





Pension Workshop

West Palm Beach Firefighters Pension Fund



Disclaimer

This workshop is designed to be educational in nature and is not intended to provide investment, tax, or legal advice.

You should consult with your own tax, legal, accounting professionals or any other advisors for advice on the implementation of any plan of action in your particular situation.



Pension Workshop

- *Pension Board & Board Retained Service Providers*
- *Retirement Plan Update*
- *Overview of Benefits*
- *Processing of Applications*

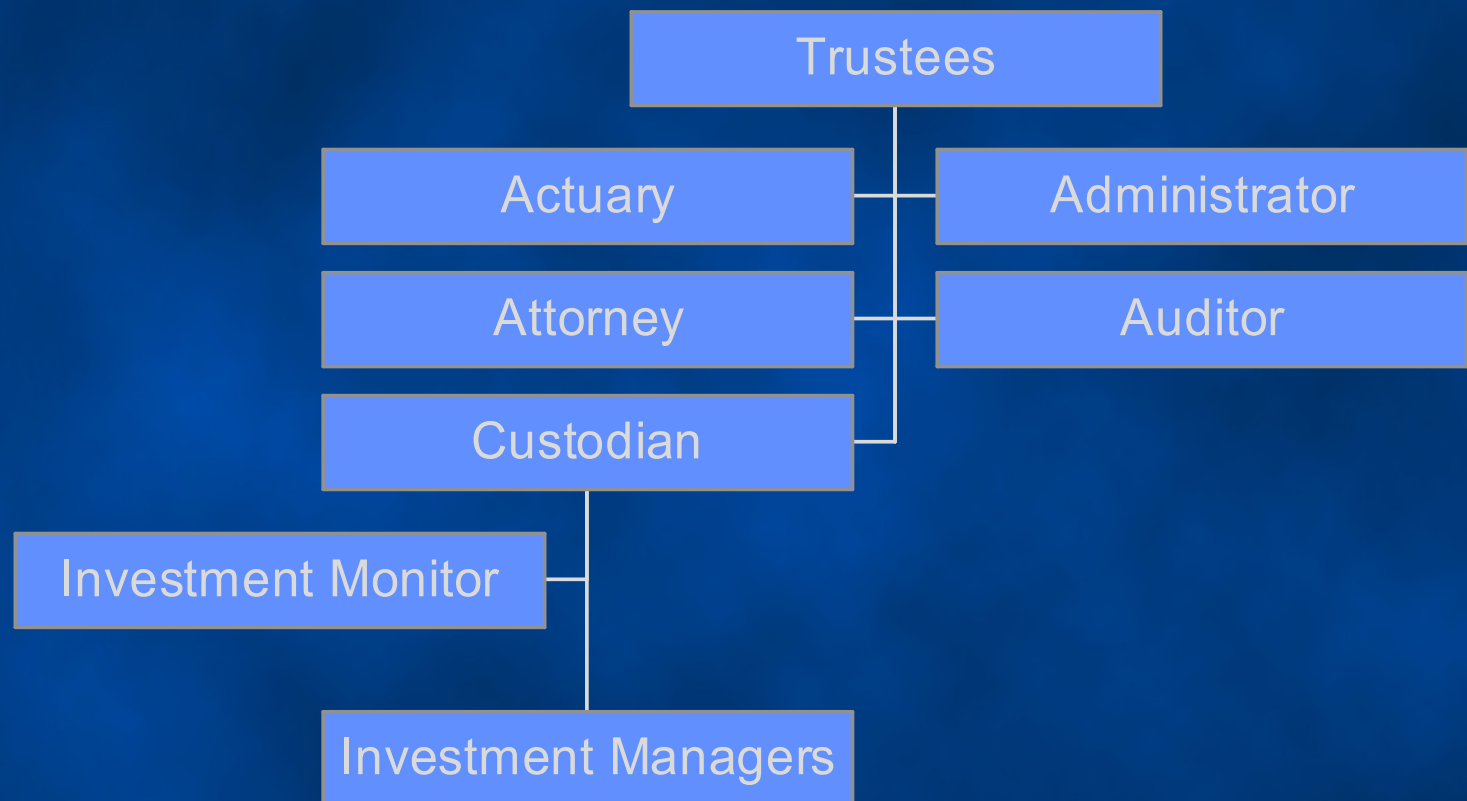


*Pension Board
(Plan Administrator)*



Pension Board

(and Board Retained Service Providers)





Board: Administers Plan

- *Trustees Serve 4-Year Terms*
- *Two Trustees elected by participants:*
 - *Brian Walker, Secretary*
 - *Guy Montante, Trustee*
- *Two Trustees appointed by City:*
 - *Mark Parks, Finance Director*
 - *Ronald Frano, WPB Resident*
- *Board Appointed Trustee:*
Dave Merrell (Retired Member), Chairman



Pension Board

(Plan Administrator)

- *Meets Monthly, Quarterly Investment Meetings*
- *Additional Meetings as Needed*
- *Hires and Manages All Service Providers*
- *Reviews and Approves All Benefits*
- *Trustees Serve as Fiduciaries*



Changes To Special Act

- *Changes To Benefits Negotiated Through Collective Bargaining*
- *Implemented Through Legislature, Enacted Into State Law*
- *Plan ADMINISTERED By Trustees*

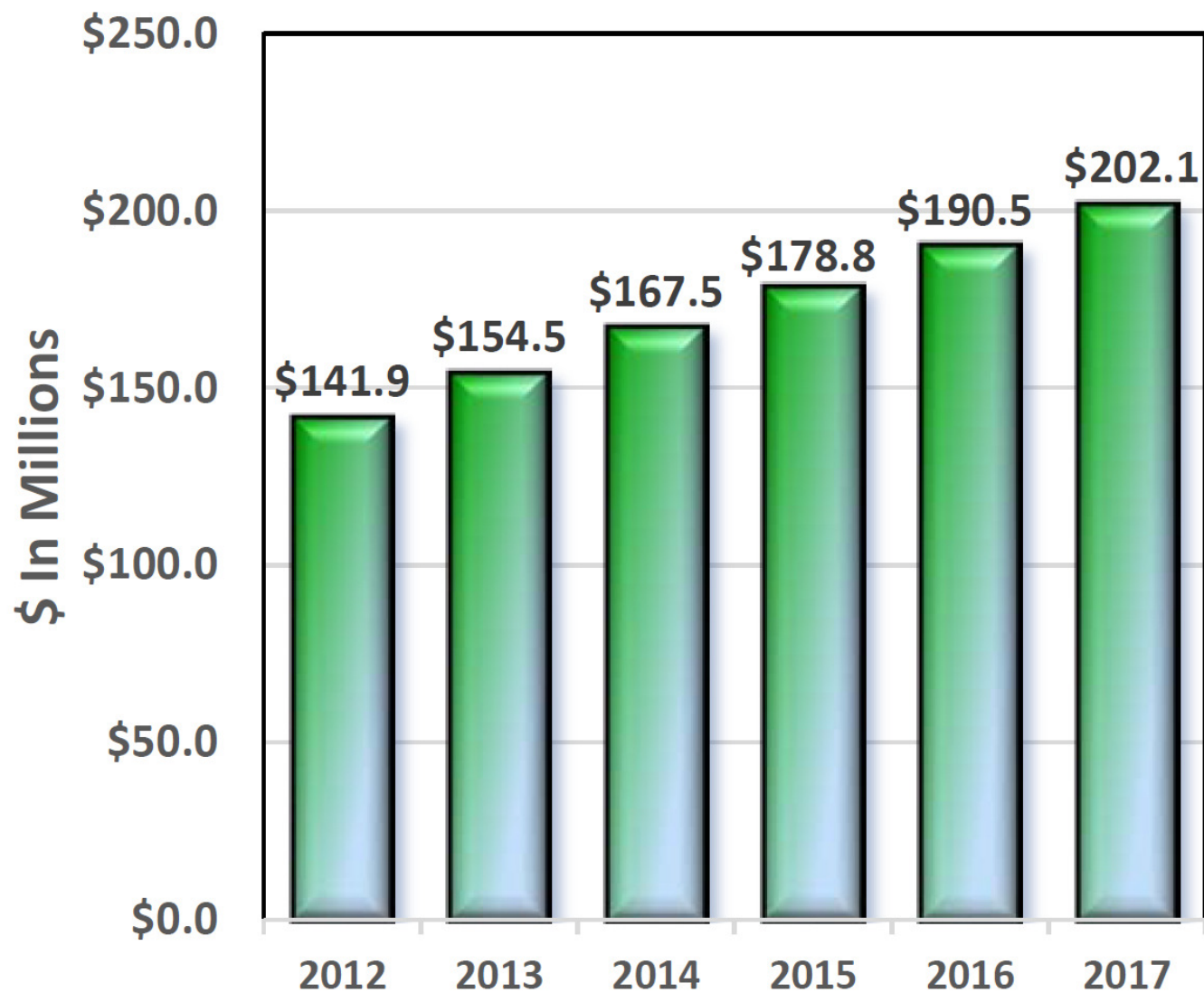


Board Retained Service Providers

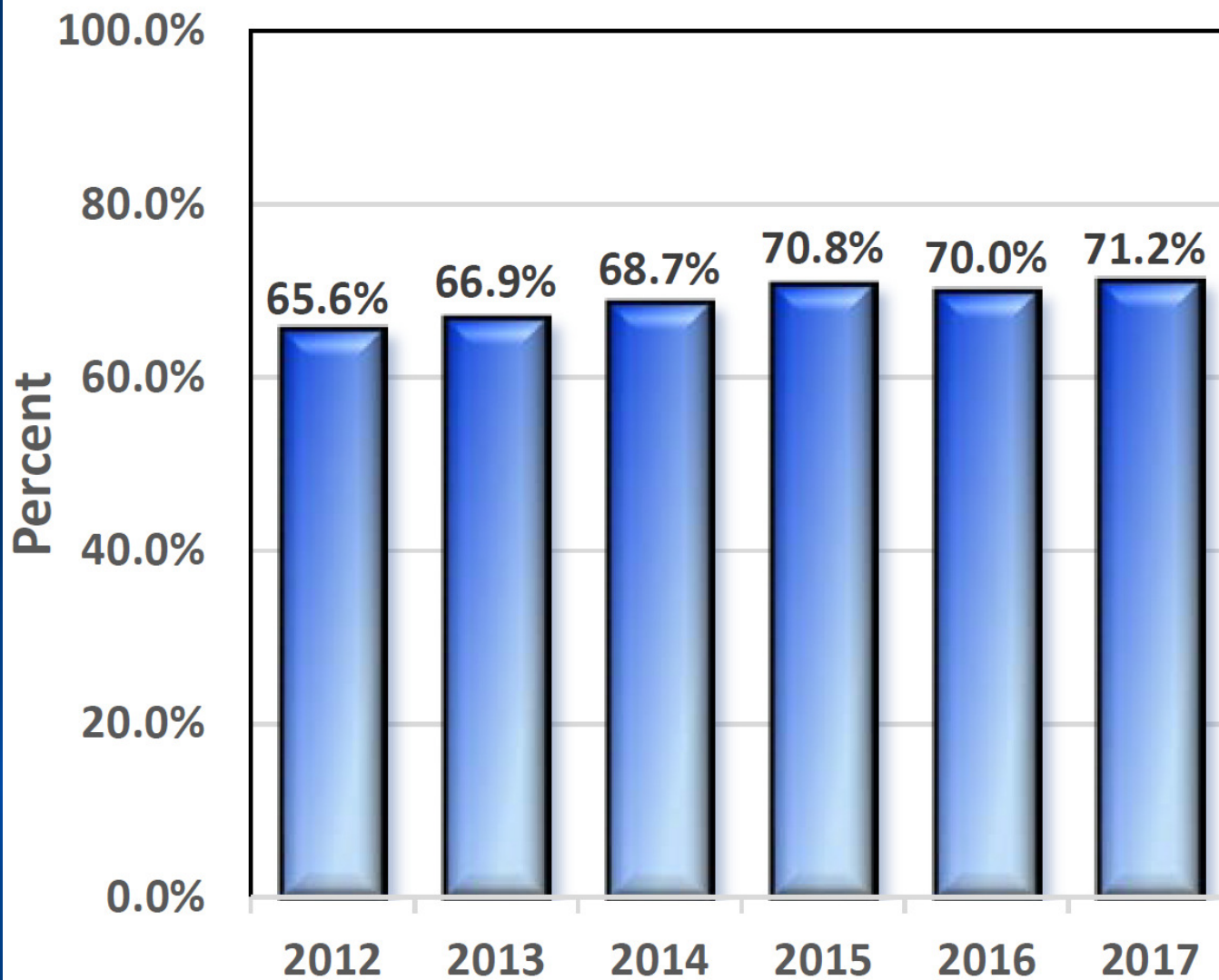
- *Actuary: Gabriel Roeder Smith*
- *Auditor: Jameson & Cristini*
- *Legal Counsel: Klausner et. al.*
- *Custodian: Salem Trust*
- *Investment Managers: Multiple*
- *Investment Consultant: AndCo Consultants*
- *Plan Administrator: Resource Centers*



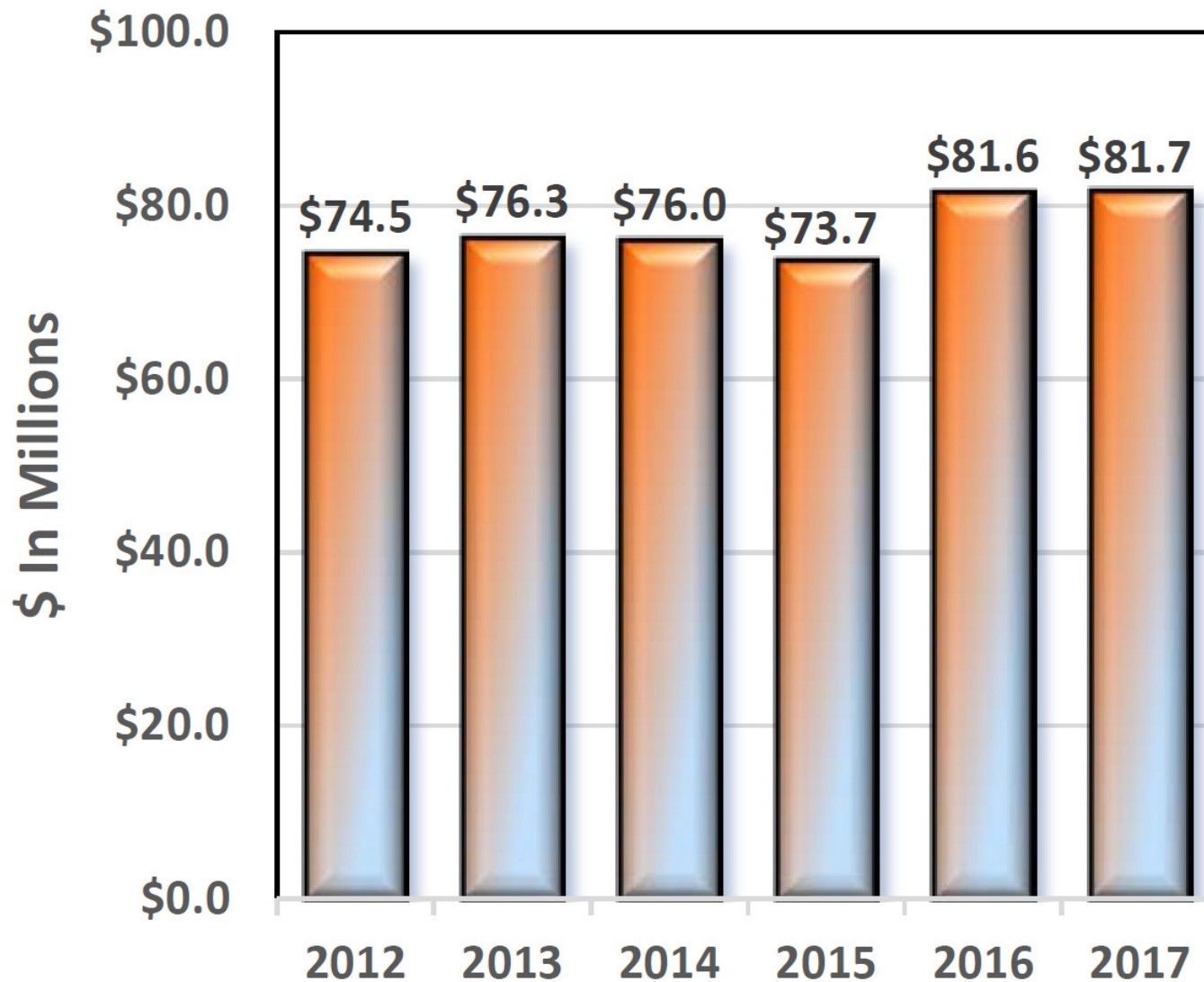
Plan Overview and Assets



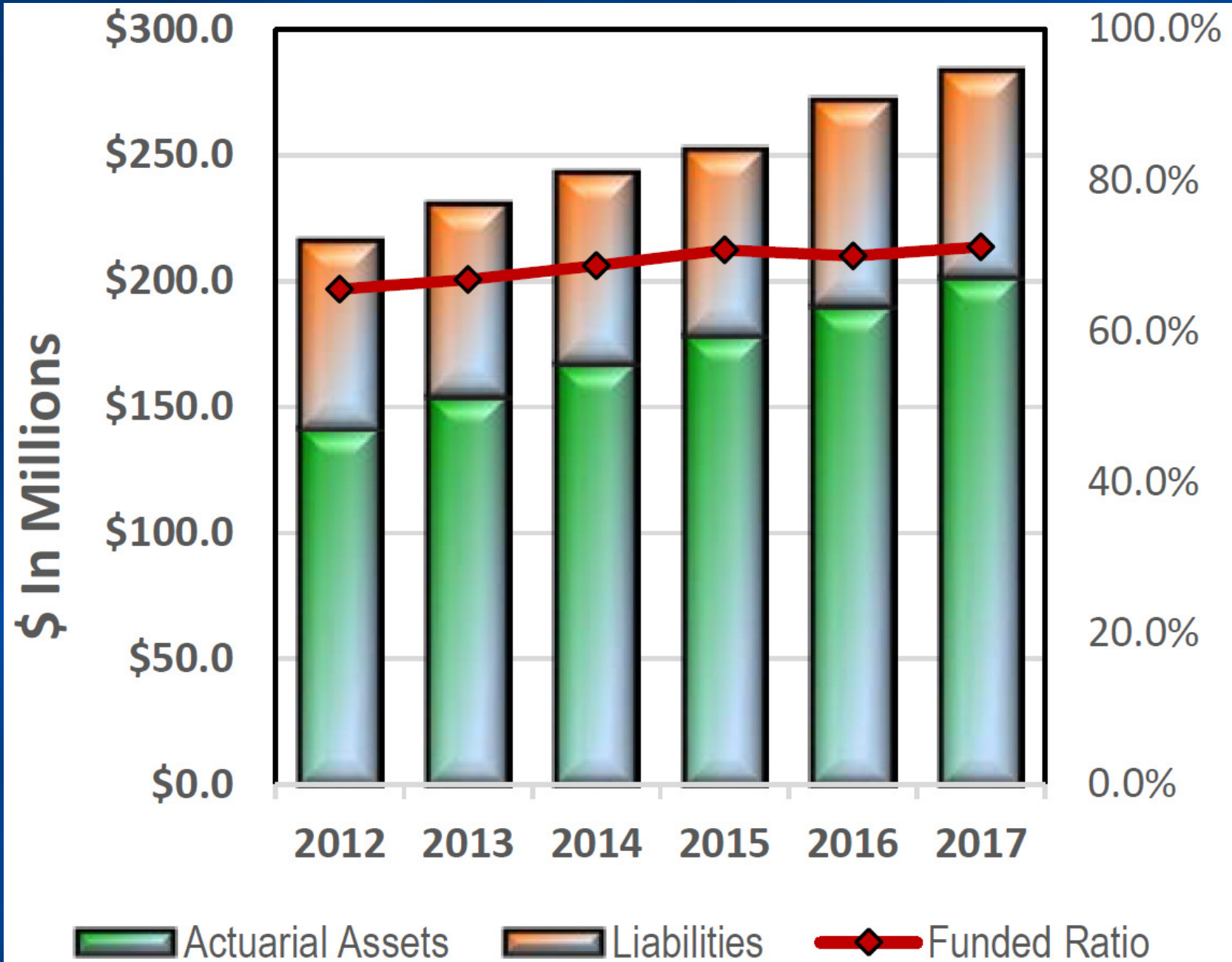
The **Total Assets** owned by the Plan. The Plan is 100% funded at approximately \$283.8 Million.



The **Funded Ratio** notes the percentage of the Plan liabilities covered by the Plan assets.



The **Unfunded Accrued Actuarial Liability** shows the liabilities not covered by the Plan assets.

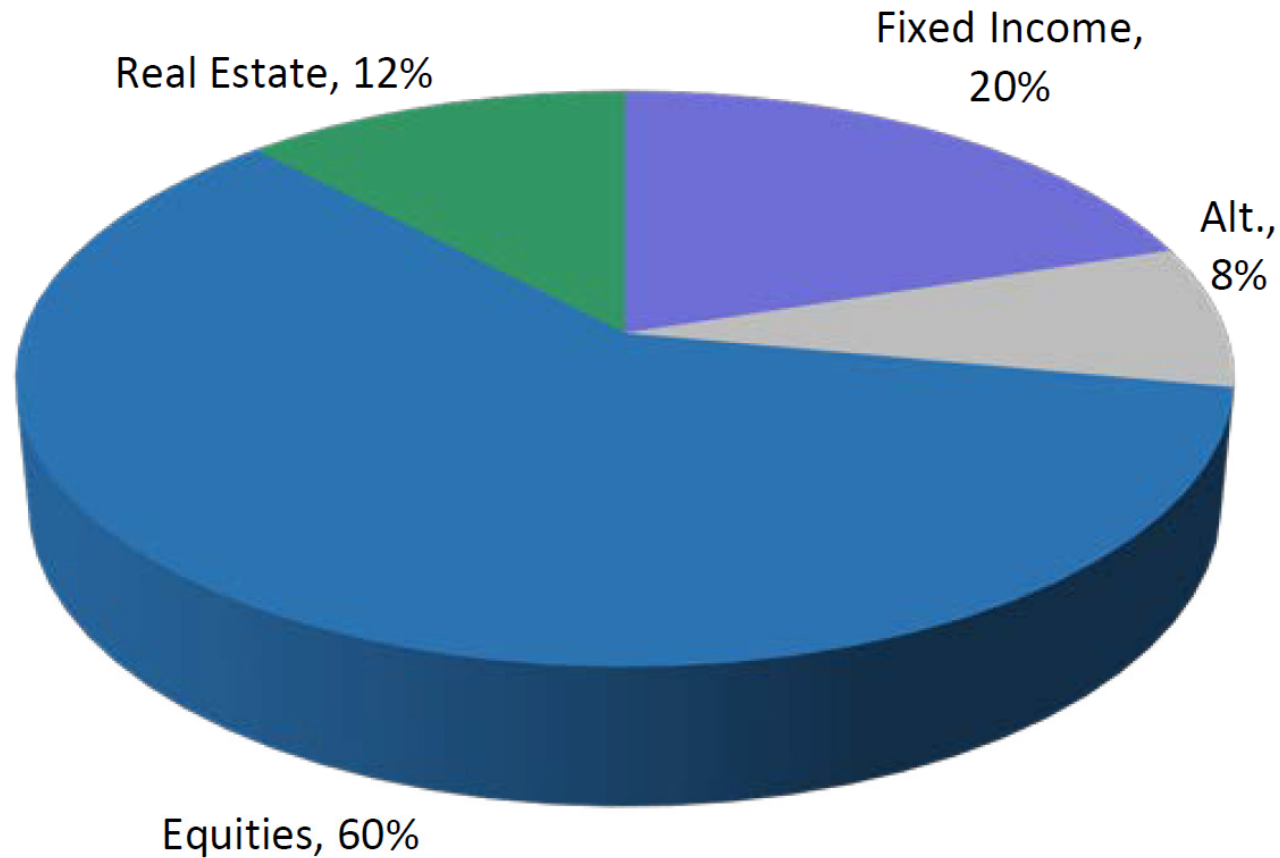




Asset Allocation

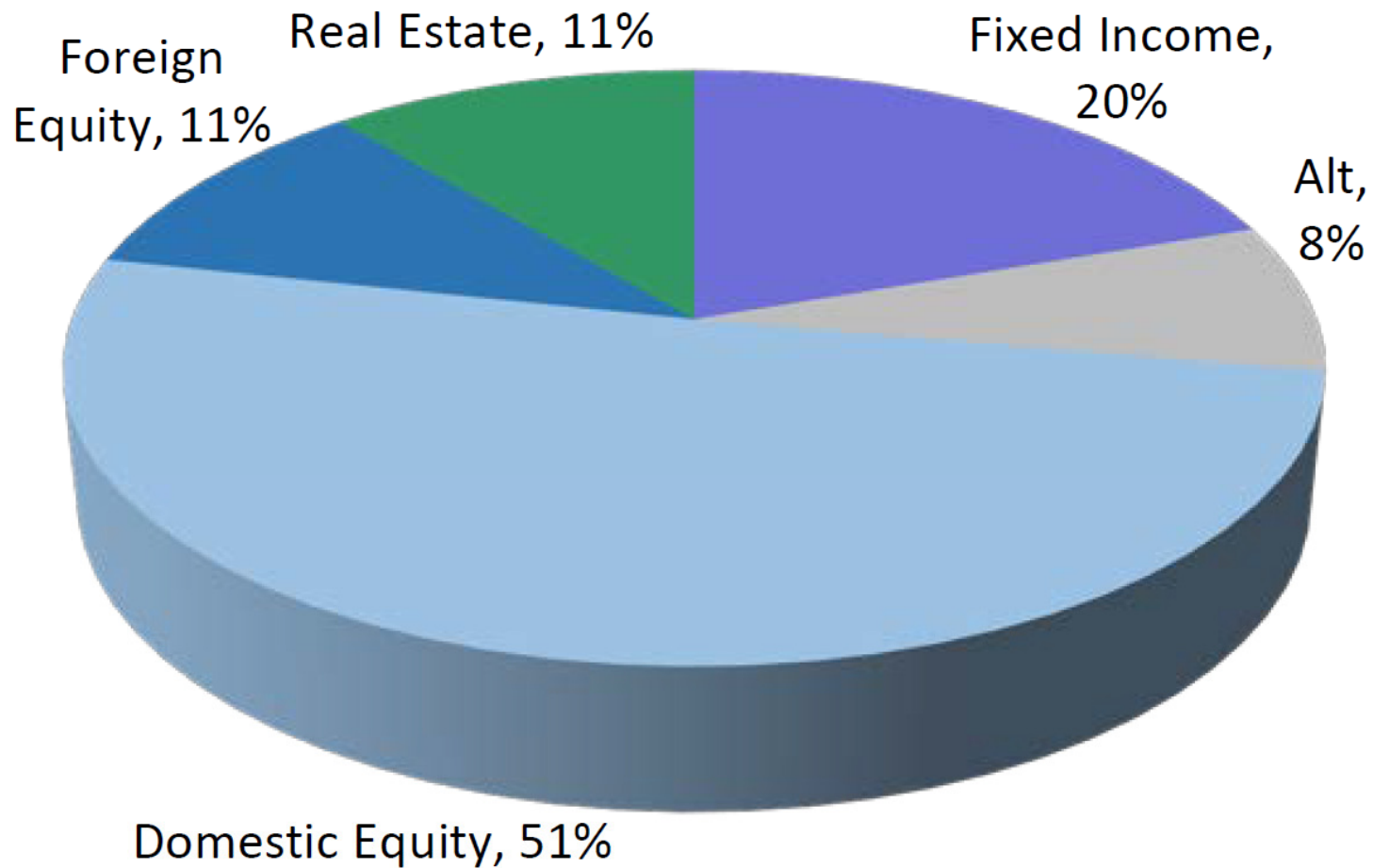
- *Pension assets invested in 13 different managed portfolios*
- *Target allocation set by Investment Policy*
 - 60% equities (stocks)
 - 20% fixed income (bonds)
 - 12% real estate
 - 8% alternative investments
- *Diverse portfolio includes investments in large and small companies, different styles of management, investments overseas, real estate, and alternative asset classes*
- *Overall returns among top public plans*

Asset Allocation per Investment Policy



The Board allocates assets to obtain the greatest return with the least amount of risk.

Current Allocation

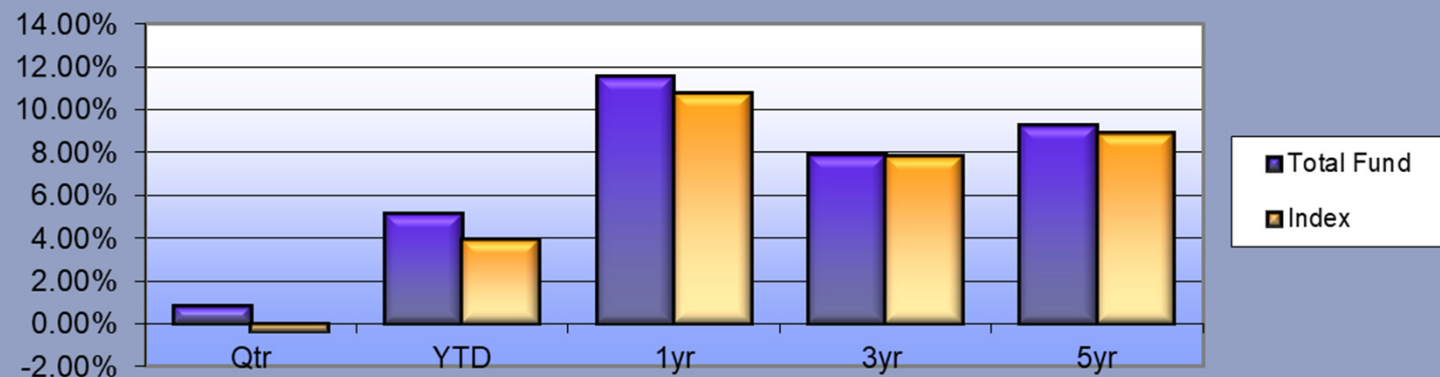


The current allocation matches the Investment Policy target ranges adopted by the Board.

Performance

(As of March 31, 2018)

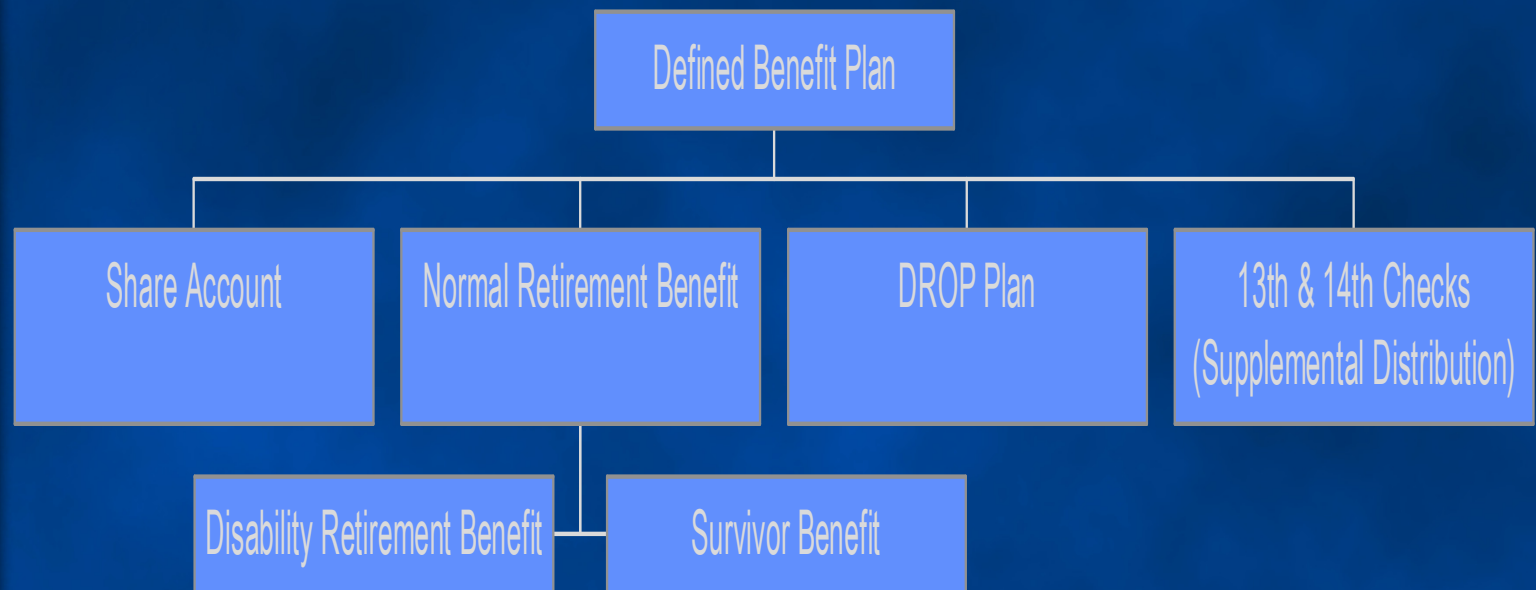
Fund Returns	Qtr	Fiscal	Trailing	Trailing	Trailing
		YTD	1yr	3yr	5yr
Total Fund	0.84%	5.16%	11.56%	7.86%	9.29%
Index	-0.36%	3.93%	10.75%	7.83%	8.93%





Pension Overview

Pension Benefits





Defined Pension Benefit

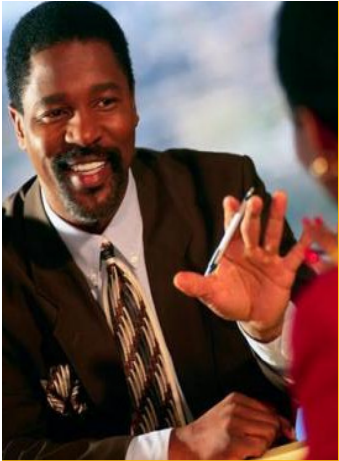
- *Benefits Funded Mainly by Investment Returns*
- *City contributions + Employee contributions of 13.1%*
- *Ten year vesting*
- *City contributes separately to VEBA*



Retirement

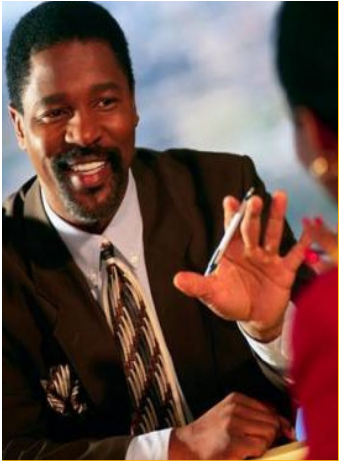
- *Normal retirement at age 50 with 15 or more years of service, age 55 with 10 years of service, or any age with 26 years service*
- *Bac-DROP*
“Benefit Actuarially Calculated”
- *Bac-DROP at age 53 with 18 years of service, age 58 with 13 years of service, or 26 years of service regardless of age*
- *Early retirement at age 50 with 10 years service, reduced benefit and no Bac-DROP*





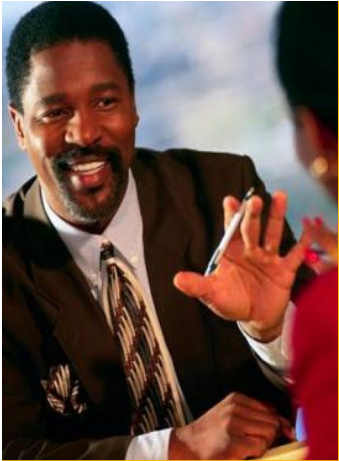
Benefit Formula

- *Normal retirement at age 50 with 15 or more years of service, age 55 with 10 years of service, or any age with 26 years service*
- *Bac-DROP*
“Benefit Actuarially Calculated”
- *Bac-DROP at age 53 with 18 years of service, age 58 with 13 years of service, or 26 years of service regardless of age*
- *Early retirement at age 50 with 10 years service, reduced benefit and no Bac-DROP*



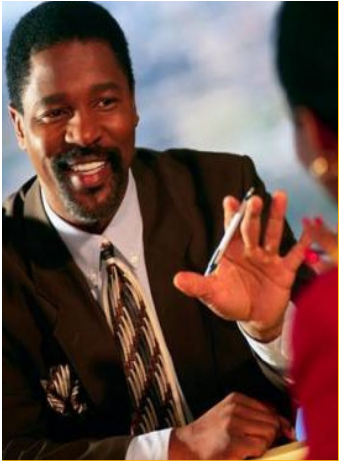
Benefit Formula

*(Final Average Salary) x
(Number Years of Service)
x Multiplier%*



Benefit Formula

- *Final Average Salary:*
 - Highest 3 years earnings
 - Salary excludes overtime, accumulated sick & vacation time, accrued sick & personal leave
- *Multiplier:*
 - 4% per year service to 05/13/12, 3% per year thereafter
 - Maximum benefit 92% of final average salary



Payment Options

- *Standard form of benefit payment:*
 - Pension to participant defined by formula
 - Benefit payments guaranteed for minimum of 10 years
 - Survivor benefit of 75% to spouse (If married at retirement)
- *Optional Forms of benefit payment available*



Benefit Statement

Benefits at Normal Retirement

Bac-DROP Scenarios

Current Benefits

Share Account

Other Stuff

WEST PALM BEACH FIREFIGHTERS' PENSION FUND

Current Statement of Benefits as of September 30, 2012, prepared for

Name: FIREFIGHTER, JOE

Social Security Number: XXX-XX-1234

Your Normal Retirement Benefits

If you choose to work until your earliest normal retirement date, then you will retire on 12/29/27 at age 53.00 with an estimated monthly benefit of:

\$4,079.22 From the fund based on your current monthly final average salary of \$5,491.84 and 18.57 years of service.

You may have the following Bac-DROP Account balances based on this normal retirement benefit:

21.57 Years Service \$164,356.29 (3-Year Bac-DROP)

22.57 Years Service \$227,729.93 (4-Year Bac-DROP)

23.57 Years Service \$295,951.79 (5-Year Bac-DROP)

If you continue to work until you accrue the maximum benefit available to you under the plan equal to 92% of your final average salary, then you must retire at the age of 59.43 with an estimated benefit of \$5,052.49 and 5-Year Bac-DROP Account balance of \$366,564.07 at 28.00 years of service.

The estimate of your normal retirement benefit assumes that you choose the standard form of benefit payment and that your current final average monthly pay continues until retirement. Changes in payroll will affect the amount of your actual retirement income.

Your Benefits as of September 30, 2012

You have already earned the following portion of your Fund benefit:

\$1,389.44

Is the portion of your normal annual retirement benefit based upon your current average salary of \$5,408.76 and 6.33 years of completed service.

0%

Of this benefit is currently vested. You are vested as of 06/04/16.

\$70,776.82

Is the current total of your accumulated contributions to the Fund.

Share Account as of September 30, 2012

You receive separate quarterly statements for your Share Account. You can review activity for your Share Account through the Pension Fund website maintained by the Pension Resource Center at www.ResourceCenters.com. Based on the cycle for reporting of investment performance to the Pension Fund Board of Trustees, earnings are typically posted to the Share Accounts from 6-7 weeks following the close of each calendar quarter.

\$35,121.30

Share Account starting balance as of October 1, 2011.

\$0.00

Fiscal year additions for 12 months ending September 30, 2012.

\$6,808.51

Fiscal year earnings for 12 months ending September 30, 2012.

\$41,929.81

Share Account ending balance as of September 30, 2012.

As of October 1, 2012, you elected to have the deposits to your Share Account credited 100% with the Fund Performance Rate and 0% with the Fixed 4% Rate of return.

Members will not receive new allocations of Chapter 175 premium tax receipts for the fiscal years 2012-13 and 2013-14. You received a reallocation of forfeitures credited to your account of \$1,328.82 on October 1, 2012. The Pension Fund reallocated the forfeitures to your account based on the 26 pay periods that you worked in the 2011 calendar year.

Beneficiary Designation

We currently show Mary A. Firefighter as your primary beneficiary on file. Please contact the plan administrator at (561) 624-3277 or obtain a beneficiary designation form from the Pension Fund website at www.ResourceCenters.com if you need to update your beneficiary.

Other Benefits

In addition to the benefits shown, you or your dependents may be eligible for additional benefits or optional forms of benefits from the Fund upon completion of eligibility requirements to provide financial protection in the event of:

- Disability while still employed
- Death while still employed.
- Death after retirement.

ment

The benefits shown on this statement are approximations based on data used for the last annual actuarial valuation of the Fund. The projection of your normal retirement benefit is based on continuation of your present pay and full-time service to retirement.

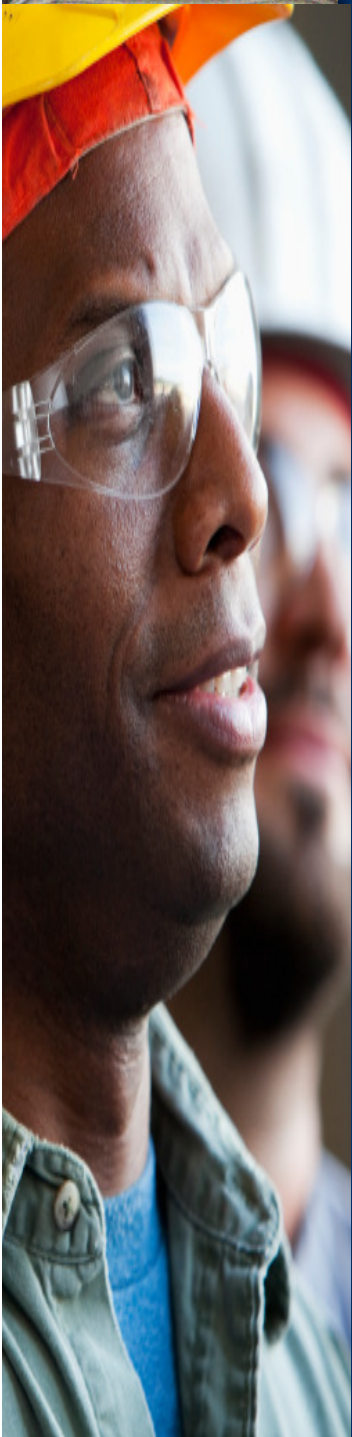
Care was taken to be accurate in preparing this statement, but errors can occur. Statutes, documents, official interpretations and accurate data necessarily govern the final determination of any benefit.

The Bottom Line!



THE RESOURCE CENTERS, LLC

4360 Northlake Boulevard, Suite 206 ✦ Palm Beach Gardens, FL 33410
Phone (561) 624-3277 ✦ Fax (561) 624-3278 ✦ WWW.RESOURCECENTERS.COM



Additional Plan Provisions



Disability Retirement

- *Duty Disability*
 - Participant no longer able to perform duties as Firefighter
 - Disability occurred in line of duty or presumptive
 - Disability must be total and permanent
- *Non-Duty Disability*
 - Participant no longer able to perform duties as firefighter
 - Member must have 5 or more years service
- *Benefit greater of 65% final average salary or accrued benefit*
- *Pre-existing conditions determined according to pre-hire physical*



Pre-Retirement Death Benefits

- *All members should keep pension beneficiary up-to-date*
- *Duty Related Death*
 - Surviving spouse receives greater of 2/3 of highest 12 months earnings or current top step firefighter pay
- *Non-Duty Death*
 - Member must have 5 or more years service
 - Surviving spouse receives 2/3 of accrued benefit
- *Unmarried children receive benefit until Age 18 if member has no spouse*



Supplemental Distribution (13th or 14th Check)

- *Paid when Pension Fund assets earn greater than 8.25% in preceding year and plan has positive cumulative actuarial experience*
- *Share based on service up to 25 years*
- *100% of excess earnings between 8.25% and 9% distributed to eligible retirees*
- *50% of excess earnings over 9% distributed to eligible retired members*



Service Buyback

- *Purchase up to 5 years prior military or fire service credit*
- *Methods of Payment*
 - Rollover from qualified plan
 - Payments through payroll (Up to 5 years)
- *Purchased service counts for all purposes except vesting*



VEBA

- *Offset medical and insurance costs between retirement and Medicare eligibility*
- *Funded with pre-tax dollars, benefits non-taxable*
- *City contributes 2% of payroll to Veba*



Deferred Compensation (457 Plan)

- *Participants defer current income until separation from City*
- *Income taxes deferred until contributions and earnings withdrawn following separation*
- *Accounts available through Empower*
- *Contribution limit set by IRS*



*Share
Accounts
&
Bac-DROP*



Share Accounts

- *Defined contribution component of defined benefit plan*
- *Funded by Chapter 175 State Property Insurance Premium Tax Receipts*
- *Receipts allocated in proportion to number of pay periods worked in preceding calendar year*



Bac-DROP Plan

- *Member must be eligible for normal retirement + 3 additional years*
 - At least 26 years service
 - Age 53 + 18 years service
 - Age 58 + 13 years service
- *Participation between 1 month & 5 years prior to termination of employment with City*
- *Account created on separation from service based on pension benefit*

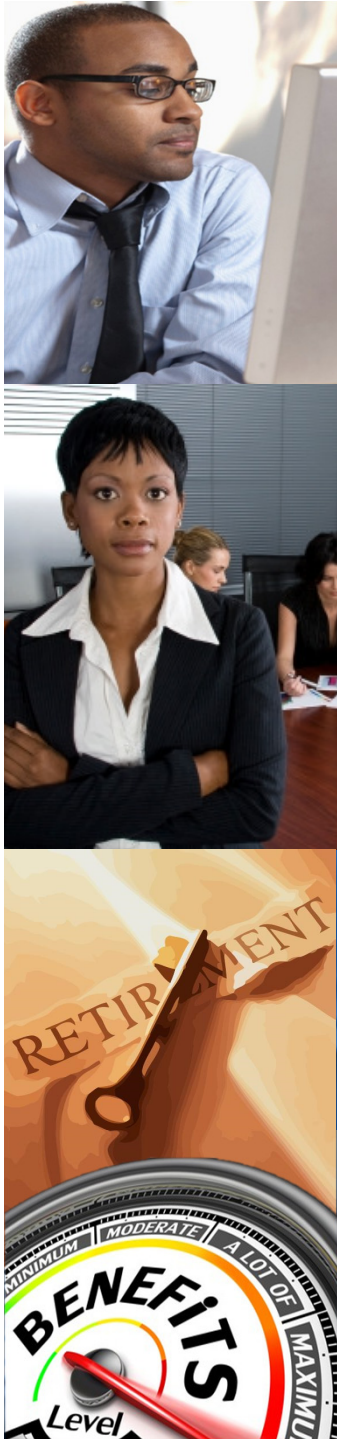


Share & DROP Account Investment Choices

- *Choices for credit of earnings (Vested members only and Bac-DROP Accounts)*
 - Earnings of plan less expenses
 - Collared rate (between 0-8% depending on plan's rate of investment return earned)
 - Combination of two methods
 - Changes allowed each October 1
- *Accounts distributed to member following separation from service*

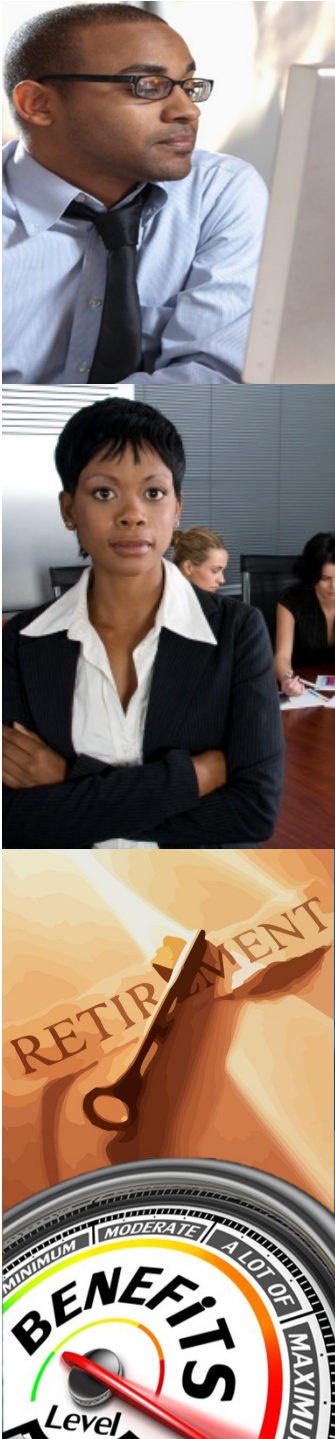


Retirement Procedures



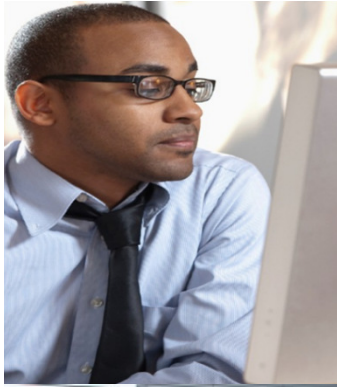
Application Procedures for Retirement

- *Application Filed With Administrator*
- *Administrator Determines Final Average Salary, Reviews Calculation With Participant*
- *Actuary Determines Benefit And Payment Alternatives*
- *Participant Elects Form Of Benefit Payment Through Administrator*
- *Trustees Approve Benefit*
- *Administrator Pays Benefits To Retired Participants*



Application Procedures for Retirement

- *Application: 1-2 Weeks Prior To Retirement*
- *Benefit Calculation: 1-2 Weeks Following Receipt of Final Payroll*
- *Review By Actuary: 1-2 Weeks*
- *Benefit Calculation & Forms Mailed to Member*
- *Member: 1-2 Weeks to Respond*
- *Set Up Pension Payment: 1 Week*
- *Actual Receipt First Check: Additional Mail Time*



Application Procedures for Retirement

- *Required Forms*

- Application for Retirement
- Tax Withholding Form (W-4P)
- Benefit Election Form
- Copy Birth Certificate or Driver's License

- *Optional Forms*

- Direct Deposit Form
- Spousal Waiver
- Beneficiary Designation

www.resourcecenters.com





Virtual Pension Office

- *Pension plan documents*
 - Special Act
 - Summary Plan Description
- *Board approved minutes*
- *Forms & applications*
- *Recent Plan investment performance*
- *Links to other service providers*
- *Plan Email box:*
wpbfire@resourcecenters.com
- *Online benefit calculation & account inquiry system*

Online Benefit Calculation System

Select *West Palm Beach Fire*
Click on the “Account Inquiry” Icon
For Share & DROP Account Balances

Select *West Palm Beach Fire*
Click on the “Benefit Calculator” Icon
For Pension Benefit Projections

Pension Administration - Benefit Consulting

THE RESOURCE CENTERS

Home
About Us
Benefit Funds
Pension Funds
Secure File Exchange
Resource Centers Clients
Knowledge Center
Contact Us

West Palm Beach Firefighters' Pension Fund

Trustees

David Merrell, Chair
Brian Walker, Secretary
Guy Montante, Trustee

Ron Frano, Trustee
Mark Parks, Trustee

[Trustee Resources](#)

Administrator

The **Pension Resource Center** administers the plan. You can contact our office at:

Pension Resource Centers
Audrey Ross, Plan Administrator
4360 Northlake Blvd. Suite 206
Palm Beach Gardens, FL 33410

Phone: 561.624.3277
Toll-Free: 800.206.0116
Fax: 561.624.3278

Important Notice: Under Florida law, e-mail addresses are public records. If you do not want your e-mail address release in response to a public records request, do not send electronic mail to this entity. Instead, contact this office by phone or in writing.

Email: wpbfire@resourcecenters.com

Required Documents and Disclosures

[Link to Actuarial Fact Sheet website per Section 112.665\(1\)\(e\), Florida Statutes](#)

2017 Actuarial Valuation 2017 GASB 67 Report
 2017 Audited FS
 2017 Compliance Report
14
15
16

Plan Documents

SPD October 2017 Special Act Implementation Rev 2013
 Special Act - revised 2012
 Special Act amendment 2015


Other Board Policies

Administration Policy 6-9-11 Exhibit A Admin. Policy 6-9-11
 Benefit Payment Policy -2011.2.10 Special Tax Notice RE Rollovers
 Buyback Policy
 DROP & Share Account Distribution Policy

Online Calculators

The real time online pension calculator is currently unavailable

Pension Benefit Calculator
 Share and DROP Account Balances





Online Account Inquiry System

- *Online Access To Account*
 - Must Enter SSN And DOB In Exact Format
 - Cannot Leave Name Or Email Address Blank
- *Online System Shows Current Balance*
- *System Updates Daily (Except Earnings)*
- *Current Balance = Last Statement Balance
+ Deposits - Withdrawals*

Online Share/ DROP Statement

Earnings Election

Current Balance

Recent Activity

**Current Balance =
Last Statement Balance
+ Recent Deposits
- Withdrawals**

**Information
From Last
Statement**

**Life To Date
Information
Reflects Current
Activity**

Account Type:	DROP
Investment Earnings Method:	Fixed Rate
Current Balance:	\$373,387.18

Activity Since Last Statement

Transaction History:

Regular Deposits:

Total Deposits \$0.00

Withdrawals:

10/01/2005 \$3,277.54

11/01/2005 \$3,277.54

12/01/2005 \$3,277.54

01/01/2005 \$3,277.54

02/01/2005 \$3,277.54

Total Withdrawals \$16,387.70

Last Statement Information

Last Statement Balance	\$389,774.88
Statement Date	09/30/2004
Minimum or Average Balance in Period	\$140,044.92
Investment Rate of return:	2.0100
Investment Earnings:	\$2,814.90
Administrative Expense Rate:	0.1500
Administrative Expense:	\$210.07

Life-To-Date Summary

Regular Deposits	\$390,447.59
Withdrawals	\$19,665.24
Investment Earnings:	\$2,814.90
Administrative Expense:	\$210.07



Time To Answer Questions . . .



THANK YOU