

**CITY OF LAUDERHILL FIREFIGHTERS RETIREMENT SYSTEM  
FIRE PENSION MEETING**

July 12, 2016

**I. Call to order**

Sean Henderson called to order the regular meeting of the CITY OF LAUDERHILL FIREFIGHTERS RETIREMENT SYSTEM at 9:41M on July 12, 2016 at Lauderhill Fire Headquarters, 3rd Floor Conference Room, 1980 NW 56 Avenue, Lauderhill, Fl. 33313.

**II. Roll call**

The Plan Administrator conducted a roll call. The following persons were present:

Sean Henderson, Chairman  
Michael Taussig, Vice Chairman  
Karen Pottinger, Secretary  
Ryan Gabner, Trustee  
John Leicht, Trustee  
Ron Cohen, Rice Pugatch Robinson Storfer & Cohen, PLLC  
Brent Chudachek, Rice Pugatch Robinson Storfer & Cohen, PLLC

Trustee John Leicht asked to speak before the meeting moved forward. Mr. Leicht respectfully submitted his notice to retire from his 5<sup>th</sup> trustee seat on the Board of Trustees and asked that the minutes reflect that this is his last meeting that he will be attending due to his resignation. He recommends Michael Taussig be appointed as the 5<sup>th</sup> trustee due to his extensive history with the board and his knowledge of the ongoing disabilities. The attorney advised that the 5<sup>th</sup> trustee is appointed by the majority of the other 4 trustees as stated in the Ordinance.

As it stands in this meeting:

John Leicht will finish out this meeting and resign from the Board of Trustees,  
Michael Taussig's two-year term will expire on July 15,  
Matthew Newman begins his two-year term on July 15.

After July 15<sup>th</sup> and prior to the August meeting, Michael Taussig will be available to sit as the 5<sup>th</sup> appointment.

The first order of business in the August meeting can be to appoint the 5<sup>th</sup> trustee, if that is what the Board wants to do. If the board cannot appoint the 5<sup>th</sup> trustee at the August meeting, a special meeting can be called to appoint a 5<sup>th</sup> trustee prior to the September 6<sup>th</sup> hearing.

**III. Approval of minutes from meeting dated June 14, 2015**

The minutes were reviewed by the trustees.

**Motion to approve minutes by Ryan Gabner, seconded by John Leicht. Motion passed unanimously.**

**IV. New business**

1. Approve DROP entry for Nir Ben Moshe

The Plan Administrator asked the board to consider approving the DROP entry package contingent upon all documentation being received. Mr. Ben Moshe is out on vacation and will submit the final form he has when he returns in first week of September.

**Motion by Michael Taussig to approve DROP entry application contingent upon the receipt of all documentation from Nir Ben Moshe. Motion seconded by John Leicht. Motion passed unanimously.**

2. Approve Warrant in the amount of \$30,860.

**Motion to approve warrant by Karen Pottinger, seconded by Ryan Gabner. Motion passed unanimously.**

#### **V. Attorney's report given by Brent Chudachek**

- Shane Vaughn

1. Mr. Chudachek advised the Board that Mr. Vaughn sent the balance of documentation needed to match up exempt time for credited service with Lauderdale Firefighters Retirement System. As discussed before, USERRA establishes the 5 year cumulative length of time that an individual may be absent from work for military duty and retain reemployment rights absent military service time that is exempt under USERRA. There are important exceptions to the five-year limit. It appears based upon the review that most of Mr. Vaughn's military service to date is exempt from the 5 year limitation under USERRA. Mr. Vaughn has a special skill that requires he be called to military service at various times without necessarily knowing in advance of exactly when and for how long. . Certain days of Shane Vaughn's deployment falls under exceptions which had to be tracked and matched to give him the correct exempt military service allowance per USERRA. Mr. Chudachek has documents that he will turn over to the Plan Administrator for Mr. Vaughn's file. Mr. Vaughn requested a letter from the plan attorney stating what military service of his to date is exempt from the 5 year limitation set forth under USERRA and that based upon a review of the records, the exempt time up to this date will not be counted against the five year allowance under USERRA. Mr. Chudachek will prepare the letter. A copy should go in Mr. Vaughn's file for safekeeping by the Plan Administrator as well as the Actuary. Going forward there may be additional military deployment time by Mr. Vaughn that may also be exempt under USERRA and the Board and Attorneys will have to monitor it on an as needed basis as it arises.

- Ron Cohen on Government in the Sunshine Law for the benefit of new trustees

Any business that may come before the board can only be discussed at a properly noticed public meeting. The only discussion you should have with another trustee should be at this meeting and nowhere else. Mr. Cohen recommends going to Florida Attorney General's website where it has a lot of information. You may talk to the Plan Administrator, the Attorney, and other service providers. There is a source of income statement that you will have to fill out when you accept the position of trustee. Also, Mr. Leicht will have to fill out a final form 1F at time of resignation. The Plan Administrator said she will contact the City Clerk's office regarding the forms. The City Clerk will contact the trustees and follow through with filing.

As a trustee you become a fiduciary by State law. A fiduciary is held to an objective standard. Trustees need to get educated. The meetings provide information on issues as they arise. It is an ongoing process. There are a number of schools and conferences that the pension world holds. FPPTA is one program. The State of Florida also has training under Chapter 175 and 185. You can go to one or two a year depending on what your policy is. Loyalty, according to State law, is to the members and beneficiaries of the plan. The plan document, which is the ordinance with the city, spells out the benefits of the plan. The board needs to practice due diligence.

John Leicht asked the attorney for an update of Richard Price re-examination process. The attorney is working on the policy and will provide a draft at the next meeting for discussion.

#### **VI. Plan Administrator's report**

The Plan Administrator said all items were discussed under attorneys report.

## VII. Old Business

## VIII. Communications

Most retirement plan distributions are subject to income tax and may be subject to an additional 10% tax. Generally, the amounts an individual withdraws from an IRA or retirement plan before reaching age 59½ are called "early" or "premature" distributions. Individuals must pay an additional 10% early withdrawal tax unless an exception applies.

For Public Safety employees the distribution will NOT be subject to the 10% additional early distribution tax if the employee separates from service during or after the year the employee reaches age 50.

Michael Taussig reminds members to always seek financial advice before withdrawing money because the laws are constantly changing.

There was a discussion regarding Mutual Consent at this time. This was a follow up from a February discussion. As stated in the February minutes:

- *The Ordinance in regard to creating a Defined Contribution Plan has passed. This means the plan has a section named "defined contribution plan" and it is not funded. If it ever is going to be funded they will have to work on the details of it. Mr. Cohen recommended adding a discussing regarding Mutual Consent to the July agenda (for discussion and notice to the Collective Bargaining Unit to remind them that Mutual Consent was extended until September 30). If they don't agree on a contract by September 30<sup>th</sup> then Mutual Consent ends. The board should see what is happening in July. If the CBU has not reached a contract agreement, the board should notify them of the consequences if an agreement is not met by September 30<sup>th</sup>. This will give them 60 days if they may need to make a new agreement regarding the Mutual Consent that will expire. Mr. Cohen will look at the actual language regarding the time frame of the Mutual Consent Agreement they are in now.*

Mr. Gabner will contact the Union to remind them to begin working on this before they reach the September 30<sup>th</sup> deadline. Mr. Cohen advised the trustees that the people who entered into that contract need to make that determination. If the contract says that mutual consent ends on September 30 the parties need to decide if they choose to extend that. If not there will be consequences.

John Leicht feels someone should make the retirees aware at some point. Michael Taussig feels the Union should have open dialog with the retirees regarding this. Mr. Leicht believes they will be contacting Barbara when they suddenly have a big change in their supplemental payments. They will most likely begin calling the Plan Administrator. Mr. Henderson said that the Administrator can be equipped with the Union contact information to provide retirees that may call. That would be the place to start.

Trustees mark your calendars for regular meeting on August 9<sup>th</sup> and Rantanen Hearing on September 6.

## IX. Adjournment

The meeting adjourned at 10:45AM.