



Employees Pension Board

Special Board Meeting Minutes

February 26, 2008

Chairperson Ron Tomlin called the Employees Pension Board to order for a special meeting Tuesday, February 26, 2008 at 9:30 a.m., in the City Commission Chambers, City Hall, 228 South Massachusetts Avenue, Lakeland, Florida. Present: Vice Chairperson Kerry Charlet, Board Members Eugene Strickland, Roger Haar, Robert Bertrand and Laura Hawley. Retirement Services Staff: Director Kevin Torres, Dana Blydenburgh, Annette Wieck, Debbie Stefanski.

1. Consent Agenda – Board Member Strickland made a motion to approve the Consent agenda. Motion passed unanimously.

a. January 15, 2008 Employees Pension Board Minutes

b. Retirement Refunds

NAME	CHECK DATE	REASON	AMOUNT
Boggs, James M	2/16/2008	TER	\$8,979.43
Elder, Tina F	1/19/2008	TER	\$16,747.71
Forbes, David E	2/16/2008	TER	\$1,471.77
Fultz, Michael H	2/2/2008	TER	\$187.83
Gregory, Ashley N	2/16/2008	TER	\$4,934.62
Holliman-Andrews, Nikeea R	2/2/2008	TER	\$3,484.59
Keappock, Kevin M	1/19/2008	TER	\$12,583.73
Leach, Dagon K	1/19/2008	TER	\$5,405.31
Taylor, Deborah L	1/19/2008	TER	\$15,490.98
Vargas, Edgardo	1/19/2008	TER	\$784.81
Total 10			\$70,070.78

c. Retirements

NAME	DOR	AMOUNT	JOB TITLE	CSD
DROP Employee				
Cherryhomes, Mary G	1/19/2008	\$2,021.74	Administrative Assistant	12/6 /1987
Phillips, Donald N	1/19/2008	\$2,121.43	Equipment Operator III	9 /14/1986
DROP Retiree				
Ronald E. Bowling	2/16/2008	\$1,361.28	Police Officer	6/30/1991
Retired				
Goddard, John D	1/5/2008	\$1,027.92	Civ Crime Prevention Practicnr	12/24/1995
Vested				
Walker Jr., Charles E	4/13/2013	\$1,652.05	Warehouse Op. Tech I - LE	4/12/1987
DROP Retirement Pending Final Pay				
Dickie, Ronald	1/5/2008	\$2,495.04	Water Pipefitter II	7 /22/1984
Franz, Gordon L	2/2/2008	Pending	Police Officer	4 /3 /2005
Knobloch, William T	2/2/2008	Pending	Police Officer	4 /3 /2005
Thornton, Paul Michael	2/2/2008	Pending	Operations Support Spv III	1 /15/1978
Retirement Pending Final Pay				
Elwing, Paul H	1/26/2008	Pending	Engineer III - Lakeland Electr	8 /10/1980
Phillips, Cynthia D	3/1/2008	Pending	Office Associate I	12/2 /1990
Total Retirements		11		

2. GRS 2007 Actuarial Presentation Update and COLA Discussion. Mr. Stephen Palmquist and Mr. Jeffrey Amrose of Gabriel, Roeder, Smith & Company presented a revised version of the 2007 actuarial valuation.

- ◆ The funded ratio, one measure of the Plan's financial health, is equal to the actuarial value of assets divided by the actuarial accrued (past service) liability. This liability is calculated using the Entry Age Normal Method which differs from the method now being used for funding purposes. The funded ratio is 88.0% this year compared to 88.5% last year.



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- ◆ Mr. Palmquist has studied a variety of plans across the state and nationwide. He stated that the average employer contribution rate for general employee plan members is 15%; police and fire plans employer contributions average 20%-30%.
 - ◆ The method of amortizing the unfunded accrued liability (UAL) in the revised valuation has been changed from a level dollar amortization to a level percent of pay amortization. This change has reduced the annual required contribution by \$1.2 million, or 1.14% of covered payroll. Board member Haar made a motion to modify the method of amortizing the unfunded accrued liability from a level dollar amortization to a level percent of pay. Board member Strickland seconded the motion. Vice Chairperson Charlet voted against the motion with all others in agreement. Motion passed.
 - ◆ Board member Strickland made a motion to accept the revised 2007 actuarial valuation report. Board member Haar seconded the motion. Motion passed.
 - ◆ Board member Haar made a motion to provide a recommendation to the City Commission to utilize the amount saved from changing the UAL amortization to fund a 2% COLA to all retired members of the plan, including DROP participants. Board member Strickland seconded the motion. Vice Chairperson Charlet voted against the motion with all others in agreement. Motion passed.
 - ◆ Board member Haar asked if the COLA would be retroactive to January 1, 2008. City Manager Thomas confirmed.
 - ◆ Board member Haar made motion to compose a letter to Mr. Slavin reflecting the total expected annual rate of return for the fund for the next year, next several years, and the long term thereafter to be 7.25% net of investment related expenses. Vice Chairperson Charlet seconded the motion. Motion passed unanimously
 - ◆ Chairperson Tomlin inquired on the progress of the COLA task force. City Manager Thomas remarked that he prefers to wait to assemble this team until the Police and Fire members have successfully bargained for a separate pension plan.
- 3. Securities Lending, Robert A. Sugarman, Esq.** Mr. Sugarman provided a brief explanation of the mechanics of securities lending and recommended that the board delay action on implementing at this time. Board member Haar made a motion to defer action on the pending securities lending contract. Motion passed unanimously.
- 4. Miscellaneous**
- ◆ Next Pension Board Meeting March 25, 2008
- 5. Adjournment** – Upon motion, Chairperson Tomlin adjourned the meeting at 11:40 a.m.