

ST. LUCIE COUNTY FIRE DISTRICT FIREFIGHTERS' RETIREMENT FUND



Minutes of Meeting Held September 27, 2012

The meeting was called to order at 2:00 P.M. by Secretary, Ron Parrish

Those persons present were:

TRUSTEES PRESENT Paul Raymond
Ron Parrish
Buddy (George) Emerson
Tony Napolitano

TRUSTEES ABSENT Chris Bushman

OTHERS PRESENT Denise McNeill & Rachel Valdez; Resource Center
Bonni Jensen; Law Office of Perry & Jensen
Several Members of the Plan

PUBLIC COMMENTARY

David Noble appeared before the Board to provide the Union's position on using the 175 money to pay the .09% increase in contributions. He explained they have already reported the expected contribution rate to the State and the Union would rather not make another change to the Plan funding at this time. Mr. Noble explained that using 175 funds to pay the .5% cost to change the mortality table made sense as it had an impact on the entire Plan while the .09% cost increase only impacts the active employees on the contribution funding. He explained only one week had passed since the last meeting and the Union did not have enough time to communicate with the Union attorney, then with membership regarding the matter.

CONTRIBUTION FUNDING

It is noted in the minutes that the results of the vote: "I authorize the St Lucie County Firefighters Pension Trust to utilize the excess revenue collected from State premium tax dollars to fund the .09% employee retirement contribution increase for Fiscal Year 2012-2013." The results provided by Human Resources reflect there were a total of 145 votes. 92 votes for YES and 53 votes for NO were received.

Lengthy discussion followed regarding the matter. Chief Parrish explained that he did not realize the issue was being addressed at this meeting. Members present expressed concern of taking another matter before the Fire Board. Chief Parrish explained he cannot support the change at this time and he feels the issue should be fully vetted before any such change is made. It was noted that the prior vote to use 175 funds to cover the cost of the mortality table change was supported by the Union and had passed 118 to 1. Mrs. Jensen explained the Board will need to either amend the prior motion made at the last meeting or table the matter until the next meeting. She stated if the motion is tabled the employees would contribute the .09% increase effective 10/1/12. The Trustees inquired with the members present. Nate Spera noted that he first considered the matter entirely in a contractual view; however there is also the political and philosophical component to the situation; therefore a decision was made by the Executive Board to encourage members to vote "no" on the election. Mr. Spera explained the Executive Board did not have enough time to share their recommendation with membership. Chief Parrish stated the change can be made at any time in the future and he would like to allow membership more time to consider the impact. Buddy Emerson noted the issue can be tabled to address relevant questions.

- Paul Raymond made a motion to table use of the 175 funds towards the .09% contribution increase. The motion received a second from Tony Napolitano and after further discussion was approved by the Trustees 4–0.

Buddy Emerson stated he would like all relevant parties present to discuss this further at the next meeting, including the Plan’s actuary. Denise McNeill confirmed she would invite the actuary to the next board meeting.

FIDUCIARY LIABILITY INSURANCE

Denise McNeill presented two proposals for fiduciary liability coverage to the board. The first proposal was the renewal from Travelers Casualty & Surety Company of America in the amount of \$10,064.23. The second proposal was from Ullico Insurance Group in the amount of \$6,052.35. Bonni Jensen reported that the ratings of each firms should be considered. She noted Travelers had an A + rating and Ullico had an A rating. The other item noted was that there is a \$5,000 deduction with the Travelers policy and no deductible with Ullico. Mrs. Jensen noted a few specifics with the Ullico policy and noted that neither policy will pay for benefits, just attorney related costs. Tony Napolitano inquired further if any one was aware of any issues with Ullico. Bonni Jensen stated none of her clients have had to use the policy. Bonnie Jensen and Denise McNeill both reported that many of their other clients use Ullico.

- Ron Parrish made a motion to initiate coverage with the Ullico policy for the renewal as there is no deductible and the policy is less expensive. The motion received a second from Tony Napolitano and was approved by the Trustees 4-0.

There being no further business to discuss,

- Ron Parrish made a motion to adjourn at 2:30 PM. The motion received a second from Tony Napolitano and was approved by the Trustees 4-0.

Respectfully submitted,

Ronald Parrish, Secretary