

CITY OF FT. PIERCE POLICE OFFICERS' RETIREMENT TRUST FUND
MINUTES OF MEETING HELD
SEPTEMBER 15, 2011

A quarterly meeting of the Board of Trustees was called to order on September 15, 2011 at 1:00 P.M. in the 1st Floor Engineering Conference Room located at the Fort Pierce City Hall, Fort Pierce, Florida.

TRUSTEES PRESENT

Brian Humm
Daniel Flaherty
John Schramm

OTHERS PRESENT

Bonni Jensen, Law Office of Perry & Jensen
Nick Schiess, Pension Resource Center
Christine Luna, City of Ft. Pierce
Steve Palmquist, Gabriel, Roeder, Smith and Company
Daniel Gilroy, IUPA Representative
James Tedder, PBA Representative

PLAN FUNDING AND CONTRIBUTIONS

Steve Palmquist provided actuarial cost studies that were requested at the last meeting. The Board entered a very lengthy discussion regarding the funding situation of the Plan, and it was noted that either benefits must be reduced or contributions must be increased. It was also noted that any contributions from the City was extremely unlikely. Bonni Jensen advised that the State would not allow the reduction of benefits below what was in effect on March 12, 1999. She explained that one option to reduce liability was to revise the definition of compensation and under recently adopted State legislation Senate Bill 1128, compensation would be limited anyway to 300 hours annually and exclude accrued leave payouts. Ms. Jensen explained that these limitations would not take effect until the ratification of the next collective bargaining agreement. Steve Palmquist discussed the options for the resolution of the situation, which included reducing liabilities, closing the plan or increasing contributions by a recommended rate of 2.67%. Daniel Gilroy announced that a poll conducted on the PBA Union members had clearly indicated that their preference was to retain the Plan and current multiplier. After further deliberation, it was the Board's conclusion that the will and interests of the membership was best served by increasing contributions to the Plan. It was noted that contributions could be decreased in the future if the investment returns or actuarial experience improves. John Schramm made a motion to increase employee contributions by 2.5% and request the Actuary to research cost reduction measures. Daniel Flaherty seconded the motion, approved by the Trustees 3-0. Ms. Jensen advised that approval from both Unions will be required to proceed with the increase in contributions and she agreed to prepare a draft proposed Ordinance and Memorandums of Understanding with each of the Unions.

OTHER BUSINESS

Bonni Jensen provided and reviewed a final draft of the revised Statement of Policy Regarding DROP Accounts inclusive of provisions determined at the last meeting. John

Schramm made a motion to adopt the Statement of Policy Regarding DROP Accounts. Daniel Flaherty seconded the motion, approved by the Trustees 3-0.

Nick Schiess distributed a revised DROP Earnings Election Form.

It was noted that Applications to enter the DROP were received from Paul Pearson, James Aikens, Thomas Smith and Hall Soloman. John Schramm made a motion to approve their entry into the DROP contingent upon the calculation of their benefits by the Actuary. Daniel Flaherty seconded the motion, approved by the Trustees 3-0.

There being no further business, the meeting adjourned at 12:33 P.M.

Respectfully submitted,

Secretary