discussed the difficulty of finding local doctors to perform the evaluations and Mr. Hole noted that sometimes it could be advantageous to consult a doctor out of the county to avoid local politics.

BILLS

Klausner, Kaufman	\$5,812.25
Klausner Kaufman	\$4,590.00
Holland & Knight	\$500.00
Holland & Knight	\$225.00

Motion made by Mr. Rudominer, seconded by Mr. Hole, to approve payment of the bills as stated. In a voice vote, the motion passed unanimously.

COMMUNICATION DIRECTOR’S REPORT Fred Nesbitt

Mr. Nesbitt stated the FTTPA would hold a panel on disability hearings taught by Trustee Rudominer and Ms. Wenger.

INPUT FROM ACTIVE & RETIRED POLICE OFFICERS & FIREFIGHTERS

Mr. Ingersoll said the Board had now delegated a firefighter to \$10,000 in future buying power per year for full disability; and that his spouse would be delegated to \$5,000 per year because there was no COLA on disability.

Chair Dew advised Mr. Ingersoll to appeal this to the City Commission.

Mr. Klausner informed Mr. Ingersoll that the 1994 State Statue regarding actuarial gains and losses was Chapter 94-259.112.61. He explained that in Fort Lauderdale, in order to comply with Chapter 175 and 185, they must comply with 112.

#### EXECUTIVE DIRECTOR'S REPORT

##### MARC Programing Charges

Ms. Wenguer explained that the \$10,000 was agreed upon for the new software for the new tiers for partial DROP distribution and to the Fire overtime pay. Mr. Bayne clarified that it was not Fire overtime pay, it was additional pay not considered overtime.

Mr. Rudominer asked if the new Fire tier was similar to the new Police contract tier; he asked if they paid the same price when they changed the formula for Police. Ms. Wenguer said it as the same formula and they had agreed to enact the changes separately.

Motion made by Mr. Rudominer, seconded by Mr. Bayne to approve. In a voice vote, motion passed 6-0.

##### 2015/16 Budget

Ms. Wenguer said because the fund was being charged for the \$400 per month health insurance stipend for one retiree, she would add \$4,800 to the health insurance line item. Ms. Logan-Short stated this would come under the fund's OPEB liability as of 2017.

Mr. Herbst explained that the State of Florida required cities to fully fund their pensions but did not require them to fully fund their OPEB liabilities. Mr. Klausner said the constitutional protection of insurance in Florida was an open question. Some states had determined that retiree health care was the same as a pension and was therefore constitutionally protected and others had determined it was not the same. The Supreme Court had determined that for private sector plans, unless the collective bargaining agreement expressly said it was paid for life, it expired with the contract.

Motion made by Mr. Bayne, seconded by Mr. Rudominer to approve. In a voice vote, motion passed 5-1 with Mr. Rudominer opposed.

Chair Dew asked about the \$40,000 City indirect administrative charge and Ms. Logan-Short agreed to provide a detail for this. Mr. Herbst stated his office was reviewing the budget in total, including the reasonableness of the inter-fund charges.

##### In-Service Distributions

Ms. Wenguer said the City was working with the unions regarding an ordinance change but the union had not signed off yet. The City wanted to re-issue the 2012 - 2014 1099Rs to affected members but she wanted to meet with their affected members first to explain the implications. Ms. Logan-Short said she was working on preparing the new 1099Rs to be distributed at the informational session. She stated the City's tax attorney was working with the IRS to see if the City could get some relief for the penalties.

##### Celladon Class Action

Ms. Wenguer recalled that the Board had approved the City joining the suit with lead plaintiff status but there was a client with a larger loss. Mr. Cypen recommended we remain in the suit, but not as lead plaintiff.

Motion made by Mr. Hole, seconded by Mr. Naugle, to accept the recommendation of counsel to not proceed with the Board's previous lead plaintiff motion in light of another responsible investor having a larger loss. In a voice vote, motion passed 6-0.

##### GERS Administration Assistance

Ms. Wenguer had been contacted by the GERS Board, whose administrator was leaving, and agreed to assist them. They would reimburse her for her time spent there. Chair Dew stated this would have to be agreed upon by

the Board.

Ms. Logan-Short explained that the City needed support for the time the former Chairman, who would be working part-time, would be absent. Mr. Klausner said this required an agreement between the City and the Board regarding the duties and responsibilities. Mr. Klausner agreed to speak to Cole Copertino, the GERS board's attorney.

#### Firefighter Overtime

Ms. Wenguer reported they had received the revised actuarial impact statement for firefighters' overtime and sent it to the City. Ms. Logan-Short said this was on the Commission's next agenda.

#### PENDING ITEMS

##### New Business

Chair Dew stated he and Ms. Wenguer had received correspondence from Jay Butterfield at American Realty indicating they were forming an advisory committee and asking Ms. Wenguer and Chair Dew to serve on it. Mr. Cypen felt this was a good idea. Mr. Klausner wanted to be certain there was insurance to indemnify them.

Motion made by Mr. Naugle, seconded by Mr. Rudominer, to approve, subject to proof of indemnification. In a voice vote, motion passed 6-0.

##### Other items

Ms. Wenguer informed the Board that the City was still not paying interest on employee contributions for people who had left. Ms. Wenguer felt these people earned interest up to the time the contract was changed. She requested an opinion letter from the City Attorney.

Ms. Wenguer stated there was a conflict between the Board's November 16 meeting date and the Division of Retirement conference. Chair Dew said this should not be a problem. Ms. Wenguer reviewed the items that had been provided to the Board for their information.

Ms. Ingersoll asked if Mr. Klausner would respond to Mr. Cohen's 8/12/15 COLA letter. Chair Dew said they had responded to this question several times and he was concerned about the cost of another response. Mr. Klausner confirmed there was nothing in Mr. Cohen's letter that would change his previous opinion.

##### Old Business

##### Schedule A

No discussion.

Ms. Wenguer had received an anonymous letter and distributed copies to the Board. Mr. Klausner advised the Board to put no stock in anonymous letters.

##### Communications to the City Commission

None.

#### FOR YOUR INFORMATION:

Retiree COLA Letter	Letter Dated Aug. 12, 2015
2015 Retirement Seminar	Agenda
175/185 Premium Tax Funds	Confirmation
Holland & Knight	Fee itemization
SB 534	Checklist

There being no further business to come before the Board at this time, the meeting was adjourned at 2:00 p.m.

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