



City of Palm Coast

Fire Station #25
1250 Belle Terre Parkway
Palm Coast, FL 32164

Meeting Minutes Volunteer Firefighters' Pension Board

Chair Charles Esposito
Vice Chair Timothy Wilsey
Board Member Daniel Brazzano
Board Member John Pickard
Board Member Robert Schroeder

Friday, September 9, 2016

8:30 AM

Fire Station 25

SPECIAL MEETING

Staff: Chris Quinn, Finance Director
Virginia A. Smith, City Clerk

>Public comment will be allowed consistent with Senate Bill 50, codified at the laws of Florida, 2013 – 227, creating Section 286.0114, Fla. Stat. (with an effective date of October 1, 2013). The public will be given a reasonable opportunity to be heard on a proposition before the City's Volunteer Fire Fighters Pension Board, subject to the exceptions provided in §286.0114(3), Fla. Stat.

>Public comment on issues on the agenda or public participation shall be limited to 3 minutes.

>If any person decides to appeal a decision made by the Volunteer Fire Fighters Pension Board with respect to any matter considered at such meeting or hearing, he/she will need a record of the proceedings, including all testimony and evidence upon which the appeal is to be based. To that end, such person will want to ensure that a verbatim record of the proceedings is made.

>The City of Palm Coast is not responsible for any mechanical failure of recording equipment.

>Other matters of concern may be discussed as determined by the Volunteer Fire Fighters Pension Board.

>If you wish to obtain more information regarding agenda, please contact the City Clerk @ 386-986-3713.

>In accordance with the Americans with Disabilities Act, persons needing assistance to participate in any of these proceedings should contact the City Clerk at 386-986-3713 at least 48 hours prior to the meeting.

>All pagers and cell phones are to remain OFF while City Council is in session.

A. CALL TO ORDER

B. PLEDGE OF ALLEGIANCE

C. ROLL CALL

Present: 4 - Chair Esposito, Vice Chair Wilsey, Board Member Pickard, and Board Member Schroeder

Excused: 1 - Board Member Brazzano

D. LEGAL REVIEW

Chair Esposito called for a Motion to approve the minutes, however, the minutes were not on the agenda to approve, they will be at the regularly scheduled quarterly meeting. Therefore, Chair Esposito called for acknowledgement of the parts from the August 12, 2016 meeting that are relevant to today's meeting.

There was no discussion by the Board Attorney as he was not present.

E. NEW BUSINESS

1 [16-361](#) APPROVE SERVICE AWARD REIMBURSEMENT EXPENSE FOR BOARD SECRETARY PEGGIE CALKINS' RETIREMENT

Mr. Quinn provided a brief overview to this expense.

A motion was made by Vice Chair Wilsey, and seconded by Board Member Pickard, that the Agenda Item be Adopted. The motion was adopted by the following vote:

Approved: 4 - Chair Esposito, Vice Chair Wilsey, Board Member Pickard, and Board Member Schroeder

Excused: 1 - Board Member Brazzano

F. OLD BUSINESS

2 [16-343](#) DISCUSSION VOLUNTEER SERVICE YEARS PRIOR TO 2002

Chair Esposito-This is a continuation of the discussion we have had regarding prior years of service, (prior to 2002). The issue was brought up as a question by people who are seeking to be members of the Volunteer organization, who have served before, inquiring as to their ability to claim prior to 2002 years for pension benefit.

Chair Esposito asked Mr. Ruggieri (public participant) if he had any further comments to provide to the Board. Ans: Larry Ruggieri-Just to reiterate my original statements that I made at the last meeting, I served from 1974 to 1985/1986. I am not looking for 12 years, I am just looking for the five that everyone else got. In the document that has hundreds if not thousands of words in there, I am only looking to change one 3 letter word two. That is in section, under definitions, 2-526. The way it reads now is that a firefighter with up to 5 years consecutive service to the City is a volunteer firefighter for the Palm Coast service district prior to July 1, 2002 shall be eligible to receive up to 5 years of credited service provided such members satisfied pension requirements (points) in at least one of the two years following July 1, 2002. Otherwise, no credited service shall be awarded for any period prior to July 1, 2002. The word I am asking the board to change is "two" just remove that word and it would read "...in at least one of the years following July 1, 2002."

Chair Esposito-Ok, that is pretty much what you said last time. Ans: Mr. Ruggieri-Yes.

Chair Esposito-Anything further you would like to add? Ans: Mr. Ruggieri-No.

Chair Esposito-The Board can then take up discussion on whether or not the Board wants to make any kind of change in the present Ordinance 2015-02. That would

revise things so that what Larry is looking for, requesting-I should say, could or could not be made a part of the Ordinance or maybe more relative, should or should not be? Just a recap to refresh all, the question came up about the prior years qualification for members who had served in the volunteer organization for a number of years but have resigned also or has been terminated, years prior to the implementation of this program, which is why 2002 and 2003 were tied in to consecutive years of service prior to that. That was the intent of that. We reviewed the Ordinance. We solicited the opinion of the Board Attorney on what the Ordinance said and what is allowed and what it did not allow. The Board Attorney gave us a letter saying in essence to keep things were they are, you do not do anything to the Ordinance. Mr. Ruggieri was given the opportunity to address the Board and give his feelings about this issue, which he repeated again this morning. At the last meeting, Larry asked the board is there any possibility of adjusting the Ordinance so that you (Larry) could be considered. Any questions on anything that happen at the last meeting (August 12) that might be germane to the discussion we are going to have today?

Chair Esposito-It is incumbent upon the Board that each member to review their thoughts and make any comments on this issue and bring up any comments they may have. I think some of the Board's consideration was "Is the Ordinance ambiguous in any way?" The Attorney said no and even Larry in your summary you said "reading the Ordinances as it was written" you agree with how it was interpreted up to that time. The attorney supported that in writing and you also received a copy of that. The next question that the Board should consider is was the Ordinance written as intended, particularly as it applies to 2002/2003 requirement? Also, does or did the Board Members consider the petitioner's request for a change? Does the petition for change warrant a change to a document that has been in existence for quite some time? Does the Board have any comments they would like to make?

VC Wilsey-At the time, the Ordinance was written because the organization was just developing this program. I think that one word change in an ordinance, an ordinance is written for a reason, they are written by a legal team for a reason, and a one word change into an ordinance you open kind of a pandora's box. Not only do you set precedence for this organization for people, we appreciate everyone's years of service, but I think prior to the funds being available, if you continuously do that you are dipping into a pot of there was no money there and you are granting years of service for money that was not there. The way the fund works is we get a year of credited service per persons' year for every year they are completed. If we grant years of service prior to the inception of the plan, we never received the credits per se for their years of service as far as funding goes. I believe that even by the single word change, although it would benefit a single person now, could potentially put us into financial issues later by funding a lot of prior years of service before the plans inception and before the plan was actually funded.

Chris Quinn-For any of the years prior to the program, were any of those records kept? The whole program is based on a point system and I think that point system of records is accumulated during the course of the year. Ans: Chair Esposito-They came into effect in 2002, so there would be no official record kept on the prior years. The intent was that anybody that was a member at the inception of the program and was a current and active member, could request the 5 years back.

BM Pickard-I feel the attorney went over everything. I think he made it go forward and everything was approved to stay the way it says. I think what Tim said is that it would open a pandora's box. I think the whole thing was done very fair. Folks that were still current or active going in '02 or '03 were given the option if they wanted to claim the 5 years backlog. Unfortunately, if you had prior service and it did not come up at that

time, even then, you have to start from a starting point, we can't keep going back in time and time and time.

BM Schroeder-I personally not having been here at the inception, it is what it is. It was written by the attorney. I assume that there was good reasoning then and still good reasoning now.

VC Wilsey-To expand upon on what Mr. Quinn was stating, I also believe, like now we do require the point system so if you do not make the points, you do not get the credited year of service for the LOSAP (plan) and if any previous members that we do not have records on any more because the law states you only keeps records for so long. This Ordinance is 15 years old, give or take, so now you are talking about records of previous volunteers that would be non-existent, so if that member had been terminated for not being a member in good standing or not being, you know, given the years of service to a person who was not in good standing, and I understand that. That is a very long time ago for me but you could potentially be, where someone says they were here in '80 to '82 or '86 to '91, it is on their word that they served, cause very few members are still here and/or with a full recollect of their performance. If they were terminated from the agency/organization, for negative things that would disqualify them from both sides, we would have not be aware of that.

Mr. Quinn-One more thing, from a pension plan standpoint, for the actuary to do that work, any kind of change would change the eligibility of people, regardless of what it is. We would have to try to come up with a list of everyone who would potentially would be allowed into the plan with this change or in the change and what that affect would be on future benefits accruing to those people and what the financial affect on the plan would be. So it is not necessarily a one word change. It is ok what does this mean, who is out there, how much are we talking about and what is the affect on the plan. It would be a significantly large project regardless. Remember every time you make a change to the plan, the actuary has to recalculate all the plan numbers, no matter how small or large it is. For example, the Board is taking up at the next meeting, whether to change the rate of return for the plan based on when the Florida League was here at the last meeting. Before the Board can make that decision they have to have what that impact is on the calculations of the plan. Foster and Foster is working on it for the next meeting. Any kind of change that increasing eligibility would certainly have a significant financial impact to the plan.

Chair Esposito called for a motion to amend the Ordinance. There was no motion made.

The Agenda Item was Received and Filed.

G. PUBLIC COMMENTS

Mr. Ruggieri-I have several questions:

How many people have received prior years of service and to Tim's point of no records, the Chief has all the log books from day one, which I am sure has newspaper clippings, photos, to show that I definitely made points. As far as the financial impact with over \$1 mil distributed recently, and the Ordinance being changed by many pages to accommodate that, I do not see financial impact. I do see Mr. Quinn's point that the actuarial work that would take in order to do that but I also know that some legislation that they do a single person in legislation, which would prevent people with prior years of service, which I do not see them beating down the door to get in the place. There are not many members still alive that were back from then and fortunately I am. So, I see your points, personally I do not agree

with them, but that is why I am here. To me it is not a dead issue. I will keep coming back until you see the light.

H. DISCUSSION BY BOARD OF ITEMS NOT ON THE AGENDA

Nothing at this time.

ADJOURNMENT

The meeting was adjourned at 8:55 am

*Respectfully submitted,
Virginia Smith, City Clerk*