

**WEST PALM BEACH FIREFIGHTERS' PENSION FUND**  
**MINUTES OF MEETING HELD**  
**MARCH 9, 2018**

Secretary Brian Walker called the meeting to order at 1:32P.M. in the Conference Room at Station 1, 3<sup>rd</sup> Floor; 500 North Dixie Highway, West Palm Beach, Florida. Those persons present were:

**TRUSTEES**

Brian Walker, Secretary  
Guy Montante  
Mark Parks  
Ron Frano

**OTHERS**

Audrey Ross & Scott Baur, Resource Centers  
Bonni Jensen, KKJ&L  
Jeanine Bittinger, DJCPL  
Richard Cristini, DJCPL  
Brad Armstrong, GRS

**9/30/2017 AUDITED FINANCIAL STATEMENT REPORT:**

• **DJCPL – Presented by Richard Cristini & Jeanine Bittinger**

Mr. Cristini stated that there was no filing issues found while performing the audit, although there was one minor finding that he will discuss later on. He reviewed and compared the Plan's assets from 2016 to 2017 and noted that the total assets increased from \$188,743,084 to \$207,273,396 this year and that was mostly due to investment gains. Mr. Cristini reviewed the statement of changes and noted that the State money slightly decreased this year, but that was State wide for Firefighters. He reviewed the changes in benefit payments, AP, refunds, contributions etc. from last year to this year, but overall the Plan had a great year with a net gain of \$18,530,312. He discussed the new GASB disclosures that were in this year's report and noted that these do not impact the Plan's actual numbers, it is just for reporting purposes. Ms. Bittinger discussed the internal controls report and noted the Share account rollforward report that was not reconciled to the dollar. She noted that the amount is not material to Plan although this is something that she wanted to bring to the Board attention. The Trustees had a lengthy discussion on the Share accounts as well as the Share rollforward report. Mr. Baur noted that ultimately the Share accounts will need to readjusted for 2016 and 2017 and revised statements will have to be issued. PRC will work with the City and others to get the reports revised and reissued.

- ***A motion was made by Ron Frano to approve the September 30, 2017 Audited Financial Statements as presented. The motion received a second from Guy Montante and carried 4-0.***

**9/30/2017 ACTUARIAL VALUATION REPORT:**

• **GRS – Presented by Brad Armstrong**

Mr. Armstrong stated that the City's contribution for the fiscal year beginning has slightly decreased to 49.92% of payroll. He reviewed the State money that was received and the amount that was allocated to members and the amount that went to the City. He also reviewed the changes during the year such as the FRS mortality table implementation and noted that their funded ratio slightly increased this year as well to 71.2%. Overall the Plan is doing well but he does recommend to the Board on lowering their assumed rate of return to 8%. The Trustees had a lengthy discussion on this and the impact to the Plan and the City. Ms. Jensen recommended having an experience study completed to see if other assumptions or changes need to be made and could help with offsetting some costs.

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- ***A motion was made by Ron Frano to approve the September 30, 2017 Actuarial Valuation Report as presented. The motion received a second from Guy Montante and carried 4-0.***
- ***A motion was made by Mark Parks to authorize GRS to complete an experience study to lower the Plan's assumed rate of return to 8% (with the costs not to exceed \$15K and will be completed within the next 3 months). The motion received a second from Guy Montante and carried 4-0.***
- ***A motion was made by Ron Frano to set the Plan's assumed rate of return for this year, next year, and the long term thereafter at 8%. The motion received a second from Guy Montante and carried 4-0.***

**MINUTES**

The Board reviewed the minutes of the February, 2018 meeting.

- ***A motion was made by Ron Frano to approve the minutes of the February 9, 2018 meeting as revised. The motion received a second from Guy Montante and carried 4-0.***

**DISBURSEMENTS**

The Board reviewed the disbursements presented for approval by the Administrator.

- ***A motion was made by Ron Frano to approve the disbursements presented by the Administrator. The motion received a second from Guy Montante and carried 4-0.***

**BENEFIT APPROVALS**

The Board reviewed the benefit approval list presented by the Administrator dated March 9, 2018 (22 applications for distributions from DROP or Share accounts for April 1, 2018).

- ***A motion was made by Ron Frano to approve the 22 application for distributions from DROP or Share accounts for April 1, 2018. The motion received a second from Mark Parks and carried 4-0.***

**FINANCIAL STATEMENTS**

The Board reviewed the interim balance sheet and income and expense through January 2018.

- ***The Trustees received and filed the interim balance sheet and income and expense through January 2018.***

**ATTORNEY'S REPORT: KKJ&L (PRESENTED BY: BONNI JENSEN)**

Ms. Jensen stated that the Chicago Clearing Corporation (CCC) decreased their fees down to 12%, but they will still be going through Salem Trust. Ms. Jensen stated that she will have their agreement at the next meeting to be executed.

Ms. Jensen stated that she will have a memo with her at the next meeting regarding the pending PTSD Senate Bill.

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**ADMINISTRATOR REPORT: RESOURCE CENTERS (PRESENTED BY: AUDREY ROSS & SCOTT BAUR)**

Ms. Ross and Mr. Baur discussed member's calculations and the different options that are available to members when they ask for estimated calculations. Since the Plan changed and now allows members to choose anywhere between 1 month of BacDROP to 60 months they are discussing on what is the most reasonable way of reflecting all the different options that are available to a member. PRC did receive the optional factors from the Actuary for 1 month to 60 months and that can be downloaded into the system so that when a member runs a calculation, it will show them all benefits available from 1 month to 60 months (ultimately the system will run 60 calculations per member and may take some time). Mr. Baur stated that the cost to upload all these new factors into the system would be pas through to the Board. The Trustees had a lengthy discussion on this and if that is reasonable or even necessary as the way it has been done in the past has always worked. The Trustees did not take any action on this item as they will continue to run the calculation as is for members.

**OTHER BUSINESS**

Ms. Ross presented the Board with the February 28, 2018 flash performance report from AndCo. For the quarter to date they are up 1.1% and for the fiscal year they are up 5.4%.

Ms. Ross presented the Board with the Salem Trust December 31, 2017 custodial service report.

**PUBLIC COMMENTS**

N/A

There being no further business and the next Pension Board meeting having been previously rescheduled for Thursday, April 5, 2018 @ 1:30 P.M., the meeting adjourned at 4:33 P.M.

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Brian Walker, Secretary