



**City of Palm Coast  
Minutes  
VOLUNTEER  
FIREFIGHTER PENSION  
BOARD**

City Hall – Community Wing  
160 Lake Avenue  
Palm Coast, FL 32164  
www.palmcoastgov.com

*Chair Timothy Wilsey  
Vice Chair Vincent DeVita  
Board Member Daniel Brazzano  
Board Member Charles Esposito  
Board Member Robert Shroeder*

---

**Friday, November 13, 2020**

**8:30 AM**

**CITY HALL**

---

**Staff: Helena Alves, 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**

*Chairman Wilsey called the meeting to order at 8:33 a.m.*

**1 WELCOME MARTIN DUSEL TO THE BOARD**

*Chairman Wilsey welcomed Martin Dusel to the Board and administered the oath.*

**B PLEDGE OF ALLEGIANCE**

**C ROLL CALL**

*Mr. Schroeder was absent. Mr. Brazzano arrived later in the meeting.*

**D BOARD OF TRUSTEES : NAMES & ORGANIZATIONS OF OTHER PARTICIPANTS**

*Dave Robinson, Sugarman and Suskind*

**E MINUTES**

**2 MINUTES OF AUGUST 14, 2020**

*Motion by Board Member Esposito, seconded by Board Member Dusel to approve the minutes. The motion carried unanimously.*

**F FINANCIAL STATUS OF PLAN ACCOUNTS**

**3 QUARTERLY REPORT FOR PERIOD ENDING JUNE 30, 2020**

*Ginger Norberg reported on the health of the fund. The final balance of the account as of September 30, 2020 was \$4,766,610.90. The invoices from Sugarman and Susskind, Ice Miller, and Foster and Foster were presented for approval Motion by Board Member Esposito, seconded by Board Member Dusel to approve the invoices. Chairman Wilsey reminded that there was a cap on the amount the Board agreed to pay ICE Miller.*

*Attorney Robinson indicated that he would contact ICE Miller and inquire if they would reimburse the Fund the difference. The motion and the second were amended to reflect authorization of payment to ICE Miller now and for Attorney Robinson to look into negotiating the price. The motion carried unanimously.*

*JeremyLangley, Florida League of Cities reviewed the investments as of September 30, 2020. The board received a 6.6 return on investment and had underperformed their benchmark of 7%. He reported on the ups and downs of the stock market since COVID and shutdowns in March and the influence of an election year on the market.*

*Tech stocks were big winners for this year.*

**G LEGAL REVIEW**

*Dave Robinson reported on Government Executive Order and we are back to the usual requirement of the quorum of the board present.*

*He plans to draft a new Summary Plan Description for presentation at the next meeting.*

**H NEW BUSINESS**

**4 NOMINATE AND SELECT A VICE CHAIRMAN**

*It was the consensus of the board to wait until a full board present. This item will be continued until we have the full board present.*

**5 TENTATIVE DATES FOR 2021 VOLUNTEER FIREFIGHTER PENSION BOARD MEETINGS**

*Chairman Wilsey read the proposed dates into the record. Motion by Board Member Esposito, seconded by Board Member Dusel, to approve the 2021 dates as February 12, 2021, May 14, 2021, August 13, 2021, November 12, 2021. The motion carried unanimously.*

## I OLD BUSINESS

### 6 PRESENTATION - FORMAL EXPERIENCE STUDY

*Doug Lozen presented the experience study and reported that the plan is overfunded. He reviewed the assumption vs. reality. Mr. Lozen recommends changing investment return assumption 7% smooth assets will come in close to 8%. GASB information will get out next month. There will be no impact to the City.*

*Lowering investment return assumption will increase normal cost. The Horizon Actuarial Survey is updated every year. They are predicting a 2.2%.*

*Helena Alves explained that the 7% is being challenged by the auditors so it would be better to lower the rate.*

*Mortality rates are linked to the Florida Statutes. The study assumes that the retirement rates recommend when a member gets to retirement age, they will take it. Foster and Foster recommends and no deferral and remove the assumption for early retirement.*

*The actual turnover rate within Palm Coast, is 34%. Foster and Foster recommends turnover of 25% in the first couple of years of service, recommend 15% from 2-5 years and 5% 6-10 and once a member reaches 11 years assume no turnover. Very few people stay with the plan for over 11 years. The net results is going to be a reduction in normal costs. Helena asked, if the Board reduced the rate contribution amount, does this affect the City contribution amount. Mr. Lozen explained that the Fund has a 1.5 million dollar buffer before the City would need to fund the plan.*

*Board Member Esposito needed clarification whether the extra funds are in the share plan or defined, It was in the shared plan. The allocation of the funds was discussed.*

*Mr. Lozen reported that Foster and Foster recommends no change to the Disability category.*

*Dan Brazzano joined the meeting at 9:25 a.m.*

*Foster and Foster recommended a change to the return assumption rate and would like to see the board choose 6% or 6.5% investment return assumption.*

### 7 DISCUSSION AND POSSIBLE ACTION REGARDING NEW ASSUMPTION RATE

*Motion by Chairman Wilsey, seconded by Council Member Brazzano, to adopt the recommendations from Foster and Foster with a 6% investment return assumption with the recommendations on mortality rates, retirement rates, withdrawal rates and disability rates. The motion carried unanimously.*

**8 DISCUSSION AND POSSIBLE ACTION REGARDING GRADUATING VESTING POSSIBILITIES FOR THE SHARE PLAN**

*Chairman Wilsey reviewed previous discussion regarding giving a stipend to those that have completed a certain amount of years of and giving them a stipend before their 5 year vestment period. There will be no impact to the Fund and there is no legal impediment. Chairman Wilsey was hoping it would help in retaining volunteers for a longer period of time. If the state changes their amount, that is where the risk might come in.*

*Motion by Board Member Dusel to change the share plan forfeiture requirements to allow for graduating vesting. The motion died for lack of a second.*

**9 DISCUSS POSSIBILITIES FOR INCREASING DEFINED BENEFIT, BASED ON YEARS OF SERVICE**

*Chairman Wilsey reviewed previous discussion regarding giving a stipend to those that have completed a certain amount of years of and giving them a stipend before their 5 year vestment period. Board Member Dusel asked if the \$65.00 stipend was linked to an actuarial calculation. The board and Ms. Alves and Doug Lozen reviewed the history and the risk, if any, to the City and how the State funding could affect the plan.*

*Ms. Alves asked to review the May study and have the City Manager also review it with her and bring the ideas to the next meeting.*

*This item will be continued to the February meeting.*

**J PUBLIC COMMENTS**

*No comments were received.*

**K DISCUSSION BY BOARD OF ITEMS NOT ON THE AGENDA**

*No comments were received.*

**L ADJOURNMENT**

*Motion by Board Member Brazzano to adjourn the meeting. The meeting adjourned at 9:46 a.m.*