

**CITY OF PORT ORANGE
FIRE AND RESCUE PENSION BOARD OF TRUSTEES QUARTERLY MEETING
PORT ORANGE CITY HALL
1000 City Center Circle, City Hall Council Chamber
PORT ORANGE, FLORIDA 32129**

AGENDA

Monday, May 14, 2018, 4:30 P.M.

DISABILITY INFORMATION: IF YOU ARE A PERSON WITH A DISABILITY WHO NEEDS AN ACCOMMODATION IN ORDER TO PARTICIPATE IN THIS PROCEEDING, YOU ARE ENTITLED, AT NO COST TO YOU, TO THE PROVISION OF CERTAIN ASSISTANCE. PLEASE CONTACT THE CITY CLERK FOR THE CITY OF PORT ORANGE, 1000 CITY CENTER CIRCLE, PORT ORANGE, FLORIDA 32129, TELEPHONE NUMBER 386-506-5563, CITYCLERK@PORTORANGE.ORG, AS FAR IN ADVANCE AS POSSIBLE, BUT PREFERABLY WITHIN 2 WORKING DAYS OF YOUR RECEIPT OF THIS NOTICE OR 5 DAYS PRIOR TO THE MEETING DATE. IF YOU ARE HEARING OR VOICE IMPAIRED, CONTACT THE RELAY OPERATOR AT 1-800-955-8771.

APPEAL NOTICE: ANY PERSON WHO DECIDES TO APPEAL ANY DECISION MADE BY THE CITY COUNCIL WILL NEED A RECORD OF THE PROCEEDINGS, AND FOR SUCH PURPOSE HE OR SHE MAY NEED TO ENSURE AT HIS OR HER OWN EXPENSE FOR THE TAKING AND PREPARATION OF A VERBATIM RECORD OF ALL TESTIMONY AND EVIDENCE OF THE PROCEEDINGS UPON WHICH THE APPEAL IS TO BE BASED.

I. CALL TO ORDER/DETERMINATION OF A QUORUM

Election of Officers (Chairman and Secretary)

II. APPROVAL OF MINUTES - Quarterly Meeting – February 19, 2018

III. REPORTS (ATTORNEY/CONSULTANTS)

1. Burgess Chambers (BCA), Performance Monitor
Quarterly report – March 31, 2018
2. Pedro Herrera, Plan Attorney
3. Julie Enright, Plan Administrator
 - A. PNC retiree death audit - no deaths reported by bank
 - B. Coordinated documents for completion of the Annual State report with Foster & Foster and the City. Confirmation of submittal of the report dated 4/16/18
 - C. Coordinated request for Impact Statement from Foster & Foster for the Ordinance regarding the Share Plan. Submitted both to the State Department of Management Services.
 - D. Coordinated request for Impact Statement from Foster & Foster for the Ordinance regarding the terms of office. Submitted both to the State Department of Management Services. Discuss members expiring terms based on the proposed changes.
 - E. Foster & Foster correspondence regarding the annual “Naples Calculation” that is used to determine the amount of State Monies, the City can use each year.
 - F. Preparation of benefit calculations in process for Joe LaFond, Dominic Leon, Joseph McCraney
 - G. Participated in satisfaction survey and telephone conference with PNC regarding custodial banking services
 - H. Updated the Agenda information for disability and appeal provisions
 - I. Next quarterly meeting is scheduled for August 13

IV. NEW BUSINESS

None

V. OLD BUSINESS

Continue discussion regarding vesting of supplemental benefits as it relates to the plan changes implemented

VI. RATIFICATION: DISBURSEMENTS/RETURN OF CONTRIBUTIONS and DEPOSITS

• **DISBURSEMENTS**

1. Sugarman & Susskind, Professional Services - **\$170.00; \$340.00**
2. PNC fees for custody, quarter end 3/31/18: FMI - **\$877.08**; SSI -**\$356.21**; Cash - **\$0**; MCV - **\$277.29**; Real Estate - **\$154.53**; International - **\$442.65**; Fixed income ETF - **\$313.44**; Integrity **\$624.60** (total fees: **\$3,045.80**)
3. Fiduciary Management Inc., 3/31/18 quarterly fee - **\$11,988.00**
4. Burgess Chambers, Performance Monitor, 3/31/18 quarterly fee - **\$10,773.57**
5. SSI, quarterly fee, 3/31/18 quarterly fee - **\$6,224**
6. American Realty Advisors – 3/31/18 quarterly fee -**\$3,676.70**
7. Integrity Fixed Income Management – 3/31/18 quarterly fee - **\$3,123.13**
8. Julie Enright, Professional Services - **\$7200** (quarterly administration fees paid for Feb, Mar, Apr); mileage & copy reimbursement **\$41.73; \$26.73**
9. Foster & Foster dated 4/27/18 in the amount of **\$20,754.00**
10. Distribution of annual COLA's for March, April, May to: Bazanos, Hammons, Morrissey, Vola, Amara, Delameter, Meister, Nigh, Rafferty, DelValle, Jenkins, Pelletier, St.Claire, Stewart

VII. STAFF REPORTS, DISCUSSION, AND ACTION

VIII. TRUSTEES' REPORTS, DISCUSSION, AND ACTION

IX. REQUESTS FROM THE PUBLIC/EMPLOYEES PRESENT

CITY OF PORT ORANGE
FIRE AND RESCUE PENSION BOARD OF TRUSTEES QUARTERLY MEETING
MINUTES
Monday, February 19, 2018, 4:30 PM

Members Present:	Jim Reardon, Chairman Joe Meeske, Secretary Chris Taylor
Members Absent:	Bob Ford, Vince Jones
Plan Administrator:	Julie Enright
Plan Attorney:	Absent
Consultant:	Burgess Chambers, Performance Monitor (BCA)
City Staff:	Tracey Riehm, Finance Director
Public:	None Present

CALL TO ORDER/DETERMINATION OF A QUORUM

Chairman Reardon called the meeting to order at 4:30 PM. There was a quorum with three members present.

Election of Officers (Chairman, Secretary) - Tabled

APPROVAL OF MINUTES – Quarterly Meeting, November 13, 2017

Secretary Meeske moved to approve the minutes of November 13, 2017; Member Taylor seconded the motion, which passed unanimously.

REPORTS (ATTORNEY/CONSULTANTS)

Patrick Donlan, Foster & Foster – Review/Acceptance of Actuarial Valuation

Mr. Donlan presented the 10/01/2017 actuarial valuation report and noted that the 10/01/2017 valuation determines the contribution for the 09/30/2018 fiscal year. As such, the contribution for 09/30/2018 is 102.1% and for 09/30/19 is 93.3% of payroll, a reduction of 8.8%. Mr. Donlan noted the contribution percentage went down due to a reduction in the unfunded actuarial accrued liability (UAAL) of \$17,507,703, noting that there was a decrease to the liability due to investment returns higher than the assumed rate as a result of four-year smoothing. The actuarial assumed rate of return is 7.6%, the smoothed rate is 7.10% and the actual rate of return for 09/30/2017 is 10.11%.

Mr. Donlan noted that due to Government Accounting Standards Board (GASB) required changes for financial statement purposes of the calculation of the unfunded liability where the four-year smoothing is not allowed and the current year's market value of the assets is required. Also, the City's balance sheet is required to show the unfunded liability amount whereas prior to this change the unfunded liability was reported in the "Notes to the Financial Statements" section of the financial statements. This requirement creates a difference in the unfunded liability amount between the actuarial valuation report and the financial statements. The actuarial report is a long-term valuation whereas the GASB requirement is a valuation as of a specific date of 09/30. The result is that the funded ratio is different between the two valuations, for example it is currently 62.3% for financial statement purposes and 62.0% for actuarial valuation purposes. The effect is on the calculation of the disbursements of the pension benefit. Mr. Donlan recommended that the actuarial valuation report be used when calculating the pension benefit because of the long-term view of the report.

Discussion ensued regarding the 2012 benefit reduction language whereby the cost of living adjustment (COLA) is prorated but the supplemental benefit is not. Mr. Donlan suggest the Board seek a legal opinion from the Board Attorney Herrera. Consensus of the Board is to receive the opinion before the next regularly scheduled board meeting.

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MINUTES
Monday, February 19, 2018, 4:30 PM**

Member Taylor made a motion to direct Board Attorney Herrera to provide a legal opinion on whether or not the supplemental benefit should be prorated the same as the COLA as stated in the 2012 benefit reduction as soon as possible; seconded by Member Meeske, which passed unanimously.

Mr. Donlan suggested the Board request Mr. Herrera contact him, because he has the background information regarding the 2012 benefit reduction. Consensus of the Board is for Mr. Herrera to contact Mr. Donlan.

Member Meeske made a motion to approve the 2017 actuarial valuation; Member Taylor seconded the motion, which passed unanimously.

Mr. Frank Wen, Burgess Chambers (BCA), Performance Monitor, quarterly report as of December 31, 2017

Mr. Frank Wen advised the board they are required to declare the current year expected rate of return.

Chairman Reardon made a motion to declare 7.6% as the current year expected rate of return; Member Meeske seconded the motion, which passed unanimously.

Mr. Wen presented the December 31, 2017 total fund investment performance report. He noted this is the first quarter of the fiscal year and the fund made 3.3% which is just below the strategic model of 3.5%. The firm is watching the fixed income market and corporate earnings.

Then Mr. Wen discussed the fund balance market value of \$28,877,742 for December 31, 2017 as compared to the value of \$27,921,021 for September 30, 2017 with a market gain of \$956,721. He noted that although there was a quarter gain, he may come back to the board next quarter to request a rebalancing because bonds lost during the quarter, domestic equities were over weighted and international equities were under weighted.

Noted their firm has been monitoring PNC fixed income due to their poor performance in the past, however this quarter they had a gain and Mr. When recommends that the board continue to monitor this fund. Also noted is the new bond fund is doing well with gains for their first quarter.

Pedro Herrera, Plan Attorney

Mr. Herrera was not able to attend the meeting however he was available via telephone if necessary.

Julie Enright, Plan Administrator

Mrs. Enright presented her report to the Board:

- A. PNC retiree death audit – no deaths reported by bank requires action of the Board. At the last meeting, Attorney Scott Christiansen advised the Board that there is not a need to send annual verification letters since the reports from the custodian bank are provided monthly. Plan Administrator confirmed with the custodian bank that this information is reliable, timely source.
Member Meeske made a motion to approve using the PNC monthly death audit database as opposed to the yearly Board issued letter; Member Taylor seconded the motion, which passed unanimously.
- B. Annual actual administrative expenses for FY 16/17 was submitted to the City for posting on website and a copy to the Fire Department to be posted on Station bulletin boards.
- C. Annual report of investment activity for FY 16/17 from custodian bank was provided to City Council
- D. Updated distribution list for reports received from PNC.

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- E. Completed 2017 Census of Government Survey of Public Pensions
- F. City Clerk confirmed that Fire Member Reardon, Ford and Taylor were re-appointed at the 12/12/17 Council Meeting. Request for members to serve on Board was sent to Fire membership notifying of expiring term of elected Member Meeske. He was unopposed and notification was sent to the membership advising of his additional term.
- G. Receipt of letter regarding satisfaction survey of custodian bank services. Plan Administrator will participate in survey.
- H. Next FPPTA Conference is schedule for 6/24-27 in Orlando and the FPPTA School is scheduled for 9/30-10/3 in Bonita Springs
- I. Next quarterly meeting is scheduled for May 14.

NEW BUSINESS

- 1. Declare expected rate of return – see Performance Monitor section above.
- 2. Review/authorize Actuary to prepare Impact Statement for proposed Ordinance submitted by the City regarding mutual agreement of premium tax money. Plan Administrator advised the Board that she reviewed the proposed Ordinance with Attorney Herrera and that he had no problem with proceeding.

Member Meeske made a motion to authorize the Actuary to prepare an Impact Statement for the proposed ordinance submitted by the City regarding mutual agreement of premium tax money; Member Taylor seconded the motion, which passed unanimously.

- 3. Consideration/request to City for extension of terms of office from two years to four years
Plan Administrator advised Board of ability to extend the terms of office and contacted the City to determine option for the Fire Board to implement this change. The City Attorney confirmed that they would prepare an Ordinance to City Council if the Board would like to implement this change with staggering the terms so that expirations do not occur at the same time.

Member Meeske made a motion to request the City extend the terms of office from two years to four years and request the City to prepare the ordinance; Chairman Reardon seconded the motion, which passed unanimously.

- 4. Authorization/Update of signature authority with PNC Custodian Bank services.

Member Meeske made a motion to authorize that all members have signature authority with PNC Custodian Bank Services; Member Taylor seconded the motion, which passed unanimously.

OLD BUSINESS - None

RATIFICATION: DISBURSEMENTS/RETURN OF CONTRIBUTIONS AND DEPOSITS

- 1. Julie Enright, Professional Services - **\$5,400** (quarterly administration fees paid for Nov, Dec, Jan); mileage & copy reimbursement **\$41.73; \$43.08**
- 2. Christiansen & Dehner, Professional Services - **\$510.00; \$1,158.22; \$1,370.72**
- 3. PNC fees for custody, quarter end 12/31/17: FMI - **\$881.96**; SSI - **\$357.07**; Cash - **\$0**; MCV - **\$279.87**; Real Estate - **\$167.38**; International - **\$438.12**; Fixed income ETF - **\$317.70**; Integrity **\$632.69** (total fees: **\$3,074.79**)

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4. Fiduciary Management Inc., 12/31/17 quarterly fee - **\$12,091.00**
5. Burgess Chambers, Performance Monitor, quarterly fee as of 12/31/17 -
\$10,824.14
6. SSI, quarterly fee, 12/31/17 quarterly fee - **\$6,113.00**
7. American Realty Advisors – 12/31/17 quarterly fee - **\$3,606.36**
8. Integrity Fixed Income Management – 12/31/17 quarterly fee - **\$3,067.91**
9. Foster & Foster dated 11/20/17 in the amount of **\$4,098.00**
10. Florida Public Pension Trustees Association 2018 membership renewal **\$600.00**
11. Distribution of annual COLA's for Dec, Jan, Feb to: Amos, Burman, Shelton,
Whalen, Ballinger, Calache, Campbell, Crouch, Dickerson, Ferda, Jania,
Kinnamon, Price, Miller, Robertson, Sedacca, Staley, Vola, Weber, Weir,
Whitaker, Carrasquillo, Fast, Hodgins, Hooker, Jennetten, Traster

*Member Taylor made a motion to approve the Disbursements and the Distribution of COLA's as listed in the Agenda;
Chairman Reardon seconded the motion, which passed unanimously.*

**STAFF REPORTS, DISCUSSION, AND ACTION/TRUSTEES' REPORTS, DISCUSSION, AND
ACTION/REQUESTS FROM THE PUBLIC/EMPLOYEES PRESENT - none**

ADJOURNMENT – There was no further business; Chairman Reardon adjourned the meeting at 5:40 PM.



April 16, 2018

VIA EMAIL

Mr. Jim Reardon
Edward Jones
4550 Clyde Morris Blvd., Ste. A
Port Orange, FL 32129

RE: City of Port Orange Fire and Rescue Pension Fund

Dear Jim:

Enclosed, for your review, is an Adobe pdf file of the 2017 Annual Report on behalf of the above referenced Fund.

Note that this pdf file is the "view" of the Report that is extracted from the Florida Division of Retirement Annual Report submission website. The online version of the Report that we submitted today contains more detailed information in some areas than what will print out. Also, the online version looks cleaner and more pleasing to the eye, especially in the member data section. We are hopeful that the "view" file that we provide to you in the future improves as we make suggestions to the State.

Notarized signatures are no longer needed now that the Annual Report is submitted online.

Please also email us a copy of the CPA Audit Report, when available, as we will need to add this to the Annual Report before it will be approved by the State. As in the past, if the Annual Report is not approved by September 30, 2018, the State Monies will not be distributed nor can they be used to meet 2018 funding requirements.

We have prepared the financial sections of the Report with the fund assets and activity as compiled for the October 1, 2017, Actuarial Valuation. Any reconciliation to the Audit that is requested by the State will be handled by our office upon written request from the Division of Retirement.

If you have any questions, please let us know.

Sincerely,

Amanda Stevenson

AS
Enclosure
cc:

Julie Enright, Plan Administrator
Zach Chalifour, CPA
Pedro Herrera, Plan Attorney

Subject: RE: Fire Pension terms Ordinance
From: Fenwick, Robin (rfenwick@port-orange.org)
To: juliechrismail@bellsouth.net;
Date: Monday, April 30, 2018 11:13 AM

Yes, that is one way. You could also change to this as well:

Joe Meeske and Jim Reardon effective 1/1/19 terms will expire 12/31/23

Vince Jones, Bob Ford and Chris Taylor effective 1/1/20 terms will expire 12/31/20

Vince Jones, Bob Ford and Chris Taylor effective 1/1/21 terms will expire 12/31/25

OR even

Joe Meeske and Bob Ford effective 1/1/19 terms will expire 12/31/23

Vince Jones, Jim Reardon and Chris Taylor effective 1/1/20 terms will expire 12/31/20

Vince Jones, Jim Reardon and Chris Taylor effective 1/1/21 terms will expire 12/31/25

I'm not sure how you decide. Pick the names from a hat, draw straws...

ROBIN L. FENWICK, CMC

City Clerk

City of Port Orange

City Clerk's Office

1000 City Center Circle

Port Orange, FL 32129

TEL: 386-506-5563

EMAIL: rfenwick@port-orange.org

WEBSITE: www.port-orange.org



From: ENRIGHT [mailto:juliechrismail@bellsouth.net]
Sent: Thursday, April 26, 2018 6:13 PM
To: Fenwick, Robin <rfeenwick@port-orange.org>
Subject: Re: Fire Pension terms Ordinance

Hi Robin

Can you please confirm the terms based on the changes -

Vince Jones and Bob Ford effective 1/1/19 terms will expire 12/31/23

Joe Meeske, Jim Reardon and Chris Taylor effective 1/1/20 terms will expire 12/31/20

Joe Meeske, Jim Reardon and Chris Taylor effective 1/1/21 terms will expire 12/31/25

Please confirm - the names may change but that is who is currently in the position.

Thank you

Julie Enright

Plan Administrator

321-427-2223

From: "Fenwick, Robin" <rfeenwick@port-orange.org>
To: 'ENRIGHT' <juliechrismail@bellsouth.net>
Sent: Thursday, April 19, 2018 4:29 PM
Subject: Fire Pension terms Ordinance

Please see attached for your records.

Thanks,

Robin

ROBIN L. FENWICK, CMC
City Clerk

Subject: City of Port Orange Fire and Rescue Pension Fund

From: Freitas, Karla (Karla.Freitas@dms.myflorida.com)

To: juliechrismail@bellsouth.net;

Date: Friday, March 2, 2018 2:26 PM

Hello,

This email serves as verification for receipt of Impact Statement and Ordinance (2018-xx) for the above reference plan.

Thank you.

Karla Freitas | Staff Assistant

Retirement

850-778-4604 (office)

Florida Department of Management Services

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Attachments

- image001.png (2.67KB)
- image002.png (2.11KB)
- image003.png (1.92KB)
- image004.png (2.01KB)

Subject: Port Orange Fire Pension Ordinance and No Impact Letter

From: ENRIGHT (juliechrismail@bellsouth.net)

To: douglas.beckendorf@dms.myflorida.com; mpf@dms.myflorida.com;

Cc: pherrera@sugarmansusskind.com; jess@sugarmansusskind.com; mroberts@port-orange.org; tlondon@port-orange.org;

Date: Friday, March 2, 2018 11:08 AM

Attached is the proposed Ordinance and a letter of no impact for the City of Port Orange Fire Pension Plan. Please let me know if you have any questions.

Julie Enright
Pension Plan Administrator
321-427-2223
juliechrismail@bellsouth.net

Attachments

- Port Orange Fire - No Impact Letter.pdf (94.16KB)
- PO.ORD.2018.MUTUAL AGREEMENT.pdf (1.15MB)

March 1, 2018

VIA EMAIL

Ms. Julie Enright, Plan Administrator

Re: City of Port Orange Fire and Rescue Pension Fund

Dear Julie:

We have reviewed the proposed Ordinance (identified as 00910879-1 on page 3) amending Section 54-81, Contributions, and Section 54-106, Share Plan, providing for the allocation of Chapter 175 premium tax revenues. We have determined that its adoption will have no impact on the funding requirements of the program.

Because the changes do not result in a change in the valuation results, it is our opinion that a formal Actuarial Impact Statement is not required in support of its adoption. However, since the Division of Retirement must be aware of the current provisions of all public pension programs, it is recommended that you send a copy of this letter and a copy of the fully executed Ordinance to each of the following offices:

Mr. Keith Brinkman
Bureau of Local Retirement Systems
Division of Retirement
P. O. Box 9000
Tallahassee, FL 32315-9000

Sarah Carr
Municipal Police and Fire
Pension Trust Funds
Division of Retirement
P.O. Box 3010
Tallahassee, FL 32315-3010

The undersigned is familiar with the immediate and long-term aspects of pension valuations and meets the Qualification Standards of the American Academy of Actuaries necessary to render the opinions contained herein.

If you have any questions, please let me know.

Sincerely,



Patrick T. Donlan, ASA, EA, MAAA

ORDINANCE 2018-XX

AN ORDINANCE OF THE CITY OF PORT ORANGE,
VOLUSIA COUNTY, FLORIDA, AMENDING CHAPTER 54,
ARTICLE IV, CODE OF ORDINANCES, CITY OF PORT
ORANGE, FLORIDA, ENTITLED FIRE AND RESCUE
PENSION FUND; AMENDING SECTION 54-81,
CONTRIBUTIONS; AMENDING SECTION 54-106, SHARE
PLAN; PROVIDING FOR CODIFICATION; PROVIDING FOR
SEVERABILITY OF PROVISIONS; PROVIDING FOR
REPEAL OF CONFLICTING ORDINANCES; AND
PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Port Orange, Florida has entered into a collective bargaining agreement with the Professional Firefighters Association, covering City firefighters for the period October 1, 2017 through September 30, 2020; and

WHEREAS, the collective bargaining agreement contains certain changes to the City of Port Orange Fire and Rescue Pension Fund for firefighters employed by the City; and

WHEREAS, in order to implement the changes to the Fire and Rescue Pension Fund contained in the collective bargaining agreement, an amendment to Chapter 54 of the City Code is necessary; and

WHEREAS, the City has obtained an actuarial impact statement concerning the retirement plan changes in accordance with Article X, Section 14 of the Florida Constitution and Section 112.63, Florida Statutes;

WHEREAS, for purposes of this Ordinance text with underlined (underlined) type shall constitute additions to the original text and text with strike-through (~~strike-through~~) type shall constitute deletions to the original text.

NOW THEREFORE, BE IT ENACTED BY THE CITY COUNCIL OF THE CITY OF PORT ORANGE, VOLUSIA COUNTY, FLORIDA:

SECTION 1: That Chapter 54, Personnel, Article IV, Fire and Rescue Pension Fund, of the Code of Ordinances of the City of Port Orange, is hereby amended by amending Section 54-81, Contributions, to read as follows:

Sec. 54-81. - Contributions.

(b) State contributions. Any monies received or receivable by reason of laws of the state, for the express purpose of funding and paying for retirement benefits for firefighters of the city, shall be

deposited in the fund comprising part of this system immediately and under no circumstances more than five days after receipt by the city. In conjunction with the city's adoption of an ordinance implementing this system pursuant to F.S. § 175.351, the board of trustees, with the approval of a majority of city firefighters, and the city have acknowledged and agreed that the insurance premium tax revenues received pursuant to F.S. § 175.101 shall be deposited into and become an integral part of this fund, and not used for any other purpose. The city and union representing city firefighters have mutually agreed that all revenues received pursuant to F.S. Chapter 175 and all accumulated excess Chapter 175 premium tax revenues as of October 1, 2016 shall be used to offset the city's pension contributions.

SECTION 2: That Chapter 54, Personnel, Article IV, Fire and Rescue Pension Fund, of the Code of Ordinances of the City of Port Orange, is hereby amended by amending Section 54-106, Share plan, to read as follows:

Sec. 54-106. – Share plan.

Pursuant to F.S. Section 175.351, a defined contribution plan component (“share plan”) is hereby established as a component of this system, but will not be activated unless and until a portion of Chapter 175 premium tax revenues has been assigned to fund the share plan. The city and union representing city firefighters have mutually agreed that no Chapter 175 premium tax revenues will be assigned to the share plan at this time. At such time as the city and union agree to assign Chapter 175 premium tax revenues to the share plan, the parties will negotiate the details of the share plan. ~~The provisions of the share plan shall be negotiated by the City and the union representing members of the system at the time Chapter 175 premium tax revenues are assigned to fund share plan. The system will continue to operate under the “Naples Letter” interpretation until October 1, 2018, in accordance with F.S. Section 175.351(7).~~

SECTION 3: Codification. Specific authority is hereby granted to codify and incorporate this Ordinance in the existing Code of Ordinances of the City of Port Orange.

SECTION 4: All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed to the extent of such conflict.

SECTION 5: If any provisions of this ordinance or the application thereof to any person or circumstance are held invalid, the invalidity shall not affect other provisions or applications of this ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this ordinance are declared severable.

SECTION 6: This ordinance shall become effective upon adoption, except as otherwise specifically provided herein.

DONALD O. BURNETTE, MAYOR

ATTEST:

Robin L. Fenwick, CMC, City Clerk

Passed on first reading, this ____ day of _____, 2018

Passed and adopted on second and final reading, this ____ day of _____, 2018

Reviewed and Approved: _____
Margaret T. Roberts, City Attorney

Subject: Re: Port Orange Fire

From: ENRIGHT (juliechrismail@bellsouth.net)

To: tlondon@port-orange.org;

Cc: mroberts@port-orange.org;

Date: Friday, January 26, 2018 12:54 PM

Hi Tracy

I will include with the next agenda scheduled for February 19; however, upon Board submittal and direction for the Actuary to prepare the Impact Statement, I will need to confirm with the Actuary when this can be completed. Once the Actuary submits the Impact Statement, I will need to file with the State. It is required to go to the State prior to second reading and approval by City Council.

We can work together to coordinate the timing.

Please let me know if you have any questions.

Julie Enright

Fire Pension Plan Administrator

321-427-2223

From: "London, Tracy" <tlondon@port-orange.org>
To: ENRIGHT <juliechrismail@bellsouth.net>
Cc: "Roberts, Margaret" <mroberts@port-orange.org>
Sent: Wednesday, January 24, 2018 9:41 AM
Subject: RE: Port Orange Fire

Good morning Julie,

Attached please find the proposed Ordinance regarding the share plan. Please advise when the next board meeting will be so that we may plan for this item to go before City Council. Let us know if you have any questions or concerns.

Thank you.

Tracy London

Sr. Administrative Assistant

City of Port Orange

City Attorney's Office

1000 City Center Circle

Port Orange, FL 32129

386-506-5526

386-506-5530

tlondon@port-orange.org

www.port-orange.org



From: Roberts, Margaret
Sent: Tuesday, January 23, 2018 4:23 PM
To: ENRIGHT <juliechrismail@bellsouth.net>

Subject: RE: PORT ORANGE FIRE NO IMPACT LETTER

From: Freitas, Karla (Karla.Freitas@dms.myflorida.com)

To: juliechrismail@bellsouth.net; Keith.Brinkman@dms.myflorida.com; steve.bardin@dms.myflorida.com;

Date: Tuesday, April 17, 2018 8:26 AM

Hello,

This email serves as verification of receipt for Impact Statement and Ordinance (2018-4) for the above reference plan.

Please send all Impact Statements, Ordianices, Rate of Returns, Acturial Valuations, and Investment Policy Statements to the Local Retirement email: Local_Ret@dms.myflorida.com .

Thank you,

Karla Freitas | Staff Assistant

Retirement

850-778-4604 (office)

Florida Department of Management Services

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From: ENRIGHT [mailto:juliechrismail@bellsouth.net]
Sent: Monday, April 16, 2018 1:56 PM
To: Brinkman, Keith <Keith.Brinkman@dms.myflorida.com>; steve.bardin@dms.myflorida.com
Cc: Freitas, Karla <Karla.Freitas@dms.myflorida.com>
Subject: PORT ORANGE FIRE NO IMPACT LETTER

Attached no impact letter for the proposed Ordinance for the Port Orange Fire Pension Plan

Thank you

Julie Enright

Plan Administrator

321-427-2223

Attachments

- image001.png (2.66KB)
- image002.png (2.06KB)
- image003.png (1.83KB)
- image004.png (1.96KB)



April 16, 2018

VIA EMAIL

Ms. Julie Enright, Plan Administrator

Re: City of Port Orange Fire and Rescue Pension Fund

Dear Julie:

We have reviewed proposed Ordinance No. 2018-4 amending Section 54-79, Board of trustees, providing for staggered terms of four years for each trustee. We have determined that its adoption will have no impact on the funding requirements of the program.

Because the changes do not result in a change in the valuation results, it is our opinion that a formal Actuarial Impact Statement is not required in support of its adoption. However, since the Division of Retirement must be aware of the current provisions of all public pension programs, it is recommended that you send a copy of this letter and a copy of the fully executed Ordinance to each of the following offices:

Mr. Keith Brinkman
Bureau of Local Retirement Systems
Division of Retirement
P. O. Box 9000
Tallahassee, FL 32315-9000

Mr. Steve Bardin
Municipal Police and Fire
Pension Trust Funds
Division of Retirement
P.O. Box 3010
Tallahassee, FL 32315-3010

The undersigned is familiar with the immediate and long-term aspects of pension valuations and meets the Qualification Standards of the American Academy of Actuaries necessary to render the opinions contained herein.

If you have any questions, please let me know.

Sincerely,

Patrick T. Donlan, ASA, EA, MAAA

ORDINANCE NO. 2017-19

AN ORDINANCE OF THE CITY OF PORT ORANGE,
VOLUSIA COUNTY, FLORIDA, AMENDING SECTION 54-
134(a) RELATING TO THE POLICE PENSION FUND BOARD
OF TRUSTEES TERM OF OFFICE; PROVIDING FOR
STAGGERED TERMS OF FOUR YEARS FOR EACH
TRUSTEE; PROVIDING FOR CONFLICTING ORDINANCES;
PROVIDING FOR SEVERABILITY AND PROVIDING AN
EFFECTIVE DATE.

WHEREAS, the City of Port Orange (the "City") has established a Police Pension Fund ("Pension Fund"); and

WHEREAS, Section 185.05(1)(a), Florida Statutes, provides that trustees may serve terms of up to four years; and

WHEREAS, Section 54-134(a) of the City Code provides that trustees of the Pension Fund shall serve concurrent two-year terms; and

WHEREAS, the trustees of the Pension Fund have requested and approved an amendment proving for staggered four year terms; and

WHEREAS, the trustees of the Pension Fund consider such an amendment to be in the best interest of the participants and beneficiaries to improve the administration of the Pension Fund;

WHEREAS, the City Council has received and reviewed an actuarial impact statement related to this change; and

WHEREAS, the City Council has determined that is in the best interest of the citizens of the City of Port Orange to amend Section 54-134(a) as set forth hereinafter.

WHEREAS, for purposes of this ordinance words with underlined (underlined) type shall constitute additions to the original text and words with strikethrough (~~strikethrough~~) type shall constitute deletions from the original text.

NOW THEREFORE, BE IT ENACTED BY THE CITY COUNCIL OF THE
CITY OF PORT ORANGE, VOLUSIA COUNTY, FLORIDA:

Section 1. Section 54-134(a) of the Port Orange Police Pension Fund is hereby
amended as follows:

Sec. 54-134. Board of trustees.

(a) *Authority; membership; term of office; meetings.*

(1) The board of trustees shall be solely responsible for administering the plan. The board of trustees shall consist of five trustees, two of whom, unless otherwise prohibited by law, shall be legal residents of the city, who shall be appointed by the city council, and two of whom shall be full-time police officer participants in the plan, who shall be elected by a majority of the police officers who are participants in the plan. The fifth trustee shall be chosen ~~for a two year term~~ by a majority of the previous four trustees as provided for in this subsection, and such person's name shall be submitted to the city council. Upon receipt of the fifth person's name, the city council shall, as a ministerial duty, appoint such person to the board of trustees as its fifth trustee. The fifth trustee shall have the same rights as each of the other four trustees as provided in this subsection.

(2) All trustees may serve successive terms. Commencing October 1, 2017, the term of office for three trustees, including, two police officers and the fifth trustee, shall be four years. Additionally, commencing October 1, 2017, the term of office for two resident trustees shall be two years; and thereafter commencing on October 1, 2019, the term of office for two resident trustees shall be four years. Each resident trustee may be replaced by the city council at whose pleasure the trustee shall serve. If a police officer trustee is not employed by the city as a police officer then a successor shall be chosen in the same manner as the departing trustee to serve the remainder of the term. The fifth trustee shall have the same rights as each of the other four trustees appointed or elected as provided in this subsection and shall serve a two-year term, unless the office is sooner vacated, and may succeed himself in office. Each resident trustee shall serve as trustee for a period of two years, unless sooner replaced by the city council, at whose pleasure the trustee shall serve, and may succeed himself as a trustee. Each police officer trustee shall serve as trustee for a period of two years, unless he sooner leaves the employment of the city as a police officer or otherwise vacates his office as trustee, whereupon a successor shall be chosen in the same manner as the departing trustee. Each police officer may succeed himself in office.

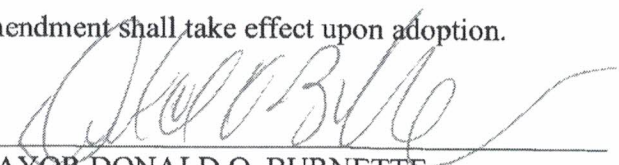
(3) The board of trustees shall meet at least quarterly each year. The chairman or secretary of the board of trustees may, and upon the written request of any two trustees shall, call a meeting of the trustees at any time by giving at least five days' notice in writing of the time and place thereof to the remaining trustees. Notice of such meetings shall be posted or advertised to the public. The board of trustees shall be a legal entity with, in addition to other powers and responsibilities contained in this article, the power to bring and defend lawsuits of every kind, nature and description.

Section 2. The provisions of this Ordinance shall become and be made a part of the Code of Ordinances of the City of Port Orange and the Sections of this Ordinance may be renumbered or re-lettered to accomplish such intention. The Code codifier is granted reasonable authority to codify the provisions of this Ordinance.

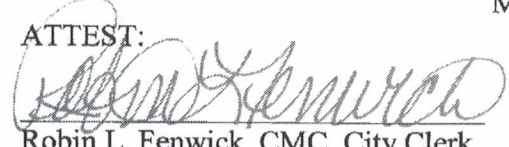
Section 3. All ordinances or parts of ordinances in conflict with this ordinance are hereby repealed to the extent of such conflict.

Section 4. If any provision of this ordinance or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provision or applications of this ordinance which can be given effect without the invalid provision or application, and to this and the provisions of this ordinance are declared severable.

Section 5 This ordinance amendment shall take effect upon adoption.

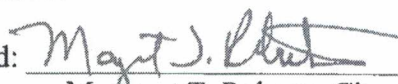

MAYOR DONALD O. BURNETTE

ATTEST:


Robin L. Fenwick, CMC, City Clerk

Passed on first reading on the 5 day of Sept, 2017.

Passed and adopted on second and final reading on the 19 day of September, 2017. of

Reviewed and Approved: 
Margaret T. Roberts, City Attorney

Subject: Port Orange Fire Pension Plan

From: ENRIGHT (juliechrismail@bellsouth.net)

To: mroberts@port-orange.org;

Cc: pherrera@sugarmansusskind.com; jess@sugarmansusskind.com;

Date: Friday, March 2, 2018 11:32 AM

The Board of Trustees for the Port Orange Fire and Rescue Pension Plan discussed the terms of office of the Trustees at the quarterly meeting on February 19, 2018. The Board would like to request that the City consider changing the terms of office to four years. Attached is the similar Ordinance adopted by the Police Pension Board. In addition, attached is the terms of office for the current Fire Trustees. Jim Reardon was recently reappointed by City Council. Joe Meeske was recently elected and Chris Taylor (fifth member) was recently appointed by the Board and confirmed by City Council.

Please consider initiating this change and revision to the Ordinance. If you have any questions or concerns, please let me know.

Thank you for your consideration.

Julie Enright

Fire Pension Plan Administrator

321-427-2223

Attachments

- Board List - Jan. 2018.doc (40.00KB)
- PO.POLICE.ORD.TERMS.pdf (1.45MB)

Subject: Port Orange Fire Naples Calculation

From: Patrick Donlan (Patrick.Donlan@foster-foster.com)

To: juliechrismail@bellsouth.net;

Cc: Amanda.Stevenson@foster-foster.com; Linda.Eroh@foster-foster.com;

Date: Monday, April 16, 2018 10:27 AM

Julie,

Attached is the annual "Naples Calculation" that is used to determine the amount of State Monies, the City can use each year.

Let me know if you have any questions,

Patrick T. Donlan, ASA,MAAA, EA



13420 Parker Commons Blvd

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Fort Myers, FL 33912

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2017 ACTUARIAL CONFIRMATION OF THE USE OF STATE MONIES

Name of pension plan City of Port Orange Fire and Rescue Pension Fund

Name of actuarial firm Foster & Foster, Inc.

Date of valuation used to determine fiscal year 2017 contributions 10/1/2015

Does the plan meet all chapter minimum benefits and standards? Yes

Actuary's name Patrick T. Donlan, ASA, EA, MAAA

Actuary's signature  Date 04/12/18

Calculation of Additional Premium Tax Revenues (APTR):

2017 Receipts	351,038.30
<u>1998 Receipts</u>	<u>(97,374.33)</u>
Total APTR	253,663.97

Calculation of cost of a chapter minimum benefits plan:

Normal Cost ¹	\$300,672
Administrative Expenses ¹	84,985
Amortization of UAL ¹	642,851
<u>Less: Employee contributions ¹</u>	<u>(138,227)</u>
Total	890,281

APTR, minus cost of chapter minimums (\$636,617)

Conclusion:

APTR is insufficient to fund the cost of compliance with all chapter minimum benefits and standards, but the plan meets all chapter minimum benefits and standards anyway, therefore all premium tax receipts in fiscal year 2017 are available to offset required plan sponsor contributions. No premium taxes are required to be set aside or expended for missing chapter minimum benefits or extra benefits.

Accumulated APTR balance as of fiscal year end 2016	\$0.00
Add: Current year additions	\$0.00
<u>Less: Current year use (describe)</u>	<u>\$0.00</u>
Accumulated APTR balance as of fiscal year end 2017	\$0.00

¹ Increased by 1/2 year's interest and full year's Salary Scale.

City of Port Orange Fire and Rescue Pension Fund

Details Regarding Cost of Minimum Benefits

Determined as of October 1, 2015

EAN Normal Cost (Retirement)	206,620
EAN Normal Cost (Disability)	27,930
EAN Normal Cost (Death)	1,936
EAN Normal Cost (Vesting & Refunds)	37,812
Total Normal Cost (Entry Age Method)	<u>274,298</u>

Accrued Liability (Retirement)	3,728,209
Accrued Liability (Disability)	86,625
Accrued Liability (Death)	25,007
Accrued Liability (Vesting)	253,118
Accrued Liability (Inactives)	14,283,916
Excess State Monies Reserve	0
Total Actuarial Accrued Liability (A)	<u>18,376,875</u>

Entry Age AL with Current Benefits (B)	40,034,102
--	------------

Unadjusted Actuarial Value of Assets (C)	24,231,950
--	------------

Adjusted Actuarial Value of Assets (D)	11,123,205
(C) X (A) / (B)	

Hypothetical UAAL as if Plan always had Minimum Benefits (A) - (D)	7,253,670
--	-----------

Amortization of Hypothetical UAAL *	586,462
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* Uses 30 year fixed period with 0.00% payroll growth

Sec. 54-82. - Retirement benefit amounts and eligibility.

- (a) *Normal retirement date.* A member's normal retirement date shall be the first day of the month coincident with or next following the earlier of the attainment of age 55 and the completion of ten years of credited service or upon the completion of 25 years of credited service and attainment of age 52. A member may retire on his normal retirement date or on the first day of any month thereafter, and each member shall become 100 percent vested in his accrued benefit on the member's normal retirement date. Normal retirement under the system is retirement from employment with the city on or after the normal retirement date. Notwithstanding any other provision of this subsection (a), a member who is employed and not participating in the DROP on September 25, 2012, may retire upon attainment of age 50 and the completion of ten years of credited service or upon the completion of 20 years of credited service regardless of age, and upon such retirement shall be eligible to receive the benefit accrued as of September 25, 2012; and such member shall be eligible to receive the benefit based on credited service after the effective date of this section upon attainment of age 55 and the completion of ten years of credited service or upon the completion of 25 years of credited service and attainment of age 52. Notwithstanding any other provision of this subsection (a), a member with ten or more years of credited service on January 1, 2013, may retire upon attainment of age 48 and completion of 25 years of credited service, and upon such retirement shall be eligible for the normal retirement benefit provided in subsection (b) below.
- (b) *Normal retirement benefit.* A member retiring under this section on or after his normal retirement date shall receive a monthly benefit which shall commence on the first day of the month coincident with or next following his retirement and be continued thereafter during the member's lifetime, ceasing upon death, but with 120 monthly payments guaranteed in any event. The monthly retirement benefit shall equal three percent of average final compensation for each year of credited service. For a member with credited service as both a full-time firefighter and as a volunteer firefighter, the monthly retirement benefit shall be calculated separately for full-time service and volunteer service, based on the applicable accrual rate provided in this subsection and added together to determine the total benefit.
- (c) *Early retirement date.* A member may retire on his early retirement date, which shall be the first day of any month coincident with or next following the attainment of age 50 and the completion of ten years of credited service. Early retirement under the system is retirement from employment with the city on or after the early retirement date and prior to the normal retirement date.
- (d) *Early retirement benefit.* A member retiring under this section on his early retirement date may receive either a deferred or an immediate monthly retirement benefit payable in the same form as for normal retirement as follows:
- (1) A deferred monthly retirement benefit which shall commence on what would have been

his normal retirement date had he continued employment as a firefighter and shall be continued on the first day of each month thereafter. The amount of each such deferred monthly retirement benefit shall be determined in the same manner as for retirement on his normal retirement date, except that credited service and average final compensation shall be determined as of his early retirement date; or

- (2) An immediate monthly retirement benefit which shall commence on his early retirement date and shall be continued on the first day of each month thereafter. The benefit payable shall be as determined in subsection (1) of this subsection, which is actuarially reduced from the amount to which he would have been entitled had he retired on the date which would have been his normal retirement date had he continued employment as a firefighter and with the same number of years of credited service as of the time his benefits commence and based on his average final compensation at that date.
- (e) *Supplemental retirement benefit.* An additional monthly supplemental benefit shall be paid to all eligible normal and early service retirees and their beneficiaries or joint annuitants as provided in this subsection (e). The amount of the monthly supplemental benefit for members retiring on or after October 1, 2003, but prior to September 25, 2012, with at least 20 years of credited service shall be \$20.00 for each full year of credited service, plus a prorated amount for each additional completed month, for a total amount not to exceed \$600.00. For those members retiring on or after September 25, 2012, only those with at least 25 years of credited service shall be eligible for a supplemental retirement benefit. The supplemental retirement benefit for those eligible members retiring on or after September 25, 2012, shall be \$20.00 for each full year of credited service, plus a prorated amount for each additional completed month, for a total amount not to exceed \$500.00. Retirees under the predecessor fire fighter pension fund shall not be eligible to receive the supplemental retirement benefits under this subsection (e). Notwithstanding any other provision of this subsection (e), members who are employed and not participating in the DROP on January 1, 2013, who first attain eligibility for normal retirement at age 55 with ten or more years of credited service shall be eligible for a supplemental benefit as follows:
 - (1) Upon retirement following completion of more than 20 but less than 22 full years of credited service—\$10.00/month per year of credited service.
 - (2) Upon retirement following completion of 22 or more but less than 25 full years of credited service—\$15.00/month per year of credited service.
 - (3) Upon retirement following completion of 25 or more full years of credited service—\$20.00/month per year of credited service, up to a maximum of \$500.00/month.
- (f) *Cost-of-living adjustment.*
 - (1) For those members who retire prior to January 1, 2013:
 - a. Beginning on the first January 1 following one full year of retirement, and on each

subsequent January 1 thereafter, the monthly benefit of each retiree with less than 20 years of credited service, including disability retirees and terminated vested persons, or any beneficiaries or joint annuitants of such retirees who are receiving a retirement benefit, shall be increased by one percent; except that retirees with more than 19 years of credited service who retired prior to October 1, 2003, shall be annually granted a cost-of-living (COLA) increase equal to three percent of their then current annuity amount commencing upon the 61st month following commencement of DROP participation or receipt of pension benefits. Retirees participating in the DROP shall be eligible for the one percent increase beginning on the first January 1 following one full year of receipt of benefits after terminating participation in the DROP. Effective October 1, 2003, but prior to the effective date of all current and future retirees who have attained 20 years of creditable service shall be annually granted a cost-of-living (COLA) increase equal to three percent of their then current annuity amount commencing upon the 61st month following commencement of DROP participation or receipt of pension benefits.

- b. For those members retiring on or after January 1, 2013, the COLA for that portion of the member's benefit based on credited service after January 1, 2013, will be subject to all of the following provisions:
 1. Only those members retiring after attaining age 52 with 25 or more years of credited service shall be eligible for a COLA; except members who are employed and not participating in the DROP on January 1, 2013, and first attain eligibility for normal retirement at age 55 with ten or more years of credited service shall be eligible for a COLA upon completion of 20 years of credited service; and members who are employed and not participating in the DROP on January 1, 2013, and first attain eligibility for normal retirement at age 48 with 25 or more years of credited service shall be eligible for a COLA upon completion of 25 years of credited service.
 2. The first COLA shall be applied, if at all, on the first day of January following the member's attainment of age 59 and one-half and eight full years of retirement, and annually thereafter;
 3. Cost-of-living adjustments will be limited to the lesser of:
 - i. The most recent cost-of-living adjustment calculated by the Social Security Administration for payments to Social Security recipients; or
 - ii. Three percent of the current benefit; except that, if Social Security recipients receive no increase in benefits in any given year, then no COLA will be applied in that same year; and
 4. The COLA will be applied only in those years in which the plan meets or exceeds the actuarial assumptions reflected in the plan's most recent

actuarial valuation report, such that there is no actuarial loss for the most recent plan year. In addition, the funded ratio reflected in the "Disclosure Information Per Statement No. 25 of the Governmental Standards Board - Schedule of Funding Progress" in the most recent actuarial valuation report must be 80 percent or more.

- (2) The cost-of-living increase provided in this subsection (f) shall not apply to the supplemental retirement benefit provided in subsection (e) above.
- (3) Notwithstanding any other provision of this subsection (f), members who are employed and not participating in the DROP on January 1, 2013, shall be eligible for the COLA in effect prior to September 25, 2012, as applied to that portion of their benefit based on credited service prior to January 1, 2013.
- (g) *Required distribution date.* The member's benefit under this section must begin to be distributed to the member no later than April 1 of the calendar year following the later of the calendar year in which the member attains age 70½ or the calendar year in which the member terminates employment with the city.

(Ord. No. 2007-29, § 1, 9-18-07; Ord. No. 2010-26, § 1, 9-28-10; Ord. No. 2012-19, § 2, 9-25-2012; Ord. No. 2012-36, § 3, 12-20-2012; Ord. No. 2014-3, § 3, 3-18-2014)

Editor's note— Ord. No. 2012-36, § 8, adopted Dec. 20, 2012, provides that the benefit changes contained in § 54-82 herein shall not apply to members who attained age 50 with ten or more years of credited service, or 20 years of credited service regardless of age, prior to the effective date of this ordinance.

Sec. 54-85. - Vesting.

If a member terminates his employment as a firefighter, either voluntarily or by discharge, and is not eligible for any other benefits under this system, the member shall be entitled to the following:

- (1) If the member has less than ten years of credited service upon termination, the member shall be entitled to a refund of his accumulated contributions or the member may leave it deposited with the fund for up to five years following termination.
- (2) If the member has ten or more years of credited service upon termination, the member shall be entitled to a monthly retirement benefit determined in the same manner as for normal or early retirement and based upon the member's credited service, average final compensation, and the benefit accrual rate as of the date of termination, provided, however, that vested terminated persons shall not receive the monthly supplemental benefit. The retirement benefit shall be payable to him commencing at the member's otherwise normal or early retirement date, provided he does not elect to withdraw his accumulated contributions and provided the member survives to his normal or early retirement date. If the member does not withdraw his accumulated contributions and does not survive to his normal or early retirement date, his designated beneficiary shall be entitled to a pre-retirement death benefit as provided in subsection 54-83(b) for a deceased member, vested or eligible for retirement.

(Ord. No. 2007-29, § 1, 9-18-07)

Subject: RE: Fire Pension Supplemental Benefits

From: Jim Linn (jlinn@llw-law.com)

To: PHerrera@sugarmansusskind.com; mroberts@port-orange.org;

Cc: jmiller@port-orange.org; jess@sugarmansusskind.com; juliechrismail@bellsouth.net; ctaylor@port-orange.org; Patrick.Donlan@foster-foster.com;

Date: Friday, April 6, 2018 3:28 PM

Hi Pedro – the complete arbitration award is attached. Although the award does not directly address the supplemental benefit, the pension plan makes it clear that only vested and accrued benefits of plan members are protected. The plan is also clear that the supplemental benefit has always been contingent on a member's attainment of a specified number of years of credited service (20 years of credited service for members who retired between 10/1/03 and 9/25/12). Thus, the supplemental benefit did not "vest" until a member attained 20 years or credited service.

The relevant plan provisions are as follows:

- Section 54-94(b) states: No amendment or ordinance shall be adopted by the city council which shall have the effect of reducing the then-vested accrued benefits of members or a member's beneficiaries.
- Section 54-82(e) states that the supplemental benefit for members who retired between 10/1/03 and 9/25/12 "with at least 20 years of service" shall be \$20 for each full year of credited service... Section 54-82(e) was amended in September 2012 to provide that for members who retire on or after 9/25/12, "only those members with at least 25 years of credited service" shall be eligible for a supplemental benefit."
- Section 54-94(g) states that a "member will be 100% vested in all benefits upon attainment of the plan's age and service requirements for the normal retirement benefit."

Reading the above plan provisions together, it is clear that members who did not attain the age and service requirements for normal retirement before 9/25/12 (i.e., 20 years of credited service or age 50 with 10 years of credited service) did not have a vested right to the supplemental benefit in effect before that date. The 10/1/12 actuarial valuation reflects that no active members had attained 20 years of service or age 50 with 10 years of service as of that date.

By the plain language of section 54-82(e), a member had to have retired with 20 or more years of credited service before 9/25/12 to become eligible for the supplemental benefit. Members who retire on or after 9/25/12 must attain 25 years of credited service to be eligible for the supplemental benefit, except for those members who were employed and not in the DROP on 1/1/13, who first attain eligibility for normal retirement upon reaching age 55 with 10 years of credited service.

Arbitrator Reynolds reinforced the above interpretation of the pension plan in his 11/11/14 arbitration award, in which he stated: "If a retirement plan should provide for a certain benefit after an employee works, for example 20 years, then upon attaining 20 years of service the benefit is vested in the employee, effectively becoming his/her property" (see page 18).

Because members who did not attain 20 years of credited service before 9/25/12 did not become vested in the supplemental benefit, the supplemental benefit was not protected by section 54-94(b). For this reason, the collective bargaining agreement and ordinance modifying the eligibility requirement for the supplemental benefit to 25 years of credited service for members who retire on or after 9/25/12 did not reduce a "vested accrued benefit."

I will be give you a call to discuss next week.

Jim

James W. Linn | Shareholder
315 South Calhoun Street, Suite 830 | Tallahassee, Florida 32301
jlinn@llw-law.com | 850.222.5702

[vCard](#) | [Website](#) | [Bio](#) | [join us online](#)



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From: Pedro Herrera [mailto:PHerrera@sugarmansusskind.com]
Sent: Friday, April 06, 2018 2:07 PM
To: Roberts, Margaret <mroberts@port-orange.org>
Cc: Jim Linn <jlinn@llw-law.com>; Miller, Jamie <jmiller@port-orange.org>; Jessica De la Torre Vila <jess@sugarmansusskind.com>; ENRIGHT <juliechrismail@bellsouth.net>; Taylor, Chris <ctaylor@port-orange.org>; Patrick.Donlan@foster-foster.com
Subject: RE: Fire Pension Supplemental Benefits

Thank you. Although this is apparently referring to the COLA, it is certainly helpful based on the similar plan language for both provisions prior to being amended a few years ago. If you could please forward me the entire opinion that would be preferable.

I have worked with Jim many times over the years and will certainly reach out should I have any questions.

Kindly,

Pedro

Pedro A. Herrera

Partner

Sugarman Susskind

100 MIRACLE MILE

Suite 300

Coral Gables, FL 33134

Office: (305)529-2801

Fax: (305)447-8115

From: Roberts, Margaret [<mailto:mroberts@port-orange.org>]

Sent: Friday, April 06, 2018 1:00 PM

To: Pedro Herrera <PHerrera@sugarmansusskind.com>

Cc: JLinn@llw-law.com; Miller, Jamie <jmiller@port-orange.org>; Jessica De la Torre Vila <jess@sugarmansusskind.com>; ENRIGHT <juliechrismail@bellsouth.net>; Taylor, Chris <ctaylor@port-orange.org>; Patrick.Donlan@foster-foster.com

Subject: RE: Fire Pension Supplemental Benefits

Pedro, Thank you for your email. I am attaching a statement of law from a previous arbitration on the pension language. Let me know if you would like the whole opinion. The arbitration on the supplemental benefits has

not been concluded. The last hearing was scheduled for October 2017, but was cancelled by the IAFF. The hearing has not been rescheduled and it has not been withdrawn. I have also requested Jim Linn, the city's pension attorney, to be available to you on this subject. Please feel free to contact me for any questions or concerns.

Margaret T. Roberts

City Attorney

1000 City Center Circle

Port Orange, FL 32129

(386) 506-5525

mroberts@port-orange.org

From: Pedro Herrera [<mailto:PHerrera@sugarmansuskind.com>]

Sent: Friday, April 6, 2018 12:43 PM

To: Roberts, Margaret <mroberts@port-orange.org>

Cc: JLinn@llw-law.com; Miller, Jamie <jmiller@port-orange.org>; Jessica De la Torre Vila <jess@sugarmansuskind.com>; ENRIGHT <juliechrismail@bellsouth.net>; Taylor, Chris <ctaylor@port-orange.org>; Patrick.Donlan@foster-foster.com

Subject: RE: Fire Pension Supplemental Benefits

Margaret,

First of all, very nice to "meet" you. I look forward to working with you going forward.

Thank you for providing more background here. I appreciate the context. I reviewed the City's grievance response you forwarded from back in 2015. Can you please advise on the outcome of the grievance/arbitration in this matter? If you could please forward the arbitrator's decision that would be extremely helpful.

It is my understanding that this matter will be discussed by the Board at its next meeting and all information regarding intent of the bargaining parties will be extremely helpful in guiding the Board to an appropriate interpretation of the ordinance that is consistent with the collective bargaining agreement and state law.

Kindly,

Pedro

Pedro A. Herrera

Partner

Sugarman Susskind

100 MIRACLE MILE

Suite 300

Coral Gables, FL 33134

Office: (305)529-2801

Fax: (305)447-8115

From: Roberts, Margaret [<mailto:mroberts@port-orange.org>]

Sent: Wednesday, April 04, 2018 9:37 AM

To: ENRIGHT <juliechrismail@bellsouth.net>; Jessica De la Torre Vila <jess@sugarmansusskind.com>; Taylor, Chris <ctaylor@port-orange.org>; Patrick.Donlan@foster-foster.com; Pedro Herrera <PHerrera@sugarmansusskind.com>

Cc: JLinn@llw-law.com; Miller, Jamie <jmiller@port-orange.org>

Subject: Fire Pension Supplemental Benefits

Julie,

With the changes that have taken place for the new administrator and attorney, it appears that you may not be up to date with the city's position on this matter. I am including a copy of the Grievance documenting the city's position on the ordinance providing for the supplemental benefit. Please feel free to have your attorney review and call me or our pension attorney, Jim Linn, if he has any questions.

Respectfully,

Margaret T. Roberts

City Attorney

1000 City Center Circle

Port Orange, FL 32129

(386) 506-5525

mroberts@port-orange.org

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Attachments

- Port Orange IAFF Arbitration Award - Meeske-Calache 11-11-14 (00965997xBA9D6).docx (47.33KB)
- image003.jpg (13.22KB)



William "Skip" Irby
Fire Chief

CITY OF PORT ORANGE

DEPARTMENT OF FIRE & RESCUE

4545 S. Clyde Morris Blvd.
Port Orange, Florida 32129
(386) 506-5900
FAX (386) 756-5405

TO: Carol Calache, President, Port Orange Professional Firefighters IAFF
Local 3118

FROM: Skip Irby, Fire Chief *SI*

DATE: September 16, 2015

SUBJECT: Step 3 Grievance Response

The grievance asserts that the City has changed the benefits earned by employees and other means not yet known to the Union, to, among other things, reduce and/or eliminate vested and accrued benefits in violation with the contract and practices.

In the meeting held at Step 2 between IAFF Local 3118 and Interim Assistant City Manager Alan Rosen and Battalion Chief Joe Wulfing, the Union asserts that the City is violating the 2012 change in the supplemental benefits.

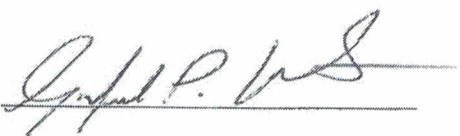
Reading the plan revisions, it is clear that members who did not attain the age and service requirements for normal retirement before September 25, 2012 (i.e., 20 years of credited service or age 50 with 10 years of credited service) did not have a vested right to the supplemental benefit in effect before that date. Looking at plan language in section 54-82(e), a member had to have retired with 20 or more years of credited service before September 25, 2012 to become eligible for the supplemental benefit. Members who retire on or after September 25, 2012 must attain 25 years of credited service to be eligible for the supplemental benefit, except for those members who were employed and not in the DROP on January 1, 2013, who first attained eligibility for normal retirement upon reaching age 55 with 10 years of credited service.

Because members who did not attain 20 years of credited service before September 25, 2012 did not become vested in the supplemental benefit, the supplemental benefit was not protected by section 54-94(b). For this reason, the collective bargaining agreement and ordinance modifying the eligibility requirement for the supplemental benefit to 25 years of credited service for members who retire on or after September 25, 2012 did not reduce a "vested accrued benefit".

Pursuant to Article 10.5 Step – 4 Arbitration, If a grievance, as defined in this Article, has not been satisfactorily resolved within the Grievance Procedure, the Union, and not the employee, may request Arbitration in writing to the Office of the Human Resources

Director no later than ten (10) working days after the response is received in Step 3 of the Grievance Procedure.

cc: Alan Rosen, Interim Assistant City Manager
Lori Young, Administrative Assistant

Received by:  9/16/15
Date

Witness: Adam Bivens 
Printed Name Signature

Subject: RE: Port Orange Fire Interpretation Opinion

From: Pedro Herrera (PHerrera@sugarmansusskind.com)

To: juliechrismail@bellsouth.net;

Cc: jess@sugarmansusskind.com; ctaylor@port-orange.org; Patrick.Donlan@foster-foster.com;

Date: Tuesday, March 27, 2018 12:51 PM

Julie,

I understand that at its last meeting on 2/19/18 the Board discussed the "Supplemental Retirement Benefit" afforded under Section 54-82(e) of the Port Orange City code of ordinances and how it should be applied with respect to existing members and prior service accrual. Based on the understandings and for the reasons set forth herein, it is our opinion that the Supplemental Retirement Benefit provisions found in the existing code of ordinances may reasonably be interpreted by the Board to allow crediting of the prior Supplemental Retirement Benefit structure for all years of service accrued as of 12/31/12 with the lower supplemental retirement benefit structure applied to all years and partial years of service earned on and after 1/1/13.

At a previous public meeting, it is my understanding that a discussion ensued amongst the Board regarding whether the COLA would continue to be payable, in some form, based on the plan "freeze" which occurred on or about December 4, 2012. The pension plan was amended to create a second tier benefit structure for certain participants (and future participant hires) as of 12/4/12 (COLA as of 1/1/13). It is my understanding that the Board interpreted the existing governing City ordinance to provide that COLA benefits would continue in effect with respect to credited service accrued up to 1/1/13 and all future years of service accrual would be calculated with the reduced COLA benefit structure implemented by the ordinance amendment as of 1/1/13. In other words, the final COLA benefits would essentially be prorated based on credited service as of the plan "freeze" date with an adjusted COLA benefit for future years of service and benefits paid accordingly. This interpretation is consistent with existing Florida statute and precedent requiring that pension benefits may only be reduced prospectively maintaining any past accrued benefits unhindered. The ordinance was later amended on or about 3/18/14 to codify this interpretation.

Section 54-82(f)(3) was amended to provide:

Notwithstanding any other provision of this subsection (f), members who are employed and not participating in the DROP on January 1, 2013, shall be eligible for the COLA in effect prior to September 25, 2012, as applied to that portion of their benefit based on credited service prior to January 1, 2013.

Similarly, the supplemental retirement benefit was also modified to provide a new benefit structure as of 1/1/13.

Section 54-82(e) states:

(e) Supplemental retirement benefit. An additional monthly supplemental benefit shall be paid to all eligible normal and early service retirees and their beneficiaries or joint annuitants as provided in this subsection (e). The amount of the

monthly supplemental benefit for members retiring on or after October 1, 2003, but prior to September 25, 2012, with at least 20 years of credited service shall be \$20.00 for each full year of credited service, plus a prorated amount for each additional completed month, for a total amount not to exceed \$600.00. For those members retiring on or after September 25, 2012, only those with at least 25 years of credited service shall be eligible for a supplemental retirement benefit. The supplemental retirement benefit for those eligible members retiring on or after September 25, 2012, shall be \$20.00 for each full year of credited service, plus a prorated amount for each additional completed month, for a total amount not to exceed \$500.00. Retirees under the predecessor fire fighter pension fund shall not be eligible to receive the supplemental retirement benefits under this subsection (e). Notwithstanding any other provision of this subsection (e), members who are employed and not participating in the DROP on January 1, 2013, who first attain eligibility for normal retirement at age 55 with ten or more years of credited service shall be eligible for a supplemental benefit as follows:

(1) Upon retirement following completion of more than 20 but less than 22 full years of credited service—\$10.00/month per year of credited service.

(2) Upon retirement following completion of 22 or more but less than 25 full years of credited service—\$15.00/month per year of credited service.

(3) Upon retirement following completion of 25 or more full years of credited service—\$20.00/month per year of credited service, up to a maximum of \$500.00/month. (emphasis added)

Here, the ordinance has not been amended, in the same fashion as the aforementioned COLA provision, to address the supplemental retirement benefits accrued under the prior benefit structure (i.e. before 2nd tier benefit structure on or about 12/4/12). Similarly, the Board could reasonably interpret the ambiguous language to be applied in the same fashion as the COLA benefit. Again, this reasonable interpretation is consistent with both prior Board and City action regarding the COLA as well as Florida law and precedent. As previously referenced, in Scott v. Williams, 2013 WL 173955 (Fla. Jan. 17, 2013), the Florida Supreme Court held that a legislature could amend a retirement plan prospectively, so long as any benefits tied to service performed prior to the amendment date are not lost or impaired. Consequently, here, as in with COLA benefit eligibility, a member would be entitled to the supplemental retirement benefit in effect prior to the enactment of Ord. No. 2012-36 for all years and partial years of service accrued before 1/1/13 with the lower supplemental retirement benefit being applied to years of service accrued on and after such date.

This matter should be placed on the next agenda for Board discussion. Also, please circulate a copy of our opinion to the Board as part of their back-up materials in anticipation of our discussion.

Feel free to let me know if you need anything further.

Kindly,

Pedro

Pedro A. Herrera

Partner

Sugarman Susskind

Subject: RE: Port Orange Fire Interpretation Opinion

From: Pedro Herrera (PHerrera@sugarmansusskind.com)

To: juliechrismail@bellsouth.net;

Cc: jess@sugarmansusskind.com;

Date: Monday, March 26, 2018 5:30 PM

Julie,

I spoke with Patrick and Chris. I will be writing you an opinion to be placed on the next agenda. At that meeting, the Board will discuss my opinion and take formal action to interpret ambiguous or contradictory code provisions accordingly. I understand there are some participants who may be entering DROP before our next quarterly meeting. They may choose to proceed with entering the DROP as the Board's action at its next meeting would apply to such members with the only consequence being that their respective DROP benefits may need to be recalculated/adjusted. There is no impact to the member or Plan as DROP balances cannot be collected until separation and any adjustments will not affect the liabilities of the plan.

I will get you something in the next day or two and really appreciate your help on this.

Kindly,

Pedro

Pedro A. Herrera

Partner

Sugarman Susskind

100 MIRACLE MILE

Suite 300

Coral Gables, FL 33134

Office: (305)529-2801

Fax: (305)447-8115

SUGARMAN & SUSSKIND

100 Miracle Mile
Suite 300
Coral Gables, Florida 33134
Telephone: 305-529-2801
Fax: 305-447-8115
www.sugarmansusskind.com

Port Orange Fire and Rescue Pension Fund
c/o Julie Enright
810 N. Carpenter Road
Titusville, FL 32796

April 04, 2018
Invoice #127853

Client:Matter CD-POFP:PLAN

In Reference To: Plan

Professional Services

	<u>Hrs/Rate</u>	<u>Amount</u>
3/30/2018 Receipt and review of proposed ordinance amendment regarding staggering trustee terms. Email to ADMN regarding same.	0.80 \$425.00/hr	\$340.00
For professional services rendered	0.80	\$340.00
Previous balance		\$170.00
Balance due		<u>\$510.00</u>

Jim Reardon 4/25/2018
Julie Enright

SUGARMAN & SUSSKIND

100 Miracle Mile
Suite 300
Coral Gables, Florida 33134
Telephone: 305-529-2801
Fax: 305-447-8115
www.sugarmansusskind.com

Port Orange Fire and Rescue Pension Fund
c/o Julie Enright
810 N. Carpenter Road
Titusville, FL 32796

February 05, 2018

Invoice #126387

Client: Matter CD-POFP: PLAN

In Reference To: Plan

Professional Services

	<u>Hrs/Rate</u>	<u>Amount</u>
1/30/2018 Review proposed ordinance amendment. Email to Administrator regarding same.	0.40 \$425.00/hr	\$170.00
For professional services rendered	0.40	\$170.00
Balance due		<u>\$170.00</u>

PLAN NAME: PORT ORANGE FIRE PEN FMI LG CAP
20-75-079-4768517

FROM: 01/01/2018
TO: 03/31/2018
PAGE: 3

ASSET BASED FEES

SCHEDULE OF COMPENSATION:

.00050000 THEREAFTER

20-75-079-4768517	7,016,734	877.08
20-75-079-3620912	2,849,648	356.21
20-75-079-4493552	0	0.00
20-75-079-4493578	2,218,311	277.29
20-75-079-4493586	1,236,218	154.53
20-75-079-4493594	3,541,170	442.65
20-75-079-6791477	2,507,484	313.44
20-75-079-6814326	4,996,816	624.60

MARKET VALUE

TOTAL	MARKET VALUE	3,045.80
TOTAL ASSET BASED FEES		3,045.80
TOTAL AMOUNT CHARGED		3,045.80

PORT ORANGE FIRE PEN FMI LG CAP
20-75-079-4768517
MARIO N RUANO
(216) 222-9023

PNC BANK
AMG OPERATIONS - FEE GROUP
P.O. BOX 91249
CLEVELAND, OH 44101-3249

PER YOUR INSTRUCTIONS WE ARE CHARGING YOUR ACCOUNTS WITH
US FOR THE SERVICES THAT WE PROVIDED THIS BILLING PERIOD.
THIS CHARGE WILL OCCUR WITHIN FIVE BUSINESS DAYS FROM THE
DATE OF THIS INVOICE. IF YOU HAVE ANY QUESTIONS ABOUT ANY
ITEMS ON THIS ADVICE PLEASE CONTACT YOUR PLAN ADMINISTRATOR
AT THE ABOVE NUMBER.

20-75-079-3620912	PORT ORANGE FIRE PEN SSI INVT
20-75-079-4493552	PORT ORANGE FIRE PENSION CASH
20-75-079-4493578	PORT ORANGE FIRE PENSION MCV
20-75-079-4493586	PORT ORANGE FIRE PENSION RE
20-75-079-4493594	PORT ORANGE FIRE PENSION INT'L
20-75-079-4768517	PORT ORANGE FIRE PEN FMI LG CAP
20-75-079-6791477	PORT ORANGE FIRE PEN FIX INC ETF
20-75-079-6814326	PORT ORANGE FIRE PEN INTEGRITY

TOTAL AMOUNT CHARGED	3,045.80
----------------------	----------

PORT ORANGE FIRE & RESCUE PENSIO
ATTN: JULIE ENRIGHT PLAN ADMIN
810 N CARPENTER ROAD
TITUSVILLE FL

32796-2283

PLAN NAME: PORT ORANGE FIRE PEN FMI LG CAP
20-75-079-4768517

INQUIRIES:

MARIO N RUANO
(216) 222-9023

DATE: 04/19/2018

BILLING PERIOD:

FROM: 01/01/2018

TO: 03/31/2018

PAGE: 2

ADVICE OF CHARGES

ASSET BASED FEE

3,045.80

TOTAL AMOUNT CHARGED

3,045.80



April 15, 2018

Ms. Julie Enright
810 N. Carpenter Road
Titusville, FL 32796

PORT ORANGE FIRE AND RESCUE PENSION FUND
20-75-079-4768517

STATEMENT OF MANAGEMENT FEES
Fiduciary Management, Inc.

For The Period January 1, 2018 to March 31, 2018	
Portfolio Valuation as of 03-31-18	7,992,156
7,992,156 @ 0.6000% per annum	11,988
Quarterly Management Fee	11,988
TOTAL DUE AND PAYABLE	11,988

Remit to:
Accounts Receivable
Fiduciary Management, Inc.
100 East Wisconsin Avenue
Suite 2200
Milwaukee, WI 53202

Fiduciary Management, Inc.'s Wire Instructions:
Bank name: Johnson Bank
ABA routing Number: 075911852
Account Number: 1002052254
Account name: Fiduciary Management, Inc.
Address: 100 East Wisconsin Avenue, Suite 2200, Milwaukee, WI 53202

**Please note we have not changed or updated our wire instructions.

Jim Roach
4/25/2018
Julie Enright

BURGESS CHAMBERS & ASSOCIATES, INC.
S.E.C. REGISTERED
315 E. Robinson Street, Suite 690
Orlando, Florida 32801

Invoice

Date	Invoice #
4/17/2018	18-142

Bill To
Julie Enright Pension Plan Administrator-Pt Orange 810 N. Carpenter Rd Titusville, Fl 32796

Description	Amount
First Quarter 2018, Investment Performance and Advisory Fee per contract Market Value as of 3/31/18: \$28,729,583 Fee Calculation per contract: .15 X 28,729,523/4=\$10,773.57	10,773.57
Total	\$10,773.57

Phone #	Fax #
(407)644-0111	(407) 644-0694

E-mail
kengard@burgesschambers.com

Jim Roach
4/25/2018
Julie Enright



**City of Port Orange Fire and Rescue
Pension Fund**
ATTN: Ms. Julie Enright
810 N. Carpenter Road
Titusville, FL 32796

Invoice Date: April 16, 2018
Invoice #: 002018-0122
SSI Account #: 100874
Account Name: City of Port Orange Fire and
Rescue Pension Fund
Custodian: PNC Institutional Invst
Custodian Acct #: 750793620912

SSI MANAGEMENT FEE*For the Period January 1, 2018 through March 31, 2018*

<u>Date</u>	<u>Asset Value</u>	<u>Quarterly Rate</u>	<u>Fee</u>
1/31/2018	\$3,043,592		
2/28/2018	\$2,995,711		
3/31/2018	\$3,013,957		
Total	\$9,053,260		
3-Month Average	\$3,017,753	0.20625%	\$6,224

Investment Management Fee Due: \$6,224

Please remit payment via wire using instructions below or via check to SSI's office:

First Republic Bank
(877) 743-7777
ABA# 321081669
SSI Investment Management
Account # 80001324525

Should you have any questions, please contact your SSI Account Manager at (310)595-2000.

cc: Burgess Chambers & Associates

Jim Reardon 4/25/2018
Julie Enright



Investor Summary as of March 31, 2018

AMERICAN CORE REALTY FUND

City of Port Orange Fire and Rescue Pension Fund
Account No. 1329

For the Quarter Ended March 31, 2018						
	Date	Transaction	Unit Value	Units	Total	
Beginning Net Asset Value	12/31/17		\$ 122,458.1568	10.6795	\$	1,307,796.74
Contributions	-	\$ -	-	-	-	-
Withdrawals	-	-	-	-	-	-
Net Income Before Fees		12,952.62				12,952.62
Distributions Declared	03/31/18	19,616.95				
Asset Management Fees		(3,676.70)				(3,676.70)
Available for Reinvestment/Distribution		15,940.25				(15,940.25)
Amount Reinvested	03/31/18	15,940.25	123,354.1962	0.1293		15,940.25
Distribution Payable		-				-
Unrealized Gain/(Loss)		16,233.61				16,233.61
Realized Gain/(Loss)		\$ -				-
Ending Net Asset Value	03/31/18		\$ 123,354.1962	10.8088	\$	1,333,306.27

Total Number of Units	10.8088
Current Unit Value	\$ 123,354.1962
Percentage Interest in the Fund	0.03%

Performance History

Gross of Fees	1Q2018	One-Year	Three-Year*	Five-Year*	Ten-Year*	Since Inception*
Income Return	0.99%	4.05%	4.16%	n/a	n/a	4.34%
Appreciation Return	1.24%	3.88%	5.02%	n/a	n/a	5.61%
Total Return	2.23%	8.04%	9.33%	n/a	n/a	10.12%

Net of Fees	1Q2018	One-Year	Three-Year*	Five-Year*	Ten-Year*	Since Inception*
Income Return	0.71%	2.90%	3.00%	n/a	n/a	3.18%
Appreciation Return	1.24%	3.88%	5.02%	n/a	n/a	5.61%
Total Return	1.95%	6.86%	8.14%	n/a	n/a	8.92%

Inception Date: July 1, 2014

Performance Disclaimer:

The returns above for the Investor's investment in the American Core Realty Fund include leveraged returns before (gross) and after (net) the deduction of investment management fees and may include the reinvestment of some income. The sum of annualized component returns may not equal the total return due to the chain-linking of quarterly returns. American Realty Advisors will supplement this performance information with the distribution of the Fund's full quarterly report within 45 days following the close of the quarter. Past performance is not a guarantee of future results and it is important to understand that investments of the type made by the Fund pose the potential for loss of capital over any time period. Many factors affect fund performance including changes in market conditions and interest rates in response to other economic, political, or financial developments. Investment returns, and the principal value of any investment will fluctuate, so that when an investment is sold, the amount received could be less than what was originally invested. Use of leverage may create additional risks.

*Annualized; Since Inception returns are not reported for periods less than one year.
Returns are not reported on accounts invested less than a full period.



515 S. Flower St.
49th Floor
Los Angeles, CA 90071
213.233.5700
www.aracapital.com

Integrity Fixed Income Management, LLC
651 Bryn Mawr Street
Orlando, FL 32804
(407) 481-2403

Invoice

The City of Port Orange Fire and Rescue Pension Fund
Attn: Julie Enright, Plan Administrator
1000 City Center Circle
Port Orange, Florida 32129

Invoice # 2235

Port Orange Fire and Rescue Pension
Statement of Management Fees
For Quarter Ended March 31, 2018

<u>Date</u>	<u>Portfolio Value</u>	<u>Annual Fee</u>	<u>Quarterly Fee</u>	<u># of Days Prorated</u>	<u>% of Quarter</u>	<u>Prorated Fee</u>
3/31/2018	\$4,997,012	\$12,492.53	\$3,123.13	90	100.0%	3,123.13
				90	100.0%	\$3,123.13

Annual Fee Schedule
0.25% on balance

Quarterly Management Fee Due

\$3,123.13

Jim Reardon 4/25/2018
Julie Enright

**Julie Enright, Plan Administrator
Port Orange Fire/Rescue Retirement System
810 N. Carpenter Road
Titusville, FL 32796
321-427-2223**

**TO: Mario N. Ruano
AVP, Account Manager**

**PNC Institutional Investments
Mail Stop: B7-YB13-13-2
1900 E. 9th Street
Cleveland, OH 44114**

**FROM: Julie Enright, Plan Administrator
Port Orange Fire/Rescue Pension Fund**

DATE: May 1, 2018

PAYMENT FROM ACCOUNT: Port Orange Fire/Rescue Pension Fund - Account #20-75-079-4493552

Payable to: Julie Enright

Amount: \$68.46

Mileage to/from meetings:

2/19/18: 39 miles each way @\$.535 cents/mile = \$41.73 and copy charges \$26.73

ADDITIONAL COMMENTS:

Please mail check to:

**Julie Enright
810 N. Carpenter Road
Titusville, FL 32796**

Board Member

Board Member

STAPLES

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Store No: 1081

3155 Columbia Blvd

Titusville, FL 32780

321-383-1545

262626 00 026 21506

Receipt #: 21506 02/17/2018 17:21

Qty Description	Amount
226 X BW SS LTR - 233548	24.86
6 X SS STAPLE - 233592	0.12
SubTotal	24.98
Taxes	1.75
Total	USD \$26.73

Amex #:*****1010 [C]

AMERICAN EXPRESS

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Auth No.: 825483

Mode: Issuer

AID: A000000025010801

NO CVM

The Cardholder agrees to pay the Issuer of the charge card in accordance with the agreement between the Issuer and the Cardholder.

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associate or visit staples.com/5off
to learn more.

10% OFF

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Valid through 3/24/18.

Coupon code: 68075

Valid in Staples® U.S. stores only. Discount applies to regular-priced services only. Cannot be combined with any other discount, coupon or business exclusive pricing. Excludes postage stamps and international shipping. While supplies last. Limit one coupon per customer, nontransferable. Each service purchased can only be discounted by one coupon, applied by cashier in the order received. Coupon not valid if purchased or sold and must be surrendered. No cash/credit back. Not valid on prior purchases or purchases made with Staples® Procurement or Convenience Cards. Coupon value applied pre-tax.
Expires 3/24/18.

STAPLES



FOSTER & FOSTER
ACTUARIES AND CONSULTANTS

Invoice

Date	Invoice #
4/27/2018	12296

Phone: (239) 433-5500
Fax: (239) 481-0634
data@foster-foster.com
www.foster-foster.com

Bill To		Terms	Due Date
City of Port Orange Fire & Rescue Pension Fund 3860 Grantline Road Mims, FL 32754		Net 30	5/27/2018
Description		Amount	
Benefit Calculations: JONES (2), LAFOND (2)		250.00	
Electronic filing of 10/1/2017 valuation report to the Division of Retirement.		750.00	
Preparation of the October 1, 2017 Actuarial Valuation and Report.		10,874.00	
Preparation of GASB 67 Statement with measurement date of 09/30/17.		1,250.00	
Preparation of GASB 68 Statement with measurement date of 09/30/17.		2,000.00	
Preparation for and attendance at February 19, 2018 Board meeting (Board's share of expenses)		253.00	
Review of proposed Ordinance and letter of no actuarial cost impact dated March 1, 2018.		500.00	
Preparation for and letter of correspondence dated March 22, 2018 responding to auditor's questions regarding the October 1, 2017 actuarial valuation.		125.00	
Preparation of the 2017 Annual Report for the Division of Retirement.		3,500.00	
Review of proposed Ordinance and letter of no actuarial cost impact dated April 16, 2018.		500.00	

Balance Due

Thank you for your business!



Date	Invoice #
4/27/2018	12296

Bill To

City of Port Orange Fire
& Rescue Pension Fund
3860 Grantline Road
Mims, FL 32754

Terms	Due Date
Net 30	5/27/2018

Description	Amount
Preparation for and attendance at April 17, 2018 Board meeting (Board's share of expenses)	752.00

Balance Due \$20,754.00

Please make all checks payable to:
Foster & Foster, Inc.
13420 Parker Commons Blvd, Suite 104
Fort Myers, FL 33912