MEETING MINUTES
SESSION OF THE FIRE PENSION BOARD
CITY OF KISSIMMEE
CITY HALL, COMMISSION CHAMBERS
101 CHURCH STREET, KISSIMMEE, FLORIDA 34741-5054
TUESDAY, MARCH 14, 2023 AT 1:00 PM

1. **MEETING CALLED TO ORDER Members Present:** Board Member Jeffrey Booher, Board Member Dan Garaguso Jr., Board Member, Dr. R LeWayne Johnson, Board Member Reginald Hardee
   Staff Present: Director of Human Resources Roxane Walton, Pension Administrator Linda Gomez
   Members Absent: Board Member John McCommon
   Dan Garaguso called the meeting to order at 01:00 PM.
2. **HEAR AUDIENCE** Retiree Duane Hunter was in the audience as an observer.
3. **FINANCIAL AGENDA - NONE**
4. **ADMINISTRATIVE AGENDA**

4.A Review of Cola study for consideration

John McCommon joined the meeting via phone at 1:18, Scott Christiansen informed the Board that he can attend the meeting by phone but is unable to vote. Scott went over the requested proposed Cola study dated March 10, 2023, that was provided by the Actuary. Scott indicated that this will not need to be negotiated as it only applies to retirees. The Board went over the two proposed Cola options. The only difference is the effective dates and cost. Proposed scenario 1: Effective October 1, 2023, a one-time increase in monthly benefits for all retirees and beneficiaries in pay status (including DROP retirees) equal to 2% for each full year of retirement as of October 1, 2017. The maximum increase is 10%. Proposed scenario 2: Effective October 1, 2023, a one-time increase in monthly benefits for all retirees and beneficiaries in pay status (including DROP retirees) is equal to 2% for each full year of retirement as of October 1, 2022. The maximum increase is 10%. The impact would be that the City required contribution percent would go from the current amount of 38.40% (3,111,926) to 41.13% (3,333,638) for the proposed scenario 1 and 42.95% (3,440,069) for scenario 2. Dan indicated that even scenario 1 was a significant amount and would increase the unfunded liability amount. The last increase was a much smaller cost. Jeff asked what is our next move? Scott, what you need to do is comply with the provision plan that indicates that the Board should review the status of retirees and beneficiaries. I think the thought here was that we would have the study done and provide this study to the City Commission and we would recommend that they consider one of these Cola options for the retirees of the plan, then we have done our job with requesting the study in providing them with this information. Then they can decide what they want to do with it now that they have the dollar amount. The last approved ad-hoc Cola was effective May 1, 2013 for those that were retired, including those in the DROP for a full year as of October 1, 2006. At that time, we used half of the excess state monies in the amount of $554,655.94 to fund the ad-hoc Cola.

Board Member Hardee made a motion to recommend to the City Commissioners an ad-hoc Cola to the Fire retirees. Board Member Booher seconded the motion.

AYE: Board Member Booher, Board Member Garaguso Jr., Board Member Dr. Johnson, Board Member Hardee
NAY: None
Motion to Approve Passed 4 - 0.

The Board contacted Foster & Foster Doug Lozen, Senior Consulting Actuary, via phone. The

Board requested an additional scenario to the proposed ad-hoc Cola to include that Effective October 1, 2023, a one-time increase in monthly benefits for all retirees and beneficiaries in pay status (including DROP retirees) equal to 2% for each full year of retirement as of October 1, 2022. The maximum increase is 10%.

Board Member Hardee made a motion to Approve . Board Member Booher seconded the motion.
AYE: Board Member Booher, Board Member Garaguso Jr., Board Member Johnson, Board Member Hardee
NAY: None
Motion to Approve Passed 4 - 0.

The Board has instructed Linda Gomez to pass along the additional scenario once it's received from the Actuary to the City Commission for consideration for the ad-hoc Cola prior to the next pension meeting.

4.B Request Board approval of the proposed ordinance

Scott requested approval for the proposed ordinance that includes some IRS changes, amends the definition of salary, amends language regarding Board discretion on seeking inadvertent overpayments from the fund, removes outdated language and amends the buyback option for prior fire service or prior military service.

Board Member Dr. Johnson made a motion to approve the proposed ordinance listed above. Board Member Hardee seconded the motion.
AYE: Board Member Booher, Board Member Garaguso Jr., Board Member Dr. Johnson, Board Member Hardee
NAY: None
Motion to Approve Passed 4 - 0.

5. **HEAR THE ATTORNEY** Scott Christiansen informed the Board of a new form that he has prepared for the overpayment of benefits. This is for the purpose of auditing the payments from the custodial bank.

6. **OLD BUSINESS - NONE**

7. **NEW BUSINESS - NONE**

8. **ADJOURNMENT**

There being no further business to come before the Fire Board, Chairman Dan Garaguso adjourned the meeting at 1:55 PM.

Dan Garaguso VCS

Board Vice Chairman Dan Garaguso

ATTEST:

Linda Gomez

Pension Administrator Linda Gomez