

City of Miramar Firefighters' Retirement Plan

MINUTES OF MEETING

February 11, 2015

A meeting was held at the City Hall building in the City of Miramar, third floor conference room, beginning at 9 AM. The meeting was requested between the Pension Board and the City Manager to address the issues related to the payroll data being reported by the City to the Pension Board and their service providers.

THOSE PRESENT ON BEHALF OF THE BOARD

*James Estep, Plan Chairman
Orlando Segarra, Plan Trustee
Denise McNeill; Plan Administrator
Bonni Jensen; Plan Attorney
Steve Gordon; Plan Auditor*

THOSE PRESENT ON BEHALF OF THE CITY

*Kathleen Richardson
Allyson Love
Sam Hines
Celeste Lucia
Faye Munnings
Barbara Hastings
Cindy Naraine
Andrea Pedlar
Ian Thomas
City Attorney*

OTHERS PRESENT

*Steve Toyota
Tom Tobin*

Introductions were made for all present. James Estep explained the reason for requesting the meeting with the City as it related to the issues regarding the payroll reports being received from the City for members of the Fire Pension Plan. He addressed a report from the Plan's auditor regarding their findings from a detailed payroll review. The report reflected several differences from various reports received from Finance and Payroll. Mr. Estep explained that the Fire Pension Board had hoped the differences would have been resolved with the City's transition to Munis; however the reporting process remains an issue. Mr. Estep explained the Board is not looking for a resolution to the historical issues at this point and instead have determined a plan to address a payroll review process moving forward. A payroll review report from Steve Gordon dated December 31, 2014 was presented for discussion. It was noted that Steve Gordon had met with the City the afternoon prior to address the December 2014 report. Mr. Gordon referred to his payroll data review explaining the inconsistency received from the City from one report to the next is a cause for concern and the detail should not change from one report to the next. The City members explained that the reports varied due to the detail requested for each of the reports processed. Mr. Estep explained that going forward, the Board has arranged for their auditor to review the detailed payroll data bi-weekly to ensure differences are explained and resolved as quickly as possible to avoid the fiscal year end differences. He requested the City continue to provide the bi-weekly payroll reports in the same manner currently being sent to the Plan's pension administrator and in addition, the Board is requesting that a detailed payroll data file be provided with each bi-weekly payroll process going forward. Lengthy discussion followed

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regarding the historical process and the Board's new request. Mrs. Jensen explained they are requesting the detail of all raw payroll data, inclusive of every pay code. She further explained the Trustees of the Pension Board have a fiduciary responsibility to ensure the accuracy of the information being used to determine benefits to members. Discussion followed regarding the reports received related to each fiscal year end and the differences in the totals of each report. Ms. Hastings explained the raw data request is not a standard report and would need to initiate the aid of Munis to design the needed report. Ms. Munnings explained to begin, they can provide a printed copy of the detailed check register by the end of the week; however they only have the detail in a printed report at this time. Mr. Estep advised the pension board would be willing to pay for the cost for the payroll vendor (Munis) to program the needed report and the physical check register would provide no help in the process since the goal will be to create a program to read the report and compare from one payroll file to the next on a bi-weekly basis. Mr. Estep addressed a specific member advising the payroll reported for the annual benefit statements differ from the member's personnel action reports and he explained the matter becomes significant at the end of an employee's career when their pension benefits are being calculated for lifetime payments. He explained the Pension Board is offering to provide the City with assistance to resolve the reporting discrepancies.

The City then reported on the FICA tax matter explaining that Gray Robinson is in the process of reviewing the matter for the City and they are waiting for the opinion.

Discussion followed regarding the three Fire Pension members found to have been overpaid in wages. HR is following up with each of the members to address accordingly. Mr. Estep explained the payroll report provided by the auditor reflects several more members who appear to have overpaid pension contributions to the Plan. Mr. Estep explained the Board will await the City's response regarding the pending differences.

Discussion followed regarding the City's CAFR deadline along with the Pension Board's audit and valuation reports. Mr. Gordon explained he is waiting for the GASB information from the actuary. Mr. Estep explained he isn't completely comfortable with the explanation from the City regarding the differences in the data reports provided and he will await the City's follow up regarding the raw data request.

The meeting ended with the understanding the City will work with Munis to acquire a bi-weekly raw data dump as requested and HR will research and provide a payroll update for the members who were determined to have overpaid pension contributions.