Minutes of SPECIAL JOINT QUARTERLY Meeting of the Firefighters', General Employees', and Police Officers' Retirement Systems, held December 5, 2012, at 2:00 PM, In the Council Chambers, 11 North 3rd Street, Jacksonville Beach, Florida.

JACKSONVILLE BEACH

**Call to Order**

David Young, of the Police Officers' Board of Trustees, called the meeting to order at 3:12 PM.

**Roll Call** as follows:

| **Firefighters' Board** | **General Employees' Board** | **Police Officers' Board** |
|---|---|---|
| Bruce Anderson | Randy Greene | Steve Corbitt |
| Ed Dawson | Steve Hartkemeyer | Marvin DuPree *absent* |
| Dennis Povloski | Nelson Luna *absent* | Alan Grant |
| Steve Sciotto | Brandon Maresma | David Young |
| Deborah White | | |

***Consideration by General Employees' Board of Trustees***

1. Oath of Office – Randy Greene, General Employees' Retirement System

   Assistant City Clerk Nancy Pyatte administered the Oath of Office to Randy Greene. Ms. Greene was elected as a pension trustee on the General Employees' Board on November 30, 2012 for a 2-year term expiring on October 31, 2014.

***Agenda Change***

There will be a deviation from the order of the agenda due to travel schedules of Mr. Armstrong and Mr. Sugarman. Item 7 will be first, followed by item 6, then item 8.

***Consideration by Firefighters', General Employees' and Police Officers' Boards of Trustees***

7. **Sixty-First Annual Actuarial Valuation Report – October 1, 2011 – Brad Armstrong, Actuary** (from the November 14, 2012 Quarterly Meeting agenda)

   Mr. Brad Armstrong, Gabriel Roeder Smith & Company, addressed the Trustees and reviewed the Actuarial Valuation Report (copy on file) for all three Boards.

   Motion: It was moved by Mr. Corbitt, seconded by Mr. Anderson, to accept the report as submitted.

   Voice vote resulted in all ayes by Board members present; motion carried unanimously.

***Consideration by Firefighters', General Employees' and Police Officers' Boards of Trustees***

8. **Annual Report from Pension Attorney, Robert Sugarman**

Status Report from Pension Attorney – Merrill Lynch Class Action Lawsuit

Mr. Bob Sugarman, Sugarman and Susskind, PA, addressed the Trustees stating that the lawsuit has been settled and the City will be receiving payment any day.

***Consideration by Firefighters', General Employees' and Police Officers' Boards of Trustees***

6. **Interpretation of Contiguous Credited Service for Vesting Purposes**

   (a) Firefighters' Retirement System

   (b) General Employees' Retirement System

   (c) Police Officers' Retirement System

Mr. Sugarman addressed the Trustees' stating that this applies to all three pension boards with regard to employees who work in one classification/plan and then transfer to another classification/plan without losing any work time. The question before the Trustees is how is the benefit calculated for an employee who has paid into more than one pension plan during their total years of service with the City.

We have a police officer who has submitted her application for retirement, Sgt. Allison Cook. Allison Cook was hired October 18, 1982 as a general employee, then transferred/hired as a police officer on November 8, 1986. She paid pension contributions into the General Employees' plan for a little over four years. When she became a police officer she started paying contributions into the Police Officers' plan.

The formula that the City has been using for pensions, and it is correct, is Years of Service X Benefit Rate X Final Average Compensation. For vesting and for retirement purposes the total years worked for the City equals 'years of service'. For the 'benefit rate' the years spent in the General plan is 2 ½ % and the years spent in the Police plan is 3%. The 'final average compensation' is calculated based on the highest 5 years of earnings in the past 10 years.

Mr. Sugarman stated that this is the interpretation recommended to the three Boards because it is the way the City has been doing it, it is the most liberal interpretation of the pension code, and because it makes the most sense. This is the formula that should be applied when processing Sgt. Allison Cooks' application for retirement.

According to City records there were four police department employees who were erroneously placed in the police plan upon being hired in various positions that were not sworn police officers and they retired with full benefits under the police plan. This was an error discovered and stopped in 1974.

Staff has provided Sgt. Cook with all the information and will process her application for retirement as stated. Sgt. Cook has the right to appeal to the Police Officers' Board if she does not agree with the amount.

Mr. Sugarman recommended, for clarification purposes, to adopt a formal written policy for continuous non-covered service for all three plans.

Motion: It was moved by Mr. Young, seconded by Mr. Sciotto, to adopt a formal written policy for continuous non-covered service for all three plans. (to be written by Mr. Sugarman)

Firefighters'
Roll call vote: Ayes – Anderson, Dawson, Povloski, Sciotto, White; motion carried unanimously.

General Employees'
Roll call vote: Ayes – Maresma, Greene, Hartkemeyer; motion carried unanimously.

Police Officers'
Roll call vote: Ayes – Corbitt, Grant, Young; motion carried unanimously.

At the November meeting the Police Officers' Board approved the DROP application for Sgt. Cook. The same action needs to be done by the General Employees' Board for that portion of her years of Service.

***Consideration by General Employees' Board of Trustees***

**Application to Participate in the DROP –**

(a) Allison P. Cook – DROP Effective November 1, 2012; meets service requirement, Joint Service General/Police (General: 4 years + 20 days)

Motion: It was moved by Mr. Hartkemeyer, seconded by Ms. Greene, to approve 4 years and 20 days service for participation in the DROP, as submitted.

Roll call vote: Ayes – Maresma, Greene, Hartkemeyer; motion carried unanimously.

Mr. Sugarman reviewed the collection status on three cases of pension overpayments – Crowder, Skipper, and Wilson. Collection efforts are ongoing. Mr. Sugarman will provide contact information to the City Clerk's Office to do death checks on pensioners.

As a review, and for the benefit of the new Trustee, Mr. Sugarman explained the gift policy and financial obligations, and upcoming continuing education opportunities.

Motion: It was moved by Mr. Corbitt, seconded by Mr. Anderson, to accept the Pension Attorney's report as submitted.

Voice vote resulted in all ayes by Board members present; motion carried unanimously.

***Consideration by General Employees' Board of Trustees***

2. Approval of Minutes: Joint Quarterly Meeting held August 15, 2012
Special Meeting held September 6, 2012

Motion: It was moved by Mr. Hartkemeyer, seconded by Ms. Greene, to approve the minutes of the August 15, 2012 Joint Quarterly meeting and the minutes of the September 6, 2012 Special Meeting as presented.

Roll call vote: Ayes – Maresma, Greene, Hartkemeyer; motion carried unanimously.

***Consideration by General Employees' Board of Trustees***

3. Quarterly Review of DROP Interest Rate (Currently set at 3.5% for all Plans)

Motion: It was moved by Mr. Hartkemeyer, seconded by Ms. Greene, for the DROP interest rate to be set at 3.5% for the ensuing quarter.

Roll call vote: Ayes – Maresma, Greene, Hartkemeyer; motion carried unanimously.

***Consideration by General Employees' Board of Trustees***

4. **Application to Participate in the DROP –**

(a) Steven Lindorff – Planning & Development – DROP Effective October 1, 2012; meets age requirement

Motion: It was moved by Mr. Hartkemeyer, seconded by Ms. Greene, to approve participation in the DROP for Steven Lindorff, as submitted.

Roll call vote: Ayes – Maresma, Greene, Hartkemeyer; motion carried unanimously.

**Application for Early Retirement**

(b) Gene Wilson, Beaches Energy Services – Early Retirement Effective September 1, 2012; meets service requirements

Motion: It was moved by Mr. Hartkemeyer, seconded by Ms. Greene, to approve early retirement for Gene Wilson, as submitted.

Roll call vote: Ayes – Maresma, Greene, Hartkemeyer; motion carried unanimously.

**Application to Defer (Vest) Pension**

(c) John Bowerfind, Beaches Energy Services – Deferred Retirement – Effective November 1, 2027 (age 60)

Motion: It was moved by Mr. Hartkemeyer, seconded by Ms. Greene, to approve the application to defer retirement for John Bowerfind, as submitted.

Roll call vote: Ayes – Maresma, Greene, Hartkemeyer; motion carried unanimously.

**Application for Disability Benefits**

(d) Joe Callander, Beaches Energy Services – Non-Duty Disability

Motion: It was moved by Mr. Hartkemeyer, seconded by Ms. Greene, to approve the Application for non-duty disability benefits for Joe Callander, as submitted.

Roll call vote: Ayes – Maresma, Greene, Hartkemeyer; motion carried unanimously.

***Consideration by General Employees' Board of Trustees***

5. **Approval for Payment – Retrieval of Medical Records for Disability Applicant Joe Callander**

(a) Iron Mountain - $164.04

Motion: It was moved by Mr. Hartkemeyer, seconded by Ms. Greene, to approve payment of $164.04 to Iron Mountain, as submitted.

Roll call vote: Ayes – Maresma, Greene, Hartkemeyer; motion carried unanimously.

(b) Iron Mountain – $336.90

Motion: It was moved by Mr. Hartkemeyer, seconded by Ms. Greene, to approve payment of $336.90 to Iron Mountain, as submitted.

Roll call vote: Ayes – Maresma, Greene, Hartkemeyer; motion carried unanimously.

9. **Adjournment**

There being no further business before the Boards, Mr. Young adjourned the meeting at 3:30 PM.

Submitted by: Nancy J. Pyatte
Assistant City Clerk

Approval:

Chairperson
Date: February 12, 2013