

Destin Fire Control District

Quarterly Meeting

Retirement Trust Fund Board of Trustees

**848 Airport Road
Destin, Florida 32541**

**March 6, 2017
5:00 p.m.**

Destin Fire Control District
Agenda
Quarterly Meeting
Destin Firefighters' Retirement Trust Fund
848 Airport Road
Destin, Florida 32541

March 6, 2017 at 5:00 pm
The meeting is open to the public

- 1. Meeting called to order by the Secretary**
- 2. Public Comments**
- 3. Review of minutes**
 - a. Special meeting – November 14, 2016
 - b. Regular meeting – November 28, 2016
 - c. Special meeting – December 19, 2016
- 4. Review of Financial Statements**
 - a. September 30, 2016
 - b. December 31, 2016
- 5. Reports**
 - a. Jason Franken with Foster and Foster
 - 1) 10/1/2016 Actuarial Valuation
 - b. Tyler Grumbles with The Bogdahn Consulting ,LLC
 - 1) 12/31/2016 Investment Performance Review
 - 2) Investment Policy
 - c. Lee Dehner with Christiansen and Dehner
 - 1) Legislative updates
- 6. Old Business**
 - a. Globe Tax
 - b. Operating Rules and Procedures
 - c. Resolution No. 10-01 – Section 7. Pre-Retirement Death
 - d. Summary Plan Description
- 7. New Business**
 - a. Approval of Invoices
 - b. Authorization for Payment from Fund – Suzy Urenda
 - c. Impact Study - Article 46 Pension and Retirement
 - d. Administrative Assistant Agreement
 - e. District appointed Trustee
 - f. Election of Officers
- 8. Next Meeting**
- 9. Adjournment**

DESTIN FIRE CONTROL DISTRICT
Special meeting of the Retirement Board Trustees
Main Station
848 Airport Road
Destin, Florida 32541
November 14, 2016

Minutes

Trustees present: Bill Lindsley, Bob Hensley, and TJ Buchanan

Trustees absent: Doug Ingram and Mark Baugh

Present: Division Chief Kathryn Wagner and Allison Henderson

The meeting was called to order at 5:01 p.m. by Trustee Bill Lindsley.

Public Comments:

None

Review, discussion and action on requests for proposals for legal services:

Trustee Lindsley stated our current law firm has given us their 30 day notice and we are in search of a new law firm. He stated their resignation was spurred by us generating a request for proposal, which they did not want to participate in. He further stated the request for proposal was called by himself after the last meeting when the Trust did not receive the definitive counsel needed to answer questions. Trustee Lindsley stated there four proposals to review.

Discussion was held on who provides legal services to special districts in the panhandle and northeast Florida, which services were as almost exclusively with Christenson & Dehner.

Discussion was held on the four proposals received from:

- Klausner, Kaufman, Jensen & Levinson out of Plantation, FL
- Leuchtman Law out of Pensacola, FL
- Rice Pugatch Robinson Storfer & Cohen, PLLC out of Ft. Lauderdale, FL
- Sugarman & Susskind, P.A. out of Coral Gables, FL

Trustee Hensley asked how late the November 28, 2016 meeting can be held. Kathryn Wagner stated through December 31, 2016; as long as it occurs in the quarter.

Further discussion was held on the four proposals and how they compared to the contract with current attorney Christensen & Dehner, P.A..

Trustee Hensley asked in the exploration of northern Florida if there were one or two firms that are in conflict because they have done work for the District or the Union. Division Chief Wagner stated yes. Trustee Hensley stated he would like to explore the possibility of those firms being added to the mix with the understanding we would be in some way able to deal with the conflict situation by having the necessary parties waive any conflicts or have the law firm use

different people for each party and everyone has agreed and signed off. He further stated we would be doing a disservice to the Trustees and to the plan if we did not explore that.

Trustee Hensley proposed putting the November 28, 2016 meeting off; explore the possibility of resolving conflicts of interest with District and or Union law firms, if that did not work turn our attention to these proposal or if something did work out then having those firms give their proposals.

Trustee Lindsley recessed the meeting at 5:18pm and reconvened the meeting at 5:26pm.

Discussion was held on the section within the Trusts operating rules and procedures and the Trusts plan document which allows for the selection of an attorney.

Trustee Lindsley recessed the meeting at 5:31pm and reconvened the meeting at 5:38pm.

Further discussion was held on procedures for the selection of an attorney.

Discussion was held on the contract terms with Attorney Dehner and outstanding agenda items which he had been working with the Trust on. Trustee Hensley stated if the timing of the next meeting is critical then an option would be to ask for an extension of Attorney Dehner's time through the meeting. He stated since Attorney Dehner or someone in his firm has already given advice or opinions on a number of these topics for the November 28, 2016 meeting it would be beneficial to explore a cooperative effort to extend his contract.

Trustee Hensley made a motion to explore the possibility of extending Christensen & Dehner, P.A.'s engagement through the November 28, 2016 meeting, have discussions with the District and the Union about the possibility of being able to include a more geographically located law firm in our proposal process and work through the conflicts while doing all that on a concurrent basis and let the firms that did propose know we are in the process of evaluating the proposals.

Discussion was held on past communications with Attorney Dehner.

Trustee Buchanan seconded the motion. The motion passed unanimously.

Adjournment:

With no additional business to be addressed, the meeting adjourned at 5:53 p.m.

DESTIN FIRE CONTROL DISTRICT
Regular meeting of the Retirement Board Trustees
Main Station
848 Airport Road
Destin, Florida 32541
November 28, 2016

Minutes

Trustees present: Bill Lindsley, Bob Hensley, T.J. Buchanan, Mark Baugh and Doug Ingram

Staff Present: Division Chief Kathryn Wagner and Allison Henderson

The meeting was called to order at 5:01 p.m. by Trustee Bill Lindsley.

Public Comments:

Deborah Thurmon of Destin asked to reserve comments to the end of the meeting.

Review of Minutes:

The minutes of the regular meeting on August 29, 2016 were presented. Trustee Baugh made a motion to approve the minutes as presented. Trustee Buchanan seconded. Trustee Hensley commented these were a transcription and not minutes. He requested to table the approval of minutes until we could get input from legal counsel. Discussion occurred. The motion passed 4 to 1 with Trustee Hensley opposing.

The minutes from the special meeting November 14, 2016 were tabled.

Discussion occurred regarding how to handle the minutes in the future. It was decided the minutes would be condensed to include the topic, whether discussion occurred and any action taken by the Board as audio will still be available. Trustee Baugh made a motion for Attorney Dehner to add language in the operating rules and procedures, rule 2, section 2.9 under minutes to include a summary of the meeting, not a complete transcript. Trustee Ingram seconded. The motion passed unanimously.

Review of Financial Statements:

The financial statements for the year ended September 30, 2016 were presented. Division Chief Wagner stated legal expenditures were over the budgeted amount, but overall expenditures are under budget.

General discussion occurred.

Trustee Ingram made a motion to approve the financial statements. Trustee Hensley seconded. Discussion occurred regarding reimbursements from the Union and the District for consultant fees. Trustee Ingram withdrew the motion and the financial statements were tabled until next meeting.

Reports:

1. Jason Franken with Foster and Foster stated he had done studies for the District and the Union and believed the reports had been forwarded to all parties and the Board. Mr. Franken addressed questions from the last meeting from the public in regards to comparisons in the Trusts actuarial report to the South Walton Fire Department.

Mr. Franken discussed the funded ratio and how it relates to the health of the plan.

2. Tyler Grumbles from The Bogdahn Group informed the board that the firms name would be changing however there was no change in ownership.

Mr. Grumbles presented the Investment Performance Review for quarter ended September 30, 2016. He stated the report showed very good returns across equity markets, international markets were up 6.9%, emerging markets were up 9%, the S&P was up 3.9% with Russell 2000 up 9%, US fixed income was up .5% with the low interest rate environment.

Mr. Grumbles reviewed the Trusts asset allocation on page 10 and stated the plan was within compliance of the investment policy and no rebalancing was needed. He reviewed the fund's performance on pages 16 and 17, noting income and investment gains of \$508,715 for the quarter, up 3.44% and income and investment gains of \$1,536,092 for the fiscal year, up 11.08%.

Mr. Grumbles presented information on the current asset allocation and return assumptions. General discussion occurred.

Mr. Grumbles recommended lowering the 8% investment return assumption to 7%, but to do it in .25% increments over the next 5 years. General discussion occurred. Mr. Grumbles stated lowering this assumption rate from 8% to 7% would cost the District an additional \$160,000 in contributions. Further discussion occurred.

Trustee Baugh made a motion to set the investment return assumption rate to 7.5%. Trustee Buchanan seconded. The motion passed unanimously.

3. Lee Dehner, of Christiansen and Dehner, P.A. stated there was no information on new bills proposed at this time.

Attorney Dehner discussed including the Board in the Assistant Administrator agreement and clarification on who will pay for the position. Trustee Hensley stated he would like to discuss this further under old business section b..

Old Business:

1. Globe Tax

Division Chief Wagner stated the Trusts employer identification number has been reinstated with the IRS and Salem Trust is working with Globe Tax to get the agreement ready. No discussion.

2. Operating Rules and Procedures

Trustee Hensley volunteered to work with Kathryn Wagner to work through the Plan Administrator agreement and settle the operating rules and procedures. Division Chief Wagner stated the Trust must work with the District on the Plan Administrator agreement as she was their employee. Discussion occurred.

Trustee Buchanan made a motion for Trustee Hensley to work with the District representative on a Plan Administrator agreement. Trustee Baugh seconded. The motion passed unanimously.

New Business:

1. Approval of invoices

Division Chief Wagner presented invoices for approval

Trustee Hensley made a motion to approve invoices presented. Trustee Ingram seconded. Discussion occurred and it was decided information would be given regarding reimbursement payments from the District and the Union. The motion passed 4-1 with Trustee Baugh opposed.

2. Resolution No. 10-01 – Section 7. Pre-Retirement Death

Mrs. Suzy Urenda thanked everyone for their support and asked the Board if they could provide her with payment options from Mike Urenda's benefits.

Division Chief Wagner presented resolution 10-01 and explained the current pre-retirement death benefit along with options to change it which were provided by Scott Christensen of Christensen & Dehner, P.A.. General discussion occurred.

Trustee Lindsley questioned the language under Section 7.2.C. which states a spouse beneficiary may not elect an option form of benefit. Jason Franken stated a member cannot elect an optional form of benefit until they retire. Trustee Hensley asked if we had a legal obligation at the time the member became eligible to retire to give him the ability to make an election. Attorney Dehner stated no.

Mrs. Urenda asked the Board when Section 10.5.D. would apply. Trustee Baugh inquired that the monthly retirement income payments will be made means its talking about the monthly payments will be made for the 10 years. Attorney Dehner stated yes. Attorney Dehner further stated the option here is to withdraw the member contribution.

Further discussion occurred regarding members who work beyond normal retirement.

Jason Franken stated in pre-retirement death there is very rarely an option for benefits, however, there are plans which have life-time benefits for beneficiaries upon pre-retirement death and typically it would be less than 100%.

Further discussion occurred regarding retirement options and beneficiaries.

Jason Franken stated if the plan was being changed to something other than an actuarial equivalent calculation then an impact study would have to be done on the entire population of the

plan. Trustee Hensley stated any change would have to be approved by the District as well as the Union and be reviewed by the State.

Discussion occurred on changing the plan ordinance and making it retro-active.

It was decided the Board would wait to see if the District and the Union would change the benefit during negotiations. The item was tabled.

3. Imposed Collective Bargaining Agreement- Article 46 Pension and Retirement
General discussion occurred. The item was tabled as the parties were currently in negotiations again.

4. Summary Plan Description
The item was tabled.

5. Counting of Ballots for election and appointment of Seat 1
The Trust received self-nominations from two firefighters, T.J. Buchanan and Kevin MacDonald. The ballot box was opened and Trustee Lindsley read and counted the votes while Trustee Hensley confirmed each vote. The total vote count was 22 with Trustee Buchanan receiving 17 votes and Kevin MacDonald receiving 5 votes. Trustee Baugh made a motion to certify the vote. Trustee Ingram seconded. The motion passed unanimously.

2. Proposed 2016 Meeting Dates
Trustee Baugh made a motion to approve the 2017 proposed meeting dates. Trustee Buchanan seconded. The motion passed unanimously.

Next meeting:

Trustee Lindsley stated the next quarterly meeting will be on March 6, 2017 at 5 p.m.

Adjournment:

Member of the Public Deborah Thurmon was recognized and asked why the request for proposals for legal services was put on the District's stationary with Chief Sasser's name on it and asked where the request for proposal stands. Division Chief Wagner stated the Trust does not have letterhead or supplies. Trustee Lindsley stated Lee Dehner agreed to help so the meeting could take place.

Deborah Thurmon stated there were letters sent to the District stating the pension plan was out of compliance. Division Chief Wagner stated those were preliminary letters that are sent after every annual report listing changes that need to be made. Trustee Lindsley stated the report was approved and we were funded.

Deborah Thurmon asked why Trustee Lindsley did not correspond with Sarah Carr instead of Kathryn Wagner. Trustee Lindsley stated because Kathryn Wagner is more familiar with the technical aspect and prepares the information.

Deborah Thurmon asked if the Board will request the audit be done in a timely manner this year. Trustee Hensley stated discussions occurred with CRI regarding what was needed but all reports were completed and no further follow up is required.

Deborah Thurmon expressed her disappointment that the Board of Trustees did not push to get answers about the increase in contributions that would occur by lowering the assumption rate. Trustee Lindsley stated they were looking for an accurate number and would not expect them to know it off the top of their head.

Division Chief Wagner presented Trustee Lindsley with a certificate of appreciation since his term expires and is not seeking reappointment. She thanked him for his years of service. Trustee Lindsley thanked Kathryn Wagner and the Board.

Mr. Grumbles stated he missed one thing in his report. He stated TSW mutual fund (Transamerica Intl) is offered at a lower share class and needed the Board's approval. Trustee Ingram made a motion to approve the lower share class for TSW. Trustee Buchanan seconded. The motion passed unanimously.

With no additional business to be addressed, the meeting adjourned at 7:40 p.m.

DESTIN FIRE CONTROL DISTRICT
Special meeting of the Retirement Board Trustees
Main Station
848 Airport Road
Destin, Florida 32541
December 19, 2016

Minutes

Trustees present: Bill Lindsley, Bob Hensley, T.J. Buchanan, Mark Baugh and Doug Ingram

Staff Present: Division Chief Kathryn Wagner

The meeting was called to order at 5:01 p.m. by Trustee Bill Lindsley.

Public Comments:

None

Review, discussion and action on legal service agreements/proposals:

Division Chief Wagner presented legal service agreements/proposals. General discussion occurred.

Trustee Ingram made a motion to retain Attorney Lee Dehner. Trustee Baugh seconded the motion. Further discussion occurred. The motion passed 4-1 with Trustee Lindsley opposed.

Trustee Hensley recommended Kathryn Wagner send Attorney Dehner an email requesting an answer to the legal questions, as soon as possible after the first of the year, so a special meeting can be scheduled. He further recommended Trustee Baugh, call Attorney Dehner and reinforce the need for answers.

Adjournment:

With no additional business to be addressed, the meeting adjourned at 5:58 p.m.

Destin Fire Control District Firefighters' Retirement Fund

Balance Sheet

As of September 30, 2016

	9/30/2016	6/30/2016	\$ Change	% Change
ASSETS				
Current Assets				
Checking/Savings				
Salem Trust	\$ 491,700.63	\$ 225,147.01	\$ 266,553.62	118.39%
Total Checking/Savings	491,700.63	225,147.01	266,553.62	118.39%
Accounts Receivable				
Accounts Receivable	268,846.77	-	268,846.77	0.00%
Total Accounts Receivable	268,846.77	-	268,846.77	0.00%
Other Current Assets				
Investments	14,047,827.09	13,624,929.46	422,897.63	3.10%
Investments - Cash	29,721.73	11,222.85	18,498.88	164.83%
Investments - Real Estate	1,400,000.00	1,400,000.00	-	0.00%
Asset appreciation - FMB of Inv	11,312.36	(431,324.82)	442,637.18	-102.62%
Transfer account	(313,384.61)	(8,287.95)	(305,096.66)	3681.21%
Total Other Current Assets	15,175,476.57	14,596,539.54	578,937.03	3.97%
Total Current Assets	15,936,023.97	14,821,686.55	1,114,337.42	7.52%
TOTAL ASSETS	15,936,023.97	14,821,686.55	1,114,337.42	7.52%
LIABILITIES				
Liabilities				
Current Liabilities				
Accounts Payable				
Accounts payable	24,397.28	6,664.99	17,732.29	266.05%
Total Accounts Payable	24,397.28	6,664.99	17,732.29	266.05%
Total Current Liabilities	24,397.28	6,664.99	17,732.29	266.05%
Total Liabilities	24,397.28	6,664.99	17,732.29	266.05%
Equity				
Net Assets Available	13,954,548.39	13,954,548.39	-	0.00%
Net Revenue over expenditures	1,957,078.30	860,473.17	1,096,605.13	127.44%
Net Assets held in trust	15,911,626.69	14,815,021.56	1,096,605.13	7.40%
TOTAL LIABILITIES & EQUITY	\$ 15,936,023.97	\$ 14,821,686.55	\$ 1,114,337.42	7.52%

Unaudited - for management purposes only

Destin Fire Control District Firefighters' Retirement Fund

Statement of Revenue and Expenditures

October 1, 2015 through September 30, 2016

	10/1/15 - 9/30/16	Budget	Budget Remaining (Over)	% Remaining (Over)
REVENUE				
State trust funds	\$ 268,846.77			
Interest and dividend income	536,275.67			
Gain (Loss) on sale of investments	1,008,750.67			
Unrealized gain (loss)	(11,512.85)			
District contributions	1,074,634.75			
Employee contributions	107,918.03			
TOTAL REVENUE	\$ 2,984,913.04			
EXPENDITURES				
Administrative Expenses - Consultants				
Actuarial consultant	10,650.00	15,364.00	4,714.00	30.68%
Financial consultant	4,616.10	81,000.00	76,383.90	94.30%
Financial monitor	15,500.00	15,500.00	-	0.00%
Bank fee	8,376.00	10,800.00	2,424.00	22.44%
Legal consultant	7,135.14	6,800.00	(335.14)	-4.93%
Administrative Expenses - Other				
Dues and subscriptions	600.00	600.00	-	0.00%
Fiduciary insurance	3,123.00	3,500.00	377.00	10.77%
IME Physician Fees	-	2,000.00	2,000.00	100.00%
Meetings	-	7,500.00	7,500.00	100.00%
Total Administrative Expenses	50,000.24	143,064.00	93,063.76	65.05%
Benefit Expenses				
Retiree benefit	700,129.78			
Retiree benefit - DROP plan	277,704.72			
Total Benefit Expenses	977,834.50			
TOTAL EXPENDITURES	\$ 1,027,834.74	\$ 143,064.00	\$ 93,063.76	65.05%
NET REVENUE OVER EXPENDITURES	\$ 1,957,078.30			

Unaudited - for management purposes only

Destin Fire Control District Firefighters' Retirement Fund

Balance Sheet

As of December 31, 2016

	12/31/2016	9/30/2016	\$ Change	% Change
ASSETS				
Current Assets				
Checking/Savings				
Salem Trust	\$ 265,592.61	\$ 491,700.63	\$ (226,108.02)	-45.98%
Total Checking/Savings	265,592.61	491,700.63	(226,108.02)	-45.98%
Accounts Receivable				
Accounts Receivable	1,000.00	268,846.77	(267,846.77)	0.00%
Total Accounts Receivable	1,000.00	268,846.77	(267,846.77)	0.00%
Other Current Assets				
Investments	14,447,953.31	14,047,827.09	400,126.22	2.85%
Investments - Cash	3,158.46	29,721.73	(26,563.27)	-89.37%
Investments - Real Estate	1,400,000.00	1,400,000.00	-	0.00%
Asset appreciation - FMB of Inv	52,047.81	11,312.36	40,735.45	360.10%
Transfer account	(3,143.52)	(313,384.61)	310,241.09	-99.00%
Total Other Current Assets	15,900,016.06	15,175,476.57	724,539.49	4.77%
Total Current Assets	16,166,608.67	15,936,023.97	230,584.70	1.45%
TOTAL ASSETS	16,166,608.67	15,936,023.97	230,584.70	1.45%
LIABILITIES				
Liabilities				
Current Liabilities				
Accounts Payable				
Accounts payable	7,991.01	24,397.28	(16,406.27)	-67.25%
Total Accounts Payable	7,991.01	24,397.28	(16,406.27)	-67.25%
Total Current Liabilities	7,991.01	24,397.28	(16,406.27)	-67.25%
Total Liabilities	7,991.01	24,397.28	(16,406.27)	-67.25%
Equity				
Net Assets Available	15,911,626.69	13,954,548.39	1,957,078.30	14.02%
Net Revenue over expenditures	246,990.97	1,957,078.30	(1,710,087.33)	-87.38%
Net Assets held in trust	16,158,617.66	15,911,626.69	246,990.97	1.55%
TOTAL LIABILITIES & EQUITY	\$ 16,166,608.67	\$ 15,936,023.97	\$ 230,584.70	1.45%

Unaudited - for management purposes only

Destin Fire Control District Firefighters' Retirement Fund
Statement of Revenue and Expenditures
October 1, 2016 through December 31, 2016

	10/1/16 - 12/31/2016	Budget	Budget Remaining (Over)	% Remaining (Over)
REVENUE				
State trust funds	\$ -			
Interest and dividend income	176,143.66			
Gain (Loss) on sale of investments	4,292.52			
Unrealized gain (loss)	36,442.93			
District contributions	208,015.64			
Employee contributions	28,585.09			
TOTAL REVENUE	\$ 453,479.84			
EXPENDITURES				
Administrative Expenses - Consultants				
Actuarial consultant	4,020.00	20,000.00	15,980.00	79.90%
Financial monitor	4,750.00	19,000.00	14,250.00	75.00%
Bank fee	2,208.09	10,800.00	8,591.91	79.55%
Legal consultant	599.52	7,500.00	6,900.48	92.01%
Administrative Expenses - Other				
Dues and subscriptions	-	600.00	600.00	100.00%
Fiduciary insurance	-	3,500.00	3,500.00	100.00%
IME Physician Fees	-	2,000.00	2,000.00	100.00%
Meetings	-	7,500.00	7,500.00	100.00%
Total Administrative Expenses	11,577.61	70,900.00	59,322.39	83.67%
Benefit Expenses				
Retiree benefit	194,911.26			
Retiree benefit - DROP plan	-			
Total Benefit Expenses	194,911.26			
TOTAL EXPENDITURES	\$ 206,488.87	\$ 70,900.00	\$ 59,322.39	83.67%
NET REVENUE OVER EXPENDITURES	\$ 246,990.97			

Unaudited - for management purposes only

DESTIN FIRE CONTROL DISTRICT
(PLAN SPONSOR)
FIREFIGHTERS' RETIREMENT TRUST FUND

Investment Policy Statement

I. PURPOSE OF INVESTMENT POLICY STATEMENT

The Pension Board of Trustees (Board) maintains that an important determinant of future investment returns is the expression and periodic review of the Destin Fire Control District Firefighters' Retirement Trust Fund (the Plan) investment objectives. To that end, the Board has adopted this statement of Investment Policy and directs that it apply to all assets under their control.

In fulfilling their fiduciary responsibility, the Board recognizes that the retirement system is an essential vehicle for providing income benefits to retired participants or their beneficiaries. The Board also recognizes that the obligations of the Plan are long-term and that investment policy should be made with a view toward performance and return over a number of years. The general investment objective is to obtain a reasonable total rate of return - defined as interest and dividend income plus realized and unrealized capital gains or losses - commensurate with the Prudent Investor Rule and any other applicable ordinances and statutes.

Reasonable consistency of return and protection of assets against the inroads of inflation are paramount. However, interest rate fluctuations and volatility of securities markets make it necessary to judge results within the context of several years rather than over short periods of five years or less.

The Board will employ investment professionals to oversee and invest the assets of the Plan. Within the parameters allowed in this document and their agreements with the Board, the investment management professionals shall have investment discretion over their mandates, including security selection, sector weightings and investment style.

The Board, in performing their investment duties, shall comply with the fiduciary standards set forth in Employee Retirement Income Security Act of 1974 (ERISA) at 29 U.S.C. s. 1104(a) (1) (A) – (C). In case of conflict with other provisions of law authorizing investments, the investment and fiduciary standards set forth in this section shall prevail.

II. TARGET ALLOCATIONS

In order to provide for a diversified portfolio, the Board has engaged investment professional(s) to manage and administer the fund. The investment manager(s) are responsible for the assets and allocation of their mandate only and may be provided an addendum to this policy with their specific performance objectives and investment criteria. The Board has established the following asset allocation targets for the total fund:

Asset Class	Target	Range	Benchmark Index
Domestic Equity	50%	45% - 55%	Russell 3000
International Equity	10%	5% - 15%	MSCI AC World ex USA
Total Equities	60%	55% - 65%	
Domestic Core Fixed Income	25%	20% - 30%	Barclays Aggregate
Global Fixed Income*	5%	0% - 10%	Barclays Multiverse
Total Fixed Income	30%	25% - 35%	
Core Real Estate*	10%	5% - 15%	NCREIF ODCE (EW)
Total Real Estate	10%	5% - 15%	

*Allocation will revert to domestic fixed income if not funded.

The Board will monitor the aggregate asset allocation of the portfolio, and will rebalance to the target asset allocation based on market conditions. If at the end of any calendar quarter, the allocation of an asset class falls outside of its allowable range, barring extenuating circumstances such as pending cash flows or allocation levels viewed as temporary, the asset allocation will be rebalanced into the allowable range. To the extent possible, contributions and withdrawals from the portfolio will be executed proportionally based on the most current market values available. The Board does not intend to exercise short-term changes to the target allocation.

III. INVESTMENT PERFORMANCE OBJECTIVES

The following performance measures will be used as objective criteria for evaluating the effectiveness of the Investment Managers.

A. Total Portfolio Performance

1. The performance of the total portfolio will be measured for rolling three and five year periods. The performance of the portfolio will be compared to the return of the policy indexes comprised of 50% Russell 3000, 10% MSCI ACWI ex. US, 25% Barclays Aggregate Bond Index, 5% Barclays Multiverse, and 10% NCREIF ODCE (EW).
2. On a relative basis, it is expected that the total portfolio performance will rank in the top 40th percentile of the appropriate peer universe over three and five-year time periods.

3. On an absolute basis, the objective is that the return of the total portfolio will equal or exceed the actuarial earnings assumption (7.5%), and provide inflation protection by meeting Consumer Price Index plus 3%.

B. Equity Performance

The combined equity portion of the portfolio, defined as common stocks and convertible bonds, is expected to perform at a rate at least equal to the 83% Russell 3000 and 17% MSCI-ACWI ex US Index. Individual components of the equity portfolio will be compared to the specific benchmarks defined in each Investment Manager addendum. All portfolios are expected to rank in the top 40th percentile of the appropriate peer universe over three and five-year time periods.

C. Fixed Income Performance

The overall objective of the fixed income portion of the portfolio is to add stability and liquidity to the total portfolio. The fixed income portion of the portfolio is expected to perform at a rate at least equal to 83% of the Barclays Capital U.S. Aggregate Bond Index and 17% of the Barclays Multiverse. All portfolios are expected to rank in the top 40th percentile of the appropriate peer universe over three and five-year time periods.

D. Real Estate Performance

The overall objective of the real estate portfolio, if utilized, is to add diversification and another stable income stream to the total fund. The real estate portion of the total fund, defined as core, open ended private real estate, is expected to perform at a rate at least equal to the NCREIF ODCE Equal-Weight Index and rank in the top 40th percentile of the appropriate peer universe over three and five-year time periods.

IV. INVESTMENT GUIDELINES

A. Authorized Investments

Pursuant to the investment powers of the Board of Trustees as set forth in the Florida Statutes and local ordinances, the Board of Trustees sets forth the following investment guidelines and limitations:

1. Equities:
 - a. Must be traded on a national exchange or electronic network; and
 - b. Not more than 5% of the Plan's assets, at the time of purchase, shall be invested in the common stock, capital stock or convertible stock of any one issuing company, nor shall the aggregate investment in any one issuing company exceed 5% of the outstanding capital stock of the company; and
 - c. Additional criteria may be outlined in the manager's addendum.

2. Fixed Income:

- a. 90% of the fixed income investments at purchase must have a minimum rating of investment grade or higher as reported by a major credit rating service; and
- b. The value of bonds issued by any single corporation shall not exceed 3% of the total fund; and
- c. Additional criteria may be outlined in the manager's addendum.

3. Money Market:

- a. The money market fund or STIF options provided by the Plan's custodian; and
- b. Have a minimum rating of Standard & Poor's A1 or Moody's P1.

4. Pooled Funds:

Investments made by the Board may include pooled funds. For purposes of this policy pooled funds may include mutual funds, commingled funds, and exchange-traded funds.

- a. Pooled funds may be governed by separate prospectus which may include investments not expressly permitted in this Investment Policy Statement. In the event of investment by the Plan into a pooled fund the Board the prospectus or governing policy of that pooled fund, as updated from time to time, shall be treated as an addendum to this Investment Policy Statement.
- b. The asset classification of the fund will be based upon its investment objective.

B. Trading Parameters

When feasible and appropriate, all securities shall be competitively bid. Except as otherwise required by law, the most economically advantageous bid shall be selected. Commissions paid for purchase of securities must meet the prevailing best-execution rates. The responsibility of monitoring best price and execution of trades placed by each manager on behalf of the Plan will be governed by the Portfolio Management Agreement between the Plan and the Investment Managers.

C. Limitations

1. Investments in corporate common stock and convertible bonds shall not exceed seventy-five percent (75%) of the Plan assets at market value.
2. Foreign securities shall not exceed twenty-five percent (25%) of Plan assets at market value.
3. All equity and fixed income securities must be readily marketable. Commingled funds must be independently appraised at least annually.

D. Absolute Restrictions

No investments shall be permitted in;

1. Any investment prohibited by State or Federal Law.
2. Any investment not specifically allowed as part of this policy.
3. Illiquid investments, as described in Chapter 215.47, Florida Statutes.
4. Direct investment in 'Scrutinized Companies' identified in the periodic publication by the State Board of Administration ("SBA list", updated on their website www.sbafla.com/fsb/), is prohibited. Any security identified as non-compliant on or before January 1, 2010 must be divested by September 1, 2010. Securities identified after January 1, 2010, are subject to the provisions of section V. (c) below. However, if divestiture of business activities is accomplished and the company is subsequently removed from the SBA list, the manager can continue to hold that security. Indirect investment in 'Scrutinized Companies' (through pooled funds) are governed by the provisions of Section V(G) below.

V. COMMUNICATIONS

- A. On a monthly basis, the custodian shall supply an accounting statement that will include a summary of all receipts and disbursements and the cost and the market value of all assets.
- B. On a quarterly basis, the Investment Managers shall provide a written report affirming compliance with the security restrictions of Section IV (as well as any provisions outlined in the Investment Manager's addendum). In addition, the Investment Managers shall deliver a report each quarter detailing the Plan's performance, forecast of the market and economy, portfolio analysis and current assets of the Plan. Written reports shall be delivered to the Board within 30 days of the end of the quarter. A copy of the written report shall be submitted to the person designated by the District, and shall be available for public inspection. The Investment Managers will provide immediate written and telephone notice to the Board of any significant market related or non-market related event, specifically including, but not limited to, any deviation from the standards set forth in Section IV or their Investment Manager addendum.
- C. If the Fund owns investments, that complied with section IV at the time of purchase, which subsequently exceed the applicable limit or do not satisfy the applicable investment standard, such excess or noncompliant investments may be continued until it is economically feasible to dispose of such investment in accordance with the prudent man standard of care, but no additional investment may be made unless authorized by law or ordinance. An action plan outlining the investment 'hold or sell' strategy shall be provided to the Board immediately.
- D. The Investment Consultant shall evaluate and report on a quarterly basis the rate of return net of investment fees and relative performance of the Plan.

- E. The Board will meet periodically to review the Investment Consultant performance report. The Board will meet with the investment manager and appropriate outside consultants to discuss performance results, economic outlook, investment strategy and tactics and other pertinent matters affecting the Plan on a periodic basis.
- F. At least annually, the Board shall provide the Investment Managers with projected disbursement needs of the Plan so that the investment portfolio can be structured in such a manner as to provide sufficient liquidity to pay obligations as they come due. To this end the Investment Managers should, to the extent possible, attempt to match investment maturities with known cash needs and anticipated cash-flow requirements.
- G. The Investment Consultant, on behalf of the Plan, shall send a letter to any pooled fund referring the investment manager to the listing of 'Scrutinized Companies' by the State Board of Administration ('SBA list'), on their website www.sbafla.com/fsb/. This letter shall request that they consider removing such companies from the fund or create a similar actively managed fund having indirect holdings devoid of such companies. If the manager creates a similar fund, the Plan shall replace all applicable investments with investments in the similar fund in an expedited timeframe consistent with prudent investing standards. For the purposes of this section, a private equity fund is deemed to be an actively managed investment fund. However, after sending the required correspondence, the Plan is not required to sell the pooled fund.

VI. COMPLIANCE

- A. It is the direction of the Board that the plan assets are held by a third party custodian, and that all securities purchased by, and all collateral obtained by the plan shall be properly designated as Plan assets. No withdrawal of assets, in whole or in part, shall be made from safekeeping except by an authorized member of the Board or their designee. Securities transactions between a broker-dealer and the custodian involving purchase or sale of securities by transfer of money or securities must be made on a "delivery vs. payment" basis to insure that the custodian will have the security or money in hand at conclusion of the transaction.
- B. The investment policy shall require all approved institutions and dealers transacting repurchase agreements to execute and perform as stated in the Master Repurchase Agreement. All repurchase agreement transactions shall adhere to the requirements of the Master Repurchase Agreement.
- C. At the direction of the Board operations of the Plan shall be reviewed by independent certified public accountants as part of any financial audit periodically required. Compliance with the Board's internal controls shall be verified. These controls have been designed to prevent losses of assets that might arise from fraud, error, or misrepresentation by third parties or imprudent actions by the Board or employees of the plan sponsor, to the extent possible.
- D. Each member of the Board shall participate in a continuing education program relating to investments and the Board's responsibilities to the Plan. It is suggested that this education process begin during each Trustee's first term.

- E. With each actuarial valuation, the Board shall determine the total expected annual rate of return for the current year, for each of the next several years and for the long term thereafter. This determination shall be filed promptly with the Department of Management Services, the plan's sponsor and the consulting actuary.
- F. The proxy votes must be exercised for the exclusive benefit of the participants of the Plan. Each Investment Manager shall provide the Board with a copy of their proxy voting policy for approval. On a regular basis, at least annually, each manager shall report a record of their proxy vote.

VII. CRITERIA FOR INVESTMENT MANAGER REVIEW

The Board wishes to adopt standards by which judgments of the ongoing performance of a portfolio manager may be made. If, at any time, any three of the following is breached, the portfolio manager may be warned of the Board's serious concern for the Plan's continued safety and performance. If any five of these are violated the consultant may recommend a manager search for that mandate.

- Four (4) consecutive quarters of relative under-performance verses the benchmark.
- Three (3) year trailing return below the top 40th percentile within the appropriate peer group and under performance verses the benchmark.
- Five (5) year trailing return below the top 40th percentile and under performance verses the benchmark.
- Three (3) year downside volatility greater than the index (greater than 100), as measured by down market capture ratio.
- Five (5) year downside volatility greater than the index (greater than 100), as measured by down market capture ratio.
- Style consistency or purity drift from the mandate.
- Management turnover in portfolio team or senior management.
- Investment process change, including varying the index or benchmark.
- Failure to adhere to the IPS or other compliance issues.
- Investigation of the firm by the Securities and Exchange Commission (SEC).
- Significant asset flows into or out of the company.
- Merger or sale of firm.
- Fee increases outside of the competitive range.
- Servicing issues – key personnel stop servicing the account without proper notification.
- Failure to attain a 60% vote of confidence by the Board.

Nothing in this section shall limit or diminish the Board's right to terminate the manager at any time for any reason.

VIII. APPLICABLE DISTRICT RESOLUTIONS

If at any time this document is found to be in conflict with the District Resolutions or applicable Florida Statutes, the Resolutions and Statutes shall prevail.

IX. REVIEW AND AMENDMENTS

It is the Board's intention to review this document at least annually subsequent to the actuarial report and to amend this statement to reflect any changes in philosophy, objectives, or guidelines. In this regard, the Investment Manager's interest in consistency in these matters is recognized and will be taken into account when changes are being considered. If, at any time, the Investment Manager feels that the specific objectives defined herein cannot be met, or the guidelines constrict performance, the Board should be notified in writing. By initialing and continuing acceptance of this Investment Policy Statement, the Investment Managers concur with the provisions of this document. By signing this document, the Chairman attests that this policy has been recommended by the Investment Consultant, reviewed by the plan's legal counsel for compliance with applicable law, and approved by the Board of Trustees.

X. FILING OF THE INVESTMENT POLICY

Upon adoption by the Board, the investment policy shall be promptly filed with the Florida Department of Management Services, the District, and the plan's actuary. The effective date of the Investment Policy shall be the 31 days following the filing date with the District.

DESTIN FIRE CONTROL DISTRICT FIREFIGHTERS' RETIREMENT TRUST FUND

Chairman, Board of Trustees

Date

Memorandum

To: Destin Fire Control District
Firefighters' Retirement Trust Fund
Board of Trustees

From: Kathryn Wagner

Date: 3/3/2017

Re: Old Business: Globe Tax

Old Business: Globe Tax

Mark Rhein of Salem Trust has stated that our account with Globe Tax has now been set up. The account shows "in process status" and looks like they've started filing for the Trust.

OPERATING RULES AND PROCEDURES
For The
DESTIN FIRE CONTROL DISTRICT
FIREFIGHTERS' RETIREMENT TRUST FUND

For Board Discussion on:

March 6, 2017

Approved by the Board on:

DESTIN FIRE CONTROL DISTRICT FIREFIGHTERS' RETIREMENT TRUST FUND
OPERATING RULES AND PROCEDURES

TABLE OF CONTENTS

<u>SECTION</u>	<u>PAGE NUMBER</u>
Rule 1 - Board of Trustees	
1.1 Definition of Functions	1
1.2 Definition of Fiduciary	1
1.3 Summary	1
1.4 Establishment of Offices/ Appointment of Plan Administrative Assistant	1
1.5 Conflicts of Interest and Gifts	2
1.6 Per Diem and Reimbursement	2
1.7 Election Procedures	2
1.8 Succession of Persons to Vacant Positions	3
1.9 Education Requirements	4
1.10 Disclosure of Financial Interests	4
Rule 2 - Meetings	
2.1 Attendance at Board Meetings	5
2.2 Agendas and Other Meeting Materials	5
2.3 Rules of Order	6
2.4 Appearance Before the Board	6
2.5 Public Records	6
2.6 Government in the Sunshine	7
2.7 Committee Meetings	7
2.8 Workshops	7
2.9 Minutes	8
Rule 3 - Rules of Procedure	
3.1 Legal Effect	8
3.2 Adoption Procedures	8
Rule 4 - <u>Plan Administration</u> /Office Personnel	
4.1 Board Employees/ <u>Independent Contractors</u>	8
4.2 Selection Standards	8
4.3 Evaluation and Compensation	9
4.4 Decision Making Authority	9
Rule 5 - Internal Procedures and Controls	
5.1 Mail	9
5.2 Expense Payments from the Fund	9
5.3 Processing of Payments for Early or Normal Retirement and Return of Contributions	10
5.4 Review of Custodial Statements	12
5.5 Rollovers to and from the Fund	12
5.6 Deferred Retirement Option Plan Rules and Processing	12

Table of Contents
Page 2

Rule 6 - Insurance

6.1	Fiduciary Insurance	13
6.2	Travel Coverage	13

Rule 7 - Relations With The District

7.1	Authority of the Board	13
7.2	Contractual Services	13
7.3	Use of the District Finance Department	13
7.4	Use of Independent Custodians	14

Rule 8 - Resolution Changes

8.1	Form of Resolution	14
8.2	Collective Bargaining	14
8.3	Appearance at District Commission Meetings	14
8.4	Actuarial Impact Studies	14

Rule 9 - Judicial Proceedings

9.1	Process	15
9.2	Dissolution of Marriage	15

Rule 10 - Investments

10.1	Hiring Investment Managers	15
10.2	Hiring Performance Monitors	15
10.3	Performance Goals and Objectives	16
10.4	Investment Standards	16
10.5	Decision Making Authority	17
10.6	Written Contracts	17
10.7	Reporting	17
10.8	Presentations by Prospective Consultants and Professionals	18
10.9	Divestiture	19
10.10	Proxy Voting	19
10.11	Declaration of Expected Annual Rate of Return	20
10.12	Investment Reports to the District	20

Rule 11 - Actuarial Services

11.1	Selection	20
11.2	Conflicts of Interest	20
11.3	Reporting	20
11.4	Setting Contribution Rates	21
11.5	Credited Service	21
11.6	Actuarial Studies for Individual Plan Members	21

Table of Contents
Page 3

Rule 12 - Accounting Services/Administrative Budget

D	12.1	Audits	21
	12.2	Conflicts of Interest	22
	12.3	Review of Internal Controls	22
	<u>12.4</u>	<u>Detailed Accounting Report</u>	<u>22</u>
	<u>12.5</u>	<u>Administrative Budget</u>	<u>22</u>

Rule 13 - Legal Services

	13.1	Selection	23
	13.2	Conflicts of Interest	23
	13.3	Privileged Communications	23
	13.4	Authority to Direct	23

Rule 14 - Claims Procedures

	14.1	Claims of Affected Persons	23
	14.2	Initial Hearing	24
	14.3	Full Hearing	25
	14.4	Conduct of the Full Hearing	28
	14.5	Disability Claims - Additional Procedures	29

Rule 15 - Confidentiality

	15.1	Extent of Confidentiality Permitted	30
	15.2	Requirement for Maintenance of Confidentiality	30
	15.3	Confidentiality of Medical Records	30

Rule 16 - Interest Calculations

	16.1	Interest Calculations	31
--	------	-----------------------	----

Rule 17 - Disability Review Procedure

	17.1	Procedure	31
--	------	-----------	----

Rule 18 - Surveillance

	18.1	Surveillance	32
--	------	--------------	----

Rule 19 - Insurance Premium Deductions

	<u>19.1</u>	<u>Insurance Premium Deduction Authorization</u>	<u>33</u>
	<u>19.2</u>	<u>Tax-Free Payment of Insurance Premiums</u>	<u>34</u>
	<u>19.3</u>	<u>Retirees Who are Eligible for the Tax-Free Payment of Qualified Insurance Premiums</u>	<u>35</u>

Rule 1 - Board of Trustees

- 1.1 Definition of Functions** – The Board of Trustees shall act as the named fiduciary of the Fund as defined by Florida law. The Board shall have the exclusive authority to operate, maintain and interpret the provisions of the state laws and local resolutions establishing and executing the investment policy of the Fund. The Trustees shall be solely responsible for the selection and retention of professional advisors to the Fund including but not limited to investment managers, performance monitors, plan administrators, attorneys, accountants, actuaries and clerical staff.
- 1.2 Definition of Fiduciary** – A fiduciary shall be defined as a person responsible for the discharge of his duties with respect to the Pension Plan solely in the interest of the participants and beneficiaries for the exclusive purpose of providing benefits to participants and their beneficiaries and defraying the reasonable expenses of administering the Plan.
- 1.3 Summary** – Trustees shall be responsible for the investment and reinvestment of the assets of the Fund; for determining all claims for retirement benefits; for exercising the sole and exclusive administration of and the proper operation of the Plan; to perform such actuarial and accounting functions as are required by law; to prepare and distribute a Summary Plan Description as provided in § 112.66, Florida Statutes to the Members of the Fund upon employment and every other year thereafter; and to fulfill all other such duties as may be required by law.
- 1.4 Establishment of Offices / Appointment of Plan Administrative Assistant** – The Board of Trustees shall elect a Chairman and Secretary every two years. The Officers shall be Trustees of the Board. The Chairman shall be responsible for the conduct of all meetings of the Board and shall have voting rights the same as any other Trustee of the Board. The Chairman shall perform such other duties as the Trustees may assign. The Trustees shall elect from among the Trustees or officers of the District with the consent of the Trustees, every two years, a Plan Administrative Assistant who shall be responsible for the keeping of minutes of the

transactions of the Board ~~and shall be the official custodian of records of the Board.~~
~~The Board may delegate to the Plan~~ **Administrative Assistant** ~~any function which~~
~~will assist the Board in carrying out its duties and responsibilities.~~ The Secretary ~~or~~
~~Plan~~ **Administrative Assistant**, together with the Chairman, shall execute all official
contracts of the Board.

1.5 Conflicts of Interest and Gifts –

- A. Conflicts of interest in voting shall be governed by the provisions of §112.3143, Florida Statutes, the Code of Ethics for Public Officials. Notwithstanding any other provision of law, no Trustee shall vote or participate in a determination of any matter in which that Trustee shall receive a special private gain except in the case of employee Trustees voting on benefits applicable to all Members of the Plan.
- B. No Trustee (or his or her spouse or minor child) shall, at any time, solicit or accept any gift (including but not limited to, food, beverages and transportation), loan, reward, promise of future employment, favor service, compensation, payment or thing of value when the Trustee understands, knows or should have known that it was given to influence a vote or other action in which the Trustee was expected to participate in his official capacity. Gifts provided directly or indirectly by a state, regional or national organization which promotes the exchange of ideas between, or the professional development of, members of that organization or staff of a governmental agency that is a member of that organization, are permitted.

1.6 Per Diem and Reimbursement – All Trustees shall be entitled to receive a per diem allowance and reimbursement for reasonable expenses incurred in conducting the business of the Fund. The Board shall establish reasonable reimbursement rates in accordance with policies of the Destin Fire Control District (“District”).

1.7 Election Procedures – The Board of Trustees shall consist of five persons, two of whom shall be Firefighters, two of whom shall be legal residents of the District

appointed by the Board of Commissioners of the District and the fifth Trustee shall be a person selected by the other four Trustees and appointed as a ministerial act by the Board of Commissioners of the District.

D
A. Firefighter Trustees – The Firefighter Trustees shall be elected from among the Members of the Fund in the Fire Department. Elections shall be by a majority vote. If no candidate receives a majority vote, a run-off election between the two top vote recipients shall be held at the earliest practical date. Elections shall be every two years, with one seat elected every two years in November preceding the expiration of the fourth year of the term. Trustees shall take office at the first meeting the following January. Employees shall be permitted to nominate themselves for office and elections may be conducted by mail-in ballot. The election shall be conducted by placement of a ballot box in the Fire Department Headquarters for a period of at least 72 hours beginning on a date to be selected by the Board. Ballots shall be counted by the Board and the winners certified by the Board. As an alternative, the Board may utilize an electronic survey method, with the election conducted by sending a ballot or survey form to each member of the plan, with results to be returned within five (5) days of the date the ballot or survey is sent. Ballots shall be counted by the Board and the winners certified by the Board.

F
B. Resident Trustees - The two (2) resident Trustees shall be legal residents of the District and shall be appointed for four (4) year terms, one every two years, by the Board of Commissioners in November or December prior to the expiration of a Trustee's term.

T
C. Fifth Trustee – The fifth Trustee of the Board shall be chosen for a four (4) year term every fourth year at the first meeting in January following the selection of the other Trustees. The fifth Trustee may or may not be a legal resident of the Destin Fire Control District and may or may not be an

employee of the District. The name of the person selected by a majority of the other Trustees shall be certified to the Board of Commissioners which shall, in accordance with state law, ratify the appointment of that person as a ministerial act.

D 1.8 Succession of Persons to Vacant Positions – Vacancies on the Board of Trustees of employee members shall be filled by special election to be conducted in the same manner as any other election. Vacancies among the resident Trustees shall be filled by the Board of Commissioners. The person selected to fill a vacancy shall fulfill only the remaining term of the vacant office. In the event of a vacancy in the fifth Trustee of the Board, the Board shall appoint a successor in the same manner as the initial selection.

1.9 Education Requirements – Each Trustee is required to attend a seminar or conference regarding Trustee duties and responsibilities and matters relating to the investment program of the Plan at least once each term. Trustees are encouraged to attend seminars or conferences more frequently in order to remain informed regarding pension issues. New Trustees are encouraged to attend within the first six months of their term. Additional rules and guidance can be found in the Education Policy adopted September 21, 2015, as amended from time to time.

1.10 Disclosure of Financial Interests – Trustees must file a statement of financial interests (Form 1) with the supervisor of elections of the county in which they permanently reside within 30 days from the date of appointment and no later than July 1 of each year thereafter.

Trustees must file a final statement (Form 1F) within 60 days after leaving their office as Trustee. The final statement shall cover the period between January 1 of the year in which the Trustee leaves office and the last day of office.

If a Trustee has not filed by July 1, the supervisor of elections is required to notify such Trustee of a grace period to file by September 1. If a statement is not filed by September 1, a fine of \$25.00 per day will be imposed up to a maximum of \$1,500.

Fines cannot be paid from the pension plan. The Trustee may also be subject to additional penalties provided for in §112.317, Florida Statutes.

Rule 2 – Meetings

2.1 Attendance at Board Meetings – The Board shall set its own schedule of meetings. Special meetings may be called by the Chairman or by a majority of Trustees. The Board shall meet at least once each quarter.

In recognition of the importance of the work of the Board, regular attendance at Board meetings is expected of all Trustees. Trustees shall only be permitted to attend meetings of the Board by teleconferencing or telephone if extraordinary circumstances exist for the Trustee's absence, as determined by the Board, and only if a quorum (3) of the Trustees is physically present at the meeting. Trustees who are permitted to remotely attend meetings shall be permitted to participate and vote at such meetings. Any Trustee who fails to attend two consecutive meetings of the Board without an excuse acceptable to the other Trustees shall be deemed to have resigned from the Board. Employee Members of the Fund who are called into the active service of the District at the time of a Board meeting shall automatically be deemed excused.

2.2 Agendas and Other Meeting Materials – A published Notice of Meeting and Agenda shall be prepared for each regular and special meeting of the Board. The Notice of Meeting and Agenda shall set forth those items upon which the Board anticipates taking action or discussing. Each agenda item shall have attached to it backup material necessary for discussion or action by the Board. Each Notice of Meeting and Agenda shall inform members of the public that should they wish to appeal any decision made by the Board that they will need a record of the proceedings and that they may need to ensure a verbatim record is taken, which includes testimony and evidence upon which the appeal is based. In addition, the Notice of Meeting and Agenda shall also include a notice to members of the public

offering to provide assistance to those who are disabled, should they need assistance in order to attend the meeting. A copy of the Notice of Meeting and Agenda shall be posted in a location in the Destin Fire Station where notices of public meetings are customarily posted. The Board must provide and post reasonable notice of all meetings. All agendas and meeting materials are public records as defined in Chapter 119, Florida Statutes.

2.3 Rules of Order – In recognition of the importance of accomplishing the objectives of the Board in a most orderly fashion, the Board may establish rules of order for the conduct of its meetings. The Board shall not, however, be bound by strict observance of the rules of parliamentary procedure unless the Board deems it in its best interest to do so.

2.4 Appearance Before the Board – As a public body, the Board has a responsibility to accommodate members of the public and Members of the Fund who wish to appear before the Board. All appearances before the Board shall be scheduled through the Secretary Plan Administrative Assistant and time limits for presentations shall not exceed fifteen minutes, unless otherwise permitted by the Board. Appearances before the Board may be in person or through a representative. All communications with the Board shall either be in writing or by personal appearance at a Board meeting.

2.5 Public Records –

A. The records of the Fund are public records as set forth in Chapter 119, Florida Statutes, except for medical records of the Fund. The Board shall maintain the confidentiality of medical records as required by law. All medical records of Members of the Fund shall be maintained separately from other records of the Board so as to ensure security of the privileged information to which the Board is privy.

B. The Board shall appoint a Records Management Liaison Officer (RMLO) in accordance with Section 257.36, Florida Statutes. The RMLO shall be the

official custodian of the records of the Board. The Board shall adopt the Florida General Records Schedule GS1-SL, as amended from time to time, and shall maintain an active and continuing program for the economical and efficient management of Board records.

- 2.6 Government in the Sunshine** – All meetings of the Board shall be conducted in accordance with the provisions of §286.011, Florida Statutes, the Government in the Sunshine Act. No Trustee shall engage in communications with another Trustee outside of a public meeting on any matter which shall ultimately be the subject of Board action. All meetings of Trustees at which official business of the Board shall be discussed shall be publicly noticed and open to the public in accordance with the law. All meetings of the Board shall be held in a location where public access is reasonably available. Regular meetings of the Board shall be held in Okaloosa County, Florida.
- 2.7 Committee Meetings** – The Board, in the conduct of its business, may choose to establish committees consisting of a lesser number of Trustees. Committees shall be appointed by the Chairman. Committees consisting of two or more Trustees shall be conducted in accordance with the Government in the Sunshine Law. Committees consisting of one Trustee shall maintain records in accordance with the Public Records Act but need not conduct its business pursuant to a publicly noticed meeting. All reports of committees shall be reduced to writing and made a part of the official records of the Board.
- 2.8 Workshops** – The Board may from time to time wish to conduct workshop meetings for the purposes of developing policies or procedures of the Board or for the review of investment data of the Board. Workshops shall be conducted in a public forum the same as any other meeting and shall have a published agenda in advance of the workshop.
- 2.9 Minutes** – Complete minutes of all meetings of the Board or a Committee shall be promptly prepared following the meeting and all minutes shall be submitted to the

Board for approval following their preparation. The minutes shall be a condensed summary of the content of the meetings as appropriate. All minutes shall be open for public inspection.

Rule 3 – Rules of Procedures

- 3.1 Legal Effect** – The Board of Trustees is authorized by law to establish rules or procedure for the operation of the Fund. No rule or regulation of the Fund may conflict with any lawful resolution, charter provision or state law.
- 3.2 Adoption Procedures** – All rules to be adopted by the Fund shall be in writing and shall be adopted by a majority vote of the Board. The Board shall review its rules and regulations on a periodic basis but not less than once a year. The rules and regulations of the Fund shall be reproduced and made available to each member of the Fund. A copy of said rules shall also be maintained at the offices of the Pension Fund and at each Fire Department station maintained by the District.

Rule 4 – Plan Administrator/Office Personnel

- 4.1 Board Employees/Independent Contractors** – The Board shall establish specific job descriptions for each classification of employee of service provided to the Board. New employees and independent contractors of the Board shall not, by virtue of their employment by the Board, be civil servants of the Destin Fire Control District and shall serve at the pleasure of the Board.
- 4.2 Selection Standards** – The Board shall establish for each classification of employee service, standards of education, experience and skills necessary for the execution of the duties of the position. The Board may delegate the initial screening process for applicants to a committee of the Board. The final decision for the employment of any person as an employee or Independent Contractor shall be determined by the Board of Trustees acting as a whole.

4.3 Evaluation and Compensation – All employees and Independent Contractors of the Board shall be evaluated periodically. Compensation shall be established by the Board of Trustees. The Board's use of the Plan Administrative Assistant, as described by Section 1.4, shall be provided by the District at no expense to the Fund.

4.4 Decision Making Authority – No employee or Independent Contractor of the Board shall have the authority to bind the Board of Trustees in any contract or endeavor without the express authority of the Board.

Rule 5 – Internal Procedures and Controls

5.1 Mail – A designee of the Board shall be responsible for opening, dating and transmitting mail. All mail received by the Board shall be dated, stamped and reviewed for any time limitations or response dates. The mail shall be placed in folders bearing the names of the recipient of the mail. Mail addressed to the Board in general and to no specific person shall be directed to a person designated by the Board. All official decisions of the Board shall be sent by mail. A “reading file” of all correspondence coming into and emanating from the Board shall be maintained on a monthly basis together with copies in any specific files as may be established. In all respects, the provisions of Chapter 119, Florida Statutes, the Public Records Act, shall be observed.

5.2 Expense Payments from the Fund –

A. Payments to professionals performing services previously by the Board or for other expenses authorized by the Board shall routinely be made prior to Board approval as follows:

- 1) Statements received for services or expenses which are not pursuant to a written agreement shall be paid, but only if such statements do not exceed \$250.00.

- 2) Statements received for services or expenses which are rendered pursuant to a written agreement shall be paid if deemed to be in accordance with the agreement.

All payments made pursuant to paragraphs (1) and (2) above shall be considered by the Board at the first meeting following such payment and approved and ratified, if appropriate.

- B. Any other payments from the Fund not described in subsection A. above shall be approved by the Board prior to such payment.
- C. Authorization for payments from the Fund shall be in writing and signed by at least two trustees of the Board or by one Trustee and the Plan Administrative Assistant.

5.3 Processing of Payments for Early or Normal Retirement and Return of Contributions —

- A. Upon receipt of an application for early or normal retirement, the Board's Plan Administrative Assistant or other Board designee shall process the application as follows:
 - 1) The application shall be reviewed for accuracy and completeness and for eligibility for benefits.
 - 2) A copy of the application and any necessary records from the District shall be forwarded to the actuary for calculation of the benefit amounts payable for the normal form and all optional forms of benefits.
 - 3) Upon receipt of the actuary's calculations, the calculations shall be presented to the Retiree and the Retiree shall make his election.
 - 4) The application shall be approved by any Trustee and shall then be provided to the Custodian along with any necessary supporting documents in order to being payments.

- 5) Copies of the Retiree's election form and the actuary's calculations shall be provided to the Board of Trustees prior to the commencement of payments or at the next meeting immediately following the commencement of payments and the Board shall review and approve the retirement benefits.
- B. Upon the termination of employment of a Member prior to his early or normal retirement date, the Board's Plan Administrative Assistant or other Board designee shall:
- 1) Determine whether the Member is vested or not vested and determine the amount of the Member's contributions.
 - 2) Inform the Member of his right to leave his contributions in the plan or withdraw his contributions. If the Member desires to withdraw his contributions, provide the Member with the necessary forms, including the appropriate Return of contributions form, the Special Tax Notice Regarding Plan Payments and the Certification of Receipt of the Special Tax Notice and the Lump Sum Distribution Election Form;
 - 3) Recommend that the Member study and complete the appropriate forms and seek tax and/or legal advice regarding his choice.
 - 4) Direct the Member to return the completed forms to the Plan Administrative Assistant or Board designee;
 - 5) Upon receipt of the properly completed forms, prepare and submit a payment request signed by any Trustee or the Plan Administrative Assistant and copies of any necessary documents to the Custodian to authorize the requested payment or rollover;
 - 6) Provide copies of all documents to the Board of Trustees prior to payment or at the next meeting immediately following the payment, for the Board to approve the payment.

- C. Pension payments should only be made as provided above. 1099-R reporting forms to Retirees must contain the proper information and codes to ensure the Retirees report the proper amounts on their personal income tax returns. In-line-of duty disability benefits shall be reported as “taxability undetermined” on 1099-R forms.

5.4 Review of Custodial Statements —

- A. Custodial reports should be monitored by the Board or its designee for disclosure of all asset inflows such as District and Member contributions, state excise tax payments, if applicable, miscellaneous citizen donations and investment income. All errors, including those involving the misclassifications of Plan revenues, e.g., recording Member contributions as District contributions, must be corrected.
- B. Custodial reports should also be monitored for all asset outflows. Asset outflows must be properly approved and verified on audit. Expenses shall be approved as provided in Rule 5.2 and Retirements and Returns of Contributions in accordance with Rule 5.3. Letters of authorization for the expenditure of funds must be issued by the Board and copies must be maintained in orderly files.

5.5 Rollovers To and From the Fund – The Fund will accept and transfer eligible cash rollover distributions to and from the Fund as permitted by local, State and Federal law. The Board may adopt appropriate forms to facilitate such rollovers.

5.6 Deferred Retirement Option Plan Rules and Processing –

- A. The Board of Trustees shall establish the procedure to begin participation for Members who are eligible to participate in the Deferred Retirement Option Plan (DROP), including the adoption of an Application/Agreement to be completed and executed by the Member prior to DROP participation. The Application/Agreement shall inform the Member of the ramifications of DROP participation and shall require the Member to acknowledge such ramifications and also acknowledge that

the Member has had the opportunity to seek independent legal/financial advice prior to DROP participation.

B. The Board of Trustees will have annual reports prepared and distributed as of each September 30th to provide each DROP member with all necessary information regarding his or her DROP account for those members electing the net plan return investment option.

Rule 6 – Insurance

- 6.1 Fiduciary Insurance** – The Trustees are authorized by law to purchase fiduciary insurance to insure members of the Board for errors and omissions at the expense of the Fund, but the Fund shall not pay to waive recourse against Trustees. A rider waiving recourse may be purchased and paid for by the District or by a Trustee.
- 6.2 Travel Coverage** – The Fund may purchase, at its expense, life and accidental death and dismemberment insurance for each Trustee who shall travel outside of Okaloosa County for the purpose of Board related business.

Rule 7 – Relations with District

- 7.1 Authority of the Board** – The Board of Trustees is an independent entity established by state law and district resolution. The Board of Trustees shall not be considered a component part of or subordinate to the Destin Fire Control District. The Board shall have exclusive control of the operation of the Fund; however, no change to the pension plan resolution may be made except by action of the State Legislature or the Board of Commissioners.
- 7.2 Contractual Services** – In the selection of contractual services, the Board shall pay particular attention to the existence of conflicts of interest when contractors are to be employed by the Board for services similar to services which the contractor also provides to the District.
- 7.3 Use of the District Finance Department** – The Board shall be authorized to utilize the services of the District for the performance of banking functions of the Board.

The District shall have not discretionary authority with regard to the utilization or direction of funds of the Board. The precise duties of the District shall be reduced to writing the same as any other contract for services entered into the Board.

- 7.4 Use of Independent Custodians** – The Board shall be authorized to use the services of any duly qualified custodian in lieu of the District Finance Department for the performance of banking functions of the Board. The custodian shall be duly licensed, insured and bonded and shall meet all of the depository requirements of Chapter 280, Florida Statutes.

Rule 8 – Resolution Changes

- 8.1 Form of Resolution** – No resolution change affecting the Pension Fund shall be presented for a vote to the Board of Commissioners unless first reviewed and approved by a majority of the Trustees in accordance with the existing law governing the Fund. All proposed resolutions shall be reviewed by the General Counsel who shall pass on the form and correctness of the resolution. All proposed resolution changes carrying an economic benefit shall be reviewed by the actuary to determine the cost as required by law.
- 8.2 Collective Bargaining** – The Board of Trustees acknowledges that it is neither an employee organization nor an employer as defined by Chapter 447, Part II, Florida Statutes. Therefore, the Board shall not engage in collective bargaining on behalf of the District or on behalf of any employee organization. The Board shall make itself available as a resource to labor organizations and the District for all matters relating to pension and retirement, if any.
- 8.3 Appearance at Board of Commissioners Meetings** – The Board of Trustees shall, through one of its members, its designee or its General Counsel, be present at all Board of Commissioners meetings where a discussion of matters of interest to the Board shall occur. The Board shall, prior to said meeting, designate an official spokesperson on behalf of the Fund.

- 8.4 Actuarial Impact Studies** – No benefit change shall occur without an actuarial impact study as required by state law. ~~All such~~ Actuarial impact studies initiated by the Board of Trustees shall be at the expense of the Fund. Actuarial studies requested by the District or the Union, if any, and authorized by the Board shall be paid for by the District or the Union, respectively.

Rule 9 – Judicial Proceedings

- 9.1 Process** – All process issued by federal or state courts to the District concerning the Pension Fund or to the Destin Fire Control District Retirement Trust Fund shall immediately upon receipt, be forwarded to the General Counsel for the Fund who shall respond thereto.
- 9.2 Dissolution of Marriage** – Upon entering into a Dissolution of Marriage, a Plan Member shall notify ~~a Trustee~~ the Plan Administrative Assistant of the Member's attorney's name, address and telephone number. The ~~Trustee~~ Plan Administrative Assistant shall then promptly provide that information to the General Counsel to the Fund.

Rule 10 – Investments

- 10.1 Hiring Investment Managers** – In recognition of the importance of professional guidance in the investment of the assets of the Fund, all investments shall be performed by qualified, professional investment managers. The investment managers shall be selected at a regular or special meeting of the Board of Trustees by a majority vote of the Board. The Board may delegate the initial screening of investment managers to a committee of the Board but no final decision shall be made except at a meeting of the Board. All proposals for investment manager services shall be presented in writing to the Board and shall be made a part of the records of the Board.

10.2 Hiring Performance Monitors – The Board shall engage at least one performance monitor who shall be responsible for reviewing the performance of the various investment managers of the Fund. The performance monitor shall report to the Board on such time schedules as the Board shall establish but not less than annually. The performance monitor shall advise the Board as to the relative performance of each investment manager as compared to the various stock, bond and cash indices as are generally accepted in the investment market place as reflective of satisfactory investment performance. The performance monitor shall recommend in writing to the Board the retention or discharge of investment managers and the reasons supporting its recommendation. At the request of the Board, the performance monitor may perform evaluation and searches for investment managers and such other services as the Board shall request be performed.

10.3 Performance Goals and Objectives – The Board shall establish performance goals and objectives for each investment manager in each class of investment and shall establish expected rates of return. The investment policy shall comply with the minimum requirements set forth in Section 112.661, Florida Statutes. The performance goals and objectives shall be reduced to writing in an Investment Policy Statement and shall be referred to in the contract between the Board and the manager. The performance goals and objectives shall be reviewed on not less than an annual basis and shall be compared to the actual performance of an investment manager to determine compliance with the goals and objectives set by the Board. All Investment Policy Statements and amendments thereto shall immediately be provided to the District, the Department of Management Services and to the Board's actuary

10.4 Investment Standards – The Board shall establish written investment standards in the Investment Policy Statement. The standards shall set forth the distribution of the Fund between equities, fixed income, cash and cash equivalents, real estate and other forms of lawful investment. The standards shall set forth the relative percentages of

the Fund to be distributed to each investment vehicle and shall establish permissible risk factors. Each investment manager shall subscribe to the Investment Policy Statement setting forth the written investment standards and performance goals and objectives of the Fund and the Investment Policy Statement shall be incorporated into each investment manager contract by reference.

10.5 Decision Making Authority – The Board of Trustees shall determine the retention or discharge of any investment manager or performance monitor. The Board shall also establish the amount of funds to be entrusted to any investment manager and shall determine when funds shall be withdrawn and investments terminated. The Trustees shall not, however, participate in the selection of individual stocks, bonds or cash funds as that shall be the responsibility of the investment manager within the context of the performance goals and objectives and investment standards established by the Board.

10.6 Written Contracts – Each investment manager shall enter into a written contract with the Board. Each contract shall include an acknowledgment by the investment manager that it is familiar with the resolutions of the District and the provisions of Chapters 112 and 175, Florida Statutes. The contracts shall also provide that the investment manager shall make no purchases which are prohibited by law and in the event such purchase is made, shall make the Fund whole for any loss incurred in the divestiture of said investment. The contract shall also provide that the laws of Florida shall govern and that venue for any legal action shall be in Okaloosa County, Florida. All written contracts shall set forth a specific duration, but in no event shall any contract be terminable on less than 30 days written notice. Each contract shall set forth with specificity the fees charged by the investment manager to the Fund. All investment manager contracts shall further set forth that the investment manager is registered as an investment advisor (if such registration is legally required) and is otherwise qualified by law to engage in the management of the assets which are the subject of the contract. All written contracts shall be reviewed by the General

Counsel to the Fund who shall approve the form and correctness of each such contract. All written contracts shall be executed by the Chairman and Secretary of the Board.

10.7 Reporting – All investment managers and performance monitors of the Fund shall report on not less than an annual basis. The investment managers and monitors may, however, be directed by the Trustees to report on a more frequent basis. All such reports shall be in writing and shall be presented in person by a representative of the investment manager or performance monitor who has authority to make discretionary decisions with regard to the Trust's account and to settle claims and disputes arising from the contract. All such investment managers and performance monitors shall make these presentations in person at a regular meeting of the Board and shall bear their own costs and expenses in traveling to Board meetings. The performance monitors shall attend at least an annual meeting of the Board when requested and shall report, in writing, the progress of each investment manager. The performance monitor shall also make written recommendations regarding retention of or change in investment managers or recommended changes in investment policy.

10.8 Presentations by Prospective Consultants and Professionals – In recognition of the limited time resources of the Board, presentations of prospective investment managers, performance monitors, custodians or other prospective professional advisors shall only be by written invitation of the Board. The Board shall maintain records of such prospective managers, monitors, custodians and other professionals to be reviewed by the Board in the event the Board wishes to consider adding or making a change in its current manager, monitor, custodian or other professional. In the event the Board elects to consider retaining a new manager, monitor, custodian or other professional, prospective applicants, including those applicants who had previously provided information to the Board, may be contacted and provided with a Request for Proposal. The Board or a committee appointed by the Board may conduct the initial screening of applicants by reviewing the proposals received in

response to the Requests for Proposals. The Board may then schedule personal presentations by a “short-list” of qualified applicants.

The Board may also decide to retain managers, monitors, custodians and other professionals by utilizing any other method which the Board deems to be prudent under the circumstances.

10.9 Divestiture – No divestiture of any asset of the Fund shall be made for any reason other than fulfillment of the fiduciary obligations of the Fund, or Compliance with State Law.

10.10 Proxy Voting – The Trustees shall be responsible for exercising all proxies on equities held by the Fund. The Trustees shall comply on a voluntary basis with the standards of the Employee Retirement Income Security Act of 1974 in the voting of proxies. The Board shall, by contract or other written agreement, give all investment managers proxy voting responsibility and the Trustees shall monitor the voting of the managers.

The Trustees (along with the United States Department of Labor) do not consider the following practices by investment management firms with proxy voting responsibility to be consistent with their fiduciary responsibility:

- A. Declining to vote proxies;
- B. Voting proxies exclusively for management without analysis of the underlying issues;
- C. Permitting negligent or inaccurate record-keeping regarding proxy voting;
- D. Accepting directions from other parties;
- E. Permitting the absence of policies or procedures to assure the proper exercise of this fiduciary responsibility.

Any significant proxy items and the vote by an investment manager shall be reported in writing to the Trustees. Records of all proxy votes shall be maintained and made available to the Trustees or any agents acting in their behalf. All such records shall be maintained in accordance with the Florida Public Records Act.

It shall be the primary responsibility of investment managers acting on behalf of the Board to vote all proxies to enhance the value of the Fund assets. All tender offers shall be treated in the same manner with regard to record-keeping and asset enhancement.

10.11 Declaration of Expected Annual Rate of Return – For each actuarial valuation, the Board shall seek the advice of its investment professionals and the actuary and then the Board shall determine the total expected annual rate of investment return for the current year, for each of the next several years and for the long term thereafter. This determination must be filed promptly with the Department of Management Services, with the District and with the Board's actuary.

10.12 Investment Reports to the District – The Board shall prepare annual fiscal year end reports for submission to the District, District Board of Fire Commissioners, which shall include the investments in the portfolio by class or type, book value, income earned and market value as of the end of the fiscal year.

Rule 11 – Actuarial Services

11.1 Selection – The Board of Trustees shall retain at all times the services of an enrolled actuary. An enrolled actuary shall mean an actuary who is enrolled under Subtitle C of Title III of the Employment Retirement Income Security Act of 1974 and who is a member of the Society of Actuaries or the American Academy of Actuaries. Competitive bidding shall not be required in the selection of actuaries.

11.2 Conflicts of Interest – In order to avoid conflicts of interest in the delivery of actuarial services, the Board shall not retain actuaries who are employed by the District, unless the Board is determined to be the client by a separate engagement letter or contract.

11.3 Reporting – The actuary shall report to the Board on not less than a bi-annual basis so that the Board may establish the adequacy of employer and employee contribution rates. Valuations shall be done at least every three years. No proposed change in

retirement benefits shall be made without an actuarial determination of the cost impact of the change. All actuarial reports shall be in accordance with the provisions of Section 112.63, Florida Statutes.

- 11.4 Setting Contribution Rates** – Pursuant to the resolutions of the District, the Board is solely responsible for establishing the contribution rates of the District. The District contribution rate shall be established following an analysis of the adequacy of employee contributions, contribution from the State of Florida Insurance Rebate Program and investment earnings of the Fund. The amount of the District contribution shall be certified in writing to the Board of Commissioners in accordance with the provisions of the District resolution.
- 11.5 Credited Service** – For purposes of actuarial calculations involving credited service, fractional parts of years shall be defined as completed months.
- 11.6 Actuarial Studies for Individual Plan Members** – Each vested Plan Member shall be entitled, at the Fund's expense, to receive two actuarial studies to estimate his or her retirement benefits. Any additional studies shall be provided only at the Member's expense. Benefit calculations for terminated vested persons shall be performed by the actuary immediately upon termination.

Rule 12 – Accounting Services/Administrative Budget

- 12.1 Audits** – The Fund shall cause to be made not less than on an annual basis an independent audit of the assets and liabilities of the Fund. Financial reporting should be made in accordance with generally accepted accounting standards. If the Fund has less than \$100,000 in assets, the Board may substitute a certified statement of accounting for the independent audit.
- A. All postings from the custodial statements to the Plan's working trial balance should be in accordance with the Board's general and/or specific authorizations.

- B. All transactions recorded in the custodial statements should be analyzed, summarized and accurately posted to the correct trial balance accounts in the correct time period.
- C. All adjustments, deductions or write-offs of account balances should be calculated, summarized and recorded in the correct period.
- D. All postings to the working trial balance should be supported by and reference to adequate, authorized documentation.

12.2 Conflicts of Interest – In order to avoid conflicts of interest, the Board shall not retain auditors who are employed by the District unless the Board shall be determined to be the client by separate engagement letter or contract.

12.3 Review of Internal Controls – The policies and procedures provided for in these Operating Rules and Procedures shall be reviewed by the independent certified public accountant as part of the financial audit to determine the effectiveness of such controls to prevent losses of funds which might arise from fraud, error, misrepresentation by third parties, or imprudent actions by the Board or employees of the District.

12.4 Detailed Accounting Report – The Board of Trustees shall provide a detailed accounting report of its expenses for each fiscal year to the District and the Department of Management Services and make the report available to each member of the plan, and post the report on the Board's website, if the Board has a website. The report must include all administrative expenses that, for purposes of this subsection, are expenses relating to any legal counsel, actuary, Plan Administrative Assistant, and all other consultants, and all travel and other expenses paid to or on behalf of the members of the Board of Trustees, or anyone else on behalf of the plan.

12.5 Administrative Budget – The Board of Trustees shall adopt and operate under an administrative expense budget for each fiscal year, provide a copy of the budget to the District, and make available a copy of the budget to plan members before the beginning the fiscal year. If the Board of Trustees amends the administrative

expense budget, the Board must provide a copy of the amended budget to the District and make available a copy of the amended budget to plan members.

Rule 13 – Legal Services

- 13.1 Selection** – The Board shall select and appoint a General Counsel who shall be licensed to practice law in the State of Florida. The General Counsel shall have demonstrated competence in the area of public employee retirement systems in the State of Florida and shall have been practicing law for not less than ten years. Competitive bidding is not required in the selection of legal services.
- 13.2 Conflicts of Interest** – In recognition of the requirement that attorneys be independent in their judgment as set forth in the Code of Professional Responsibility, no attorney may serve as General Counsel who is also performing legal services on the part of the District or who otherwise engages in any legal services which the Board deems to be in conflict with its interests.
- 13.3 Privileged Communications** – In all dealings between its General Counsel and the Board, the Board shall be deemed the client rather than any individual Trustee of the Board. All communications between the Board and its General Counsel shall be privileged communications except where otherwise governed by the Government in the Sunshine Law.
- 13.4 Authority to Direct** – The attorney shall take direction from the Board of Trustees as may be given at the various meetings of the Fund. In between meetings of the Board, direction to the attorneys shall be given by the Chairman or other person directed by the Board. All files of the General Counsel to the Fund shall be open for inspection by any Trustee.

Rule 14 – Claims Procedures

14.1 Claims of Affected Persons –

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- A. The Board of Trustees shall grant an initial hearing upon receipt of a written request (“Claim”), on matters which affect the substantial rights of any person (“Claimant”), including Members, Retirees, Beneficiaries, or any person affected by a decision of the Board of Trustees.
 - B. The Board shall review the Claim at an initial hearing and enter an order within ~~ninety (90)~~ one hundred eighty (180) days from the date of receipt of the Claim and, in the case of disability claims, receipt by the Board of a written medical release authorization in a form approved by the General Counsel and a completed set of interrogatories prepared by the General Counsel and provided to the Claimant. The Board may extend the time for entering the order at an initial hearing for an additional ninety (90) days if it determines such time is necessary for full discovery and adequate review. The General Counsel and the Claimant may stipulate to further extensions of time.
 - C. It shall be the function of the General Counsel, throughout the claims procedure, to assist the Board in the discovery and presentation of evidence in order to assure that the Board receives all relevant information prior to the Board’s decision.
 - D. The Claimant shall have the right to be represented by counsel at any or all times throughout the claims procedure.

14.2 Initial Hearing –

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- A. At the initial hearing, the only evidence to be considered by the Board shall be documentary evidence contained in the pension file, including, but not limited to, correspondence, medical records and reports of treating physicians and/or examining physicians and evidence received pursuant to paragraph B.

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- B. Other than questions from the Trustees, there will be no taking of additional evidence at the initial hearing, except that the Claimant will be afforded fifteen (15) minutes to make a presentation, which shall be limited to comments and/or arguments as to the evidence or information already contained in the pension file, including the report of the examining physician.
 - C. Upon completion of the review of the Claim at the initial hearing, the Board shall enter an order setting forth its findings and conclusions on the Claim. The written order shall be provided to the Claimant. The order shall include:
 - 1) The specific findings and conclusions of the Board, including specific references to pertinent provisions of the System on which such conclusions are based;
 - 2) A description of any additional material or information that the Board may deem necessary for the Claimant to perfect his Claim, together with the reasons why such material or information is necessary; and
 - 3) An explanation of the right to a full hearing on the Claim and the time limit in which a full hearing must be requested in writing.
 - D. The decision of the Board at the initial hearing shall not be final until after the time has expired to request a full hearing or, if a full hearing is requested, until the Board makes a decision at the conclusion of the full hearing.

14.3 Full Hearing –

- A. Any Claimant may request a full hearing on the issues presented to the Board at an initial hearing and upon which the Board has entered an order as provided in subsection 2.C. above.
- B. A full hearing must be requested by the Claimant within ninety (90) days of the receipt of the Board's order. The order will be deemed received three (3) days following the date it is mailed to Claimant at the address provided to the Board by Claimant.

- C. Upon receipt of the request for a full hearing and considering the amount of discovery which might be conducted, the Board shall establish a date for the full hearing and cause notice to be given to the Claimant. The full hearing shall be held within ninety (90) days from the receipt of the request from the Claimant. The full hearing may be postponed, if necessary and with the consent of the Claimant, to permit full discovery of the facts.
- D. Copies of all documents to be offered into evidence at the full hearing, including depositions, and a complete witness list with names and addresses of witnesses expected to be called, shall be furnished to the Board and the General Counsel by the Claimant at least twenty (20) days prior to the full hearing. Documents not furnished to the Board within the prescribed time limit may be excluded from evidence at the full hearing if a reasonable explanation is not provided for the delay in providing the documents.
- E. A Claimant or the General Counsel may obtain discovery by deposition and/or interrogatories prior to the full hearing. Written notice of any depositions and/or interrogatories shall be given to the General Counsel and the Claimant.
- F. The costs of any discovery, except discovery requested by the Board or the General Counsel, the appearance of witnesses at the hearing, and the making of a verbatim record of the proceedings shall be the responsibility of the Claimant.
- G. The Claimant shall be responsible for the appearance of any witnesses which he wishes to have testify at the hearing. The Board shall, however, have the power to subpoena and require the attendance of witnesses and the production of documents for discovery prior to and at the proceedings provided for herein. The Claimant may request in writing the issuance of subpoenas by the Board. A reasonable fee may be charged for the issuance of any subpoenas not to exceed the fees set forth in Florida Statutes.

- H. Testimony at the full hearing may be submitted in the form of a deposition. Since it will give the Board more time for review and consideration, the Board prefers that testimony be submitted by deposition. Depositions timely submitted will be part of the record before the Board at the full hearing and will not be read in totality at the full hearing; provided however, that this does not preclude the Claimant or the General Counsel from reading parts of depositions in an opening or closing statement.
- I. Irrelevant and unduly repetitious evidence shall be excluded.
- J. Any person who knowingly gives false testimony is guilty of a misdemeanor of the first degree, punishable as provided in Sections 775.082 or 775.083, Florida Statutes.
- K. The file maintained by the Board, including but not limited to various medical reports therein, is part of the record before the Board at the full hearing.
- L. All proceedings of the Board shall be conducted in public.
- M. In cases concerning an application for pension benefits, including applications for disability retirement benefits, the burden of proof, except as otherwise provided by law, shall be on the Claimant seeking to show entitlement to such benefits.
- N. In cases concerning termination of pension benefits including re-examination of Retirees receiving disability retirement benefits, the burden of proof shall be on the Board.
- O. Except as to those records which are exempted from the provisions of Chapter 119, Florida Statutes, Florida's Public Record Law, records maintained by the Board are open for inspection and/or copying during normal business hours at a reasonable cost for the copying.
- P. Should a Claimant requesting an initial or full hearing decide to appeal any decision made by the Board, with respect to any matter considered at such

hearing, the Claimant requesting an initial or full hearing will need a record of the proceedings and may need to assure that a verbatim record of the proceeding is made. The Claimant requesting an initial or full hearing will be responsible for obtaining a court reporter or otherwise making a record of the proceedings before the Board.

- Q. The decisions of the Board after the requested full hearing shall be final and finding.
- R. Within fifteen (15) days after making a decision at the full hearing, the Board shall enter a final order setting forth its findings and conclusions and a copy of the order shall be provided to the Claimant.
- S. Judicial review of decisions of the Board shall be sought by the filing of a timely petition for writ of certiorari with the Clerk of the Circuit, in the appropriate county.

14.4 Conduct of the Full Hearing –

- A. The Chairman shall preside over the hearing and shall rule on all evidentiary, procedural, and other legal questions that arise during the hearing. The Chairman's rulings shall stand unless overruled by a majority of the Trustees present. The Chairman shall open the full hearing by explaining the procedures to be following.
- B. The Claimant shall have the right to be represented by counsel or be self-represented. The General Counsel shall advise the Board.
- C. The Claimant shall be allowed to make an opening statement not to exceed ten (10) minutes.
- D. Testimony of witnesses shall be under oath or affirmation. Depositions or affidavits shall be admissible.
- E. The Chairman, any Trustee, the General Counsel, the Claimant or the Claimant's counsel, upon recognition by the Chairman, may direct questions to any witness during the proceedings.

- F. Either the claimant or the General Counsel shall have the right to present evidence relevant to the issues, to cross examine witnesses, to impeach witnesses and to respond to the evidence presented.
- G. The Claimant shall be permitted a closing argument not to exceed fifteen (15) minutes.
- H. The Board shall deliberate and make a decision following closing argument and thereafter enter an order as provided herein.

14.5 Disability Claims – Additional Procedures –

- A. All applications for disability pensions shall be in writing. Forms for such applications may be provided by the Board.
- B. Upon receipt of the application for disability, the General Counsel will provide the Claimant with a set of interrogatories or questions to be answered under oath and a medical release authorization. Both documents will be completed by the Claimant and returned to the General Counsel.
- C. Upon receipt of the properly completed interrogatories and medical release authorization, the General Counsel will request medical records from all relevant treating physicians; personnel records from the employer, copies of relevant workers' compensation records, and copies of other records deemed to be relevant to the Claim. The Board shall pay, from the Fund, the cost of any medical examinations required by the Board and for copies of medical records.
- D. The General Counsel will, if authorized by the Board, upon receipt of the medical records from the treating physicians, schedule an independent medical examination (IME) or examinations with an appropriate independent examining physician or physicians who will be asked to render an opinion about Claimant's physical condition as it relates to the claimed disability.
- E. Upon receipt of the IME report or reports from the examining physician or physicians, the General Counsel will provide all records of treating

physicians, relevant workers' compensation claims records, the independent medical evaluation, and all other relevant documents to the Board for inclusion in the pension file and the Board shall then schedule the initial hearing.

Rule 15 – Confidentiality

15.1 Extent of Confidentiality Permitted – ~~§119.071(4)(d)2.(b), Florida Statutes;~~ provides that the home addresses, telephone numbers, dates of birth and photographs of Firefighters certified in compliance with §633.35, Florida Statutes; the home addresses, telephone numbers, photographs, dates of birth and places of employment of the spouses and children of such Firefighters and the names and locations of schools and day care facilities attended by the children of such Firefighters are exempt from the public records provisions of Section 119.07(1), Florida Statutes; ~~§§119.071(4)(d)2.b. and 119.071(4)(a), Florida Statutes,~~ provide that the social security numbers, home addresses, telephone numbers, dates of birth and photographs of Firefighters certified in compliance with §633.408, Florida Statutes; the home addresses, telephone numbers, photographs, dates of birth and places of employment of the spouses and children of such Firefighters and the names and locations of schools and day care facilities attended by the children of such Firefighters are exempt from the public records provisions of Section 119.07(1), Florida Statutes.

15.2 Requirement for Maintenance of Confidentiality – The Board will maintain the information specified in 15.1 as confidential if it receives from a Member or the District, a written request to maintain confidentiality.

15.3 Confidentiality of Medical Records –

A. §112.08(7), Florida Statutes is an exemption of medical records and medical claims records from the public records requirements of §119.07(1), Florida Statutes and such records are thus confidential.

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- B. This exemption provides that the Board shall not furnish such records to any person except the employee or his legal representative without written authorization from the employee or, unless otherwise prohibited by law, it receives a subpoena issued in a civil or criminal action from a court of competent jurisdiction where the party seeking the records gave proper notice to the employee or his legal representative.
 - C. Since, under Government in the Sunshine, trustees can only discuss issues involving medical records of an employee in a public meeting, such an authorization should be signed by an employee prior to discussion by the Board. Upon consideration of the medical records at a public Board meeting, such records then become subject to disclosure in the same manner as any other public record.

Rule 16 – Interest Calculations

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- 16.1 Interest Calculation.** – To the extent permitted by law, the interest calculation for the purchase of Credited Service, if not otherwise provided for in the resolution, shall be the greater of the actual interest earned on plan investments or the actuarially assumed rate of investment return.

Rule 17 – Disability Review Procedure

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- 17.1 Procedure** – The Board shall periodically review the status of disability Retirees who may be eligible to return to employment with the Destin Fire Control District as a firefighter in accordance with the following:
- A. A disability affidavit on a form adopted by the Board shall be filed with the Board at least once each year. Failure to file the affidavit shall result in a suspension of disability benefits.
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- B. Upon receipt of the affidavit, the Board shall determine whether the disability Retiree continues to be entitled to receive disability benefits pursuant to the terms of the pension plan.
- C. If the Board determines that the disability Retiree is still disabled, the disability benefits shall continue to be paid.
- D. If, after review of the affidavit, the Board is unable to determine whether the disability Retiree continues to be disabled, the Board shall make further inquiry as necessary.
- E. Such inquiry may include job availability and medical ability to perform duty. If the Board determines that a firefighter position appropriate for assignment may be available, and the disability Retiree may be able to perform duty in such position, an independent medical examination or examinations shall be performed at the Board's expense by a physician or physicians selected by the Board. A job description and physical or psychological requirements necessary to perform the position shall be provided to the independent medical examiner(s).
- F. After receipt of the report or reports of the independent medical examiner(s), other medical evidence and determination of job availability, the Board shall determine whether disability benefits shall continue.

Rule 18 – Surveillance

- 18.1 Surveillance** – Any Trustee who has reason to believe that a disability Retiree may be recovered from his disability and again able to perform useful and efficient service as a Firefighter and who further reasonably believes that surveillance of the Retiree, including the production of video tapes of the Retiree, will help to establish the fact of the recovery, may authorize the Board's General Counsel to arrange for such surveillance. Surveillance of disability applicants may also be authorized by any Trustee who reasonably believes that such surveillance will assist the Board in

determining an applicant's ability to perform useful and efficient service as a firefighter. The cost of any surveillance by any Trustee shall not exceed \$3,000.00.

Rule 19 – Insurance Premium Deductions

19.1 Insurance Premium Deduction Authorization

- A. As permitted by Florida Statute 175.061(7), upon the retiree's written request, the Board of Trustees hereby authorizes the Plan Administrative Assistant or Board designee to withhold from a retiree's monthly retirement payment those funds that are necessary to pay premiums for certain insurance policies.
- B. Any retiree requesting such deduction under this policy shall be required, as a pre-requisite, to be receiving the payment of his monthly retirement benefits via direct deposit.
- C. In order to participate in premium payments under this policy, the retiree shall be required to complete and submit all such forms as may be required to effectuate this benefit by the Board of Trustees, pension office, Plan Administrative Assistant, plan custodian, and insurance carriers.
- D. Requests to begin such deductions shall be effective as soon as reasonably possible. Once elected, benefits deductions shall continue until such time as the retiree deceases or submits a termination request form to the Plan Administrative Assistant or Board designee. Request for termination of deductions under this policy must be on a form obtained from the Plan Administrative Assistant or Board designee and shall be effective as soon as reasonably possible.
- E. A retiree requesting a deduction under this policy shall be required to have such deduction be made in an amount to cover the total premium for all eligible insurance benefits. Partial premium payments may not be made through the use of pension funds and individual premiums may not be paid by separate means.

- F. Any insurance premiums paid in accordance with this policy shall be paid on a regularly recurring schedule.
- G. Premium payments made under this policy may only be made in equal monthly installments for each benefit year or the remainder of any benefit year as the case may be.

19.2 Tax-free Payment of Insurance Premiums – While participating in premium deductions under this policy, retired firefighters, as defined in Rule 19.3 below, may designate that a portion of their premiums for eligible health insurance or other qualified health insurance premiums as specified by the Pension Protection Act of 2006 (PPA) be paid on a tax free basis up to \$3,000.00 annually (or the then current IRS allowable limits).

- A. The pension plan custodian must make the premium payment payable directly to the provider of the qualified health insurance.
- B. Retirees cannot receive any such tax free amounts as reimbursements.
- C. This eligibility does not extend to joint annuitants, survivor annuitants, or beneficiaries.
- D. Tax free payments may not be made on a lump sum basis but rather must be paid in level monthly installments during the benefit year or remainder thereof.
- E. All qualified insurance premiums will accumulate as they are paid during the taxable year until the maximum tax free benefit is achieved. After that, monthly group insurance benefit premiums will continue to be deducted on an after tax basis.
- F. Participants shall be required to sign an agreement and certify that they are eligible retired firefighters and that they are not having tax free deductions for qualified health insurance premiums taken from any other retirement benefit plan.

- G. Once a retiree requests to participate in the tax free provisions of this policy, such election shall remain in effect continuously until revoked in writing and in compliance with all requirements of this policy.
- H. A retiree may only use the tax free provisions of this policy to defray the actual costs of purchasing qualified insurance products. Tax free pension annuity deductions for qualified health insurance premiums may not be made in excess of the actual monthly insurance premiums due.

19.3 Retirees Who Are Eligible for the Tax-free Payment of Qualified Insurance Premiums – In order to be eligible for coverage under the pre-tax policy, the retiree must be a retired "public safety officer" as defined by 42U.S.C. 3796b(9)(A) and must meet all of the following conditions:

- A. Must have been a Firefighter at the time of separation from employment.
- B. Must have retired from District service as a Normal Retirement or Disability Retirement. Persons receiving terminated vested benefits are not eligible.
- C. Must be receiving a monthly retirement benefit from the Pension Fund.

transactions of the Board ~~and shall be the official custodian of records of the~~

The Board may delegate to the Plan Administrative Assistant any function which will assist the Board in carrying out its duties and responsibilities. The Secretary or

~~other Trustee Plan Administrative Assistant~~, together with the Chairman, shall execute all official contracts of the Board.

1.5 Conflicts of Interest and Gifts –

- A. Conflicts of interest in voting shall be governed by the provisions of §112.3143, Florida Statutes, the Code of Ethics for Public Officials. Notwithstanding any other provision of law, no Trustee shall vote or participate in a determination of any matter in which that Trustee shall receive a special private gain except in the case of employee Trustees voting on benefits applicable to all Members of the Plan.
- B. No Trustee (or his or her spouse or minor child) shall, at any time, solicit or accept any gift (including but not limited to, food, beverages and transportation), loan, reward, promise of future employment, favor service, compensation, payment or thing of value when the Trustee understands, knows or should have known that it was given to influence a vote or other action in which the Trustee was expected to participate in his official capacity. Gifts provided directly or indirectly by a state, regional or national organization which promotes the exchange of ideas between, or the professional development of, members of that organization or staff of a governmental agency that is a member of that organization, are permitted.

1.6 Per Diem and Reimbursement – All Trustees shall be entitled to receive a per diem allowance and reimbursement for reasonable expenses incurred in conducting the business of the Fund. The Board shall establish reasonable reimbursement rates in accordance with policies of the Destin Fire Control District (“District”).

1.7 Election Procedures – The Board of Trustees shall consist of five persons, two of whom shall be Firefighters, two of whom shall be legal residents of the District

- 2) Statements received for services or expenses which are rendered pursuant to a written agreement shall be paid if deemed to be in accordance with the agreement.

All payments made pursuant to paragraphs (1) and (2) above shall be considered by the Board at the first meeting following such payment and approved and ratified, if appropriate.

- B. Any other payments from the Fund not described in subsection A. above shall be approved by the Board prior to such payment.
- C. Authorization for payments from the Fund shall be in writing and signed by at least two trustees of the Board ~~or by one Trustee and the Plan Administrative Assistant.~~

5.3 Processing of Payments for Early or Normal Retirement and Return of Contributions —

- A. Upon receipt of an application for early or normal retirement, the Board's Plan Administrative Assistant or other Board designee shall process the application as follows:
 - 1) The application shall be reviewed for accuracy and completeness and for eligibility for benefits.
 - 2) A copy of the application and any necessary records from the District shall be forwarded to the actuary for calculation of the benefit amounts payable for the normal form and all optional forms of benefits.
 - 3) Upon receipt of the actuary's calculations, the calculations shall be presented to the Retiree and the Retiree shall make his election.
 - 4) The application shall be approved by any Trustee and shall then be provided to the Custodian along with any necessary supporting documents in order to being payments.

- 5) Copies of the Retiree's election form and the actuary's calculations shall be provided to the Board of Trustees prior to the commencement of payments or at the next meeting immediately following the commencement of payments and the Board shall review and approve the retirement benefits.

B. Upon the termination of employment of a Member prior to his early or normal retirement date, the Board's Plan Administrative Assistant or other Board designee shall:

- 1) Determine whether the Member is vested or not vested and determine the amount of the Member's contributions.
- 2) Inform the Member of his right to leave his contributions in the plan or withdraw his contributions. If the Member desires to withdraw his contributions, provide the Member with the necessary forms, including the appropriate Return of contributions form, the Special Tax Notice Regarding Plan Payments and the Certification of Receipt of the Special Tax Notice and the Lump Sum Distribution Election Form;
- 3) Recommend that the Member study and complete the appropriate forms and seek tax and/or legal advice regarding his choice.
- 4) Direct the Member to return the completed forms to the Plan Administrative Assistant or Board designee;
- 5) Upon receipt of the properly completed forms, prepare and submit a payment request signed by any ^{two} Trustee ~~or the Plan Administrative Assistant~~ and copies of any necessary documents to the Custodian to authorize the requested payment or rollover;
- 6) Provide copies of all documents to the Board of Trustees prior to payment or at the next meeting immediately following the payment, for the Board to approve the payment.

Approval of Invoices

Date	Payee	Description	Amount
10/31/2016	Christiansen & Dehner, P.A.	Legal Services for the month of October 2016	\$122.70
11/30/2016	Christiansen & Dehner, P.A.	Legal Services for the month of November 2016	\$1,032.92
12/29/2016	The Bogdahn Group	Consulting services and performance evaluation for October, November, and December 2016	\$4,750.00
01/15/2017	Salem Trust	Fee Invoice for Period of 10/1/2016 to 12/31/2016	\$2,208.09
1/31/2017	Christiansen & Dehner, P.A.	Legal Services for the month of January 2017	\$1,227.00
2/15/2017	Foster & Foster	Various services through February 15, 2016	\$11,870.00
3/2/2017	Florida Public Pension Trustees Association	2017 Active Membership – Pension Boards	\$600.00

Christiansen & Dehner, P. A.

63 Sarasota Center Boulevard
Suite 107
Sarasota, FL 34240-

NOV 18 2016

941-377-2200
Phone

941-377-4848
Fax

October 31, 2016

Destin Fire Control District
848 Airport Road
Destin, FL 32541
ATTN: Plan Administrator

Invoice Number

In Reference To: Fire Pension Fund

9310

29608

Professional Services

	Hours	Amount
10/13/2016 Review of correspondence.	0.10	40.90
10/19/2016 Telephone conference with K. Wagner re: pre-retirement death:	0.20	81.80
For professional services rendered	0.30	\$122.70
Previous balance		\$3,237.76
Accounts receivable transactions		
11/9/2016 Payment - thank you. Check No. 26602		(\$790.64)
Total payments and adjustments		(\$790.64)
Balance due		\$2,569.82

** Please note that the "Balance Due" figure at the end of this bill reflects both "Total New Charges - Current Period" and any previous balances due. In most cases, if the previous balance(s) have already been approved for payment but not yet received in our office, you should be paying only the "Total New Charges - for services and/or expenses". Thank you.

Current	30 Days	60 Days	90 Days	120+ Days
\$122.70	\$2,447.12	\$0.00	\$0.00	\$0.00

Please indicate account number(s) with payment.
(Please Deduct any payments not reflected in Balance due)

✓A

Christiansen & Dehner, P. A.

63 Sarasota Center Boulevard
Suite 107
Sarasota, FL 34240-

DEC 19 2016

941-377-2200
Phone

941-377-4848
Fax

November 30, 2016

Destin Fire Control District
848 Airport Road
Destin,, FL 32541
ATTN: Plan Administrator

Invoice Number

In Reference To: Fire Pension Fund

9310

29736

Professional Services

	Hours	Amount
11/15/2016 Telephone conference with B. Lindsley.	0.10	40.90
11/28/2016 Travel Time	0.90	184.05
Preparation and attendance at Board Meeting.	1.70	695.30
For professional services rendered	2.70	\$920.25

Additional Charges :

	Qty	
11/28/2016 Car Expense	1	3.70
Food Expense	1	9.48
Hotel Charge	1	34.28
Airport Parking	1	4.11
Airfare	1	40.80
Rental Car	1	20.30
Total additional charges		\$112.67

PAYMENT OK _____

HOLD PAYMENT _____

CODE _____

APPROVED BY _____

DATE _____

Total amount of this bill

\$1,032.92

Previous balance

\$2,569.82

Accounts receivable transactions

11/28/2016 Payment - thank you. Check No. 26825

(\$2,447.12)

Total payments and adjustments

(\$2,447.12)

✓A

Balance due

Amount\$1,155.62

** Please note that the "Balance Due" figure at the end of this bill reflects both "Total New Charges - Current Period" and any previous balances due. In most cases, if the previous balance(s) have already been approved for payment but not yet received in our office, you should be paying only the "Total New Charges - for services and/or expenses". Thank you.

**Please indicate account number(s) with payment.
(Please Deduct any payments not reflected in Balance due)**

✓A



4901 Vineland Rd Suite 600 Orlando, FL 32811

Invoice

Date	Invoice #
12/29/2016	20063

Bill To

Destin Fire Control District
Firefighters' Retirement
Trust Fund
848 Airport Road
Destin, FL 32541

Description	Amount
Consulting services and performance evaluation billed quarterly (October, 2016)	1,583.33
Consulting services and performance evaluation billed quarterly (November, 2016)	1,583.33
Consulting services and performance evaluation billed quarterly (December, 2016)	1,583.34
It is our pleasure to provide 100% independent investment consulting advice!	
Balance Due	\$4,750.00

✓
15



January 15, 2017

Destin Fire Control District
Kathryn Wagner
848 Airport Road
Destin, FL 32541

Fee A/C #3040001495
Destin Fire

Fee Invoice for Period		October 1, 2016	to	December 31, 2016
Total Market Value for Fund:		\$14,720,629.86		
Detail of Calculation:				
Market Value		Basis Point Rate	Annual Fee	Quarterly Fee
\$14,720,629.86		0.0006	\$8,832.38	\$2,208.09
			Minimum Fee	\$0.00
TOTAL				\$2,208.09

If you have any questions, please contact Mark Rhein at 877-382-5268

✓
A

Christiansen & Dehner, P. A.

FEB 21 2017

63 Sarasota Center Boulevard
Suite 107
Sarasota, FL 34240-

941-377-2200
Phone

941-377-4848
Fax

January 31, 2017

Destin Fire Control District
848 Airport Road
Destin,, FL 32541
ATTN: Plan Administrator

Invoice Number

In Reference To: Fire Pension Fund

9310

29991

Professional Services

	<u>Hours</u>	<u>Amount</u>
1/5/2017 Preparation of further revisions to Operating Rules and Procedures.	0.60	245.40
1/12/2017 Telephone conference with J. Franken.	0.40	163.60
1/24/2017 Review and respond to e-mail from K. Wagner.	0.40	163.60
1/31/2017 Preparation of Administrative Forms PF-27, PF-28 and PL-6; revision to Administrative Forms Table.	0.60	245.40
Preparation of Administrative Assistant Agreement.	<u>1.00</u>	<u>409.00</u>
For professional services rendered	3.00	\$1,227.00
Previous balance		\$1,155.62
Accounts receivable transactions		
1/25/2017 Payment - thank you. Check No. 27753		<u>(\$1,155.62)</u>
Total payments and adjustments		<u>(\$1,155.62)</u>
Balance due		<u><u>\$1,227.00</u></u>

** Please note that the "Balance Due" figure at the end of this bill reflects both "Total New Charges - Current Period" and any previous balances due. In most cases, if the previous balance(s) have already been approved for payment but not yet received in our office, you should be paying only the "Total New Charges - for services and/or expenses". Thank you.

Please indicate account number(s) with payment.
(Please Deduct any payments not reflected in Balance due)

✓ A



FOSTER & FOSTER
ACTUARIES AND CONSULTANTS

Invoice

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

Date	Invoice #
2/15/2017	10030

Bill To	
Destin Fire Control District Firefighters' Retirement Fund 848 Airport Road Destin, FL 32541	
Terms	Due Date
Net 30	3/17/2017
Description	Amount
Preparation for and attendance at August 29, 2016 Board meeting (Board's share of expenses)	212.00
Benefit Calculations: MCELYEA, ANDERSON, HOOGENDORRN, URENDA	800.00
Preparation for and attendance at November 28, 2016 Board meeting (Board's share of expenses)	625.00
October 1, 2016 Actuarial Valuation and Report; preparation of member certificates.	6,983.00
Preparation of GASB 67 Statement with measurement date of 09/30/16.	1,250.00
Preparation of GASB 68 Statement with measurement date of 09/30/16.	2,000.00

Balance Due \$11,870.00

Thank you for your business!

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

✓A

Florida Public Pension Trustees Association

Invoice

Date	QB Invoice #
3/2/2017	17-492M



Bill To
Destin Fire Control District Firefighters Retirement Trust Fund 848 Airport Road Destin, FL 32541

D/B Invoice #	OL Payment #

Description	Qty	Amount
2017 Active Membership - Pension Boards Requested by Kathryn Wagner 3/2/17		600.00

Total	\$600.00
--------------	-----------------

Please remit to:
FPPTA
2946 Wellington Circle East
Tallahassee, FL 32309

Payments/Credits	\$0.00
Balance Due	\$600.00

✓ A

**DESTIN FIRE CONTROL DISTRICT
FIREFIGHTERS' RETIREMENT TRUST FUND
AUTHORIZATION FOR PAYMENT FROM FUND**

TO:

SUBJECT: Authorization from Board of Trustees for Payment from Fund

Name of Payee:

Suzy Urenda

Social Security Number:

Address for Payment Purposes:

Amount of Payment:

\$ 4,718.07

_____ Retirement benefit, payable monthly for life, first payment to be made _____, 20____ and subsequent payments the first day of each month thereafter. (Upon death of the payee, please notify the Board of Trustees for further instruction concerning survivor benefits, if any.)

_____ Retirement benefit, payable monthly for life, first payment to be made _____, 20____ and subsequent payments the first day of each month thereafter, until _____, 20____, upon which date all remaining monthly payments shall be reduced to \$_____.

_____ Disability benefit, payable until terminated by further written notice from Board. (Upon death of the payee, please notify the Board of Trustees for further instruction concerning survivor benefits, if any.)

☒ Death Benefit, payable to Beneficiary of Member, first payment to be made October 1, 2016 and subsequent payments on the first day of each month, with the last payment on September 1, 2026. (Upon the death of the payee, please notify the Board for further instructions.)

_____ Lump sum amount of \$_____ (Member Contributions, PLOP, DROP, etc)
(If Refund of Member Contributions, includes \$_____ pretax and \$_____ after tax)

The foregoing authorization and direction for payment has been made pursuant to directions and authority of the Board of Trustees.

BOARD OF TRUSTEES

By: _____

Date of Issuance: _____

(1 copy for Disbursing Agent, 1 copy for Board)

**DESTIN FIRE CONTROL DISTRICT
FIREFIGHTERS' RETIREMENT TRUST FUND
AUTHORIZATION FOR PAYMENT FROM FUND**

TO:

SUBJECT: Authorization from Board of Trustees for Payment from Fund

Name of Payee:

SUZY URENDA

Social Security Number:

Address for Payment Purposes:

Amount of Payment:

\$ 28,308.42

_____ Retirement benefit, payable monthly for life, first payment to be made _____, 20____ and subsequent payments the first day of each month thereafter. (Upon death of the payee, please notify the Board of Trustees for further instruction concerning survivor benefits, if any.)

_____ Retirement benefit, payable monthly for life, first payment to be made _____, 20____ and subsequent payments the first day of each month thereafter, until _____, 20____, upon which date all remaining monthly payments shall be reduced to \$____.

_____ Disability benefit, payable until terminated by further written notice from Board. (Upon death of the payee, please notify the Board of Trustees for further instruction concerning survivor benefits, if any.)

☒ Death Benefit, payable to Beneficiary of Member, first payment to be made MARCH 10, 20 17 and subsequent payments on the first day of each month, with the last payment on MARCH 10, 20 17. (Upon the death of the payee, please notify the Board for further instructions.)

_____ Lump sum amount of \$_____ (Member Contributions, PLOP, DROP, etc)
(If Refund of Member Contributions, includes \$_____ pretax and \$_____ after tax)

The foregoing authorization and direction for payment has been made pursuant to directions and authority of the Board of Trustees.

BOARD OF TRUSTEES

By: _____

Date of Issuance: _____

By: _____

(1 copy for Disbursing Agent, 1 copy for Board)



FOSTER & FOSTER
ACTUARIES AND CONSULTANTS

February 6, 2017

VIA EMAIL

CONFIDENTIAL

Kathryn L. Wagner, Financial Administrator
Destin Fire Control District
Retirement Trust Fund
848 Airport Road
Destin, FL 32541

Re: Destin Fire Control District Firefighters' Retirement Trust Fund

Dear Kathryn:

As requested, please find enclosed the Notification of Retirement Benefits Form for the following Member of the referenced Plan:

URENDA, Christopher (Pre-Retirement Death)

Benefits outlined on the enclosure have been determined using census data provided by you, including precise Average Final Compensation and Credited Service through September 25, 2016, and current Plan provisions.

If you have any questions, please let me know.

Sincerely,

Luke M. Schoenhofen

Enclosure

Destin Fire Control District Firefighters Retirement Trust Fund

Notification of Pre-Retirement Death Retirement Benefits
(Final as of February 1, 2017)

Member's Name: Christopher Urenda

Date of Birth:

Years of Credited Service: 20.5328

Benefit Rate: 3.50% per Year of Credited Service.

Beneficiary: Suzy Urenda

Fiscal Year Earnings History

2017	1,530.24
2016	80,005.36
2015	78,594.00
2014	77,601.20
2010	80,118.72
2012	76,062.73 (Partial Year)

Average Final Compensation: \$6,565.20

Form of Benefit

Monthly Benefit Payable to Ms. Urenda for Ten Years

Monthly Benefits as of October 1, 2016

4,718.07

Prepared By: Lake Schuchman

Reviewed By: Tyler Koffler

ARTICLE 46

PENSION AND RETIREMENT

Section 1 Employer and Employee Contributions — The employer will contribute the percentage required to make the Chapter 175 Retirement Program actuarially sound by statute requirements.

- a. The District will receive state funds for the State Retirement Program and deposit such by statute.
- b. The employee contribution—percentage will be 6.8%, until this percentage is changed by negotiations. The District will contribute 13 % of a non-State Certified Firefighter bargaining unit employee's base pay into a Defined Contribution 457 plan.
- c. The District will match the non-State Certified Firefighter bargaining unit employee's contribution up to an additional 5 % for a total contribution of up to 18 % into the Defined Contribution 457 plan.

Section 2 Employer Rights under Legislative Changes — The Employer reserves the right to open negotiations in the event of legislative changes resulting in increased costs, for payment for some or all of the increases by plan members or reopen negotiations to determine how the increased costs should be allocated or if plan changes can be made to offset the increases.

Section 3 Plan Benefits — The retirement plan is divided into two (2) Tiers.

- a. **Tier one (1) employees** — are those hired prior to October 1st, 2012.
 - 1) The employer will maintain a three and one-half percent (3.5%) multiplier, a buy-in program for up to five (5) years paid professional fire service and military service and a two percent (2%) C.O.L.A for Tier one (1) employees.
 - 2) Buy-in for Tier one (1) will be at the three and one-half percent (3.5%) multiplier with a two percent (2%) C.O.L.A. unless the multiplier or C.O.L.A. increases.
- b. **Tier two (2) employees** — are those hired on or after October 1st, 2012.
 - 1) The employer will maintain a two and one-half percent (2.5%) multiplier and a buy-in program for up to five (5) years paid professional fire service and military service for Tier two (2) employees.
 - 2) Buy-in for Tier two (2) will be at the two and one-half percent (2.5%) multiplier unless the multiplier increases.

Destin Fire Control District and
Destin Professional Firefighters' Association Local #3158
Collective Bargaining Agreement
December 13, 2016 – September 30, 2019

Section 4 EMT and Paramedic Education Differential — For the purpose of this article only, EMT and paramedic educational differential will be included in calculating the employee and District contribution and retirement plan benefits.

Section 5 Normal Retirement and Vesting

- a. **Tier one (1) employees** - The normal retirement for a Tier one (1) pension member is: Age 55 and 10 years of credited service, or effective October 1st, 2012 twenty (20) years of credited service. Credited service will include years with the Destin Fire Control District and any years acquired through pension buyback.
 - 1) Example: Under the "20 and out" provision, a person who worked for the Destin Fire Control District for 15 years and buys back 5 years from previous service would be eligible for normal retirement.
 - 2) Tier one (1) employees will be considered vested after 7 years with the Destin Fire Control District.
- b. **Tier two (2) employees** - The normal retirement for a Tier two (2) pension member is:
 - 1) Age 55 and 10 years of credited service or age 52 and 25 years of credited service.
 - 2) Tier two (2) pension members will be considered vested after ten (10) years with the Destin Fire Control District.

Section 6 Chapter 175 Premium Tax Revenue – The parties mutually agree that all Chapter 175 premium tax revenues received by the District will be used to offset the District's required contributions to the retirement plan. The parties further mutually agree that, in accordance with section 175.351, Florida Statutes, a defined contribution plan component (share plan) will be established as part of the retirement plan, but the share plan will not be funded until the parties mutually agree that a portion of the Chapter 175 premium tax revenues will be used to fund the share plan. At such time as funding is provided to the share plan, the parties will negotiate the details of the share plan.

AGREEMENT FOR ADMINISTRATIVE ASSISTANT SERVICES

THIS AGREEMENT, is entered into this ____ day of _____, 2017, by and between the **BOARD OF TRUSTEES OF THE DESTIN FIRE CONTROL DISTRICT FIREFIGHTERS' RETIREMENT TRUST FUND** (hereinafter referred to as the "BOARD") and **KATHRYN WAGNER** (hereinafter referred to as the "ADMINISTRATIVE ASSISTANT").

W I T N E S S E T H:

WHEREAS, it has been deemed by a recorded majority vote of the BOARD, pursuant to the governing procedures, that an administrative assistant is to be retained to assist in the proper administrative duties of the BOARD; and

WHEREAS, the BOARD is legally permitted to hire a administrative assistant to assist the BOARD in performing its duties; and

WHEREAS, the ADMINISTRATIVE ASSISTANT is desirous of working for the BOARD as an administrative assistant;

NOW, THEREFORE, in consideration of the premises and mutual benefits which will accrue to the parties hereto in carrying out the terms of this Agreement, the parties hereto do hereby agree as follows:

Section I - General.

The ADMINISTRATIVE ASSISTANT shall perform such secretarial and clerical services as are normally provided in the general course of business for municipal pension boards. The relationship of the ADMINISTRATIVE ASSISTANT to the BOARD shall be that of independent contractor. The ADMINISTRATIVE ASSISTANT shall perform services in a prompt and professional manner.

Section II - Scope of Services.

A. General Duties. The Administrative Assistant shall perform all necessary services provided hereunder as directed by the BOARD for the purpose of ensuring administrative functioning of the BOARD pursuant to all applicable local ordinances, statutes and laws.

B. Specific Duties. The Administrative Assistant shall provide the following services (as requested) but not be limited in her duties thereby.

1. Schedule and attend all Board Meetings.
2. Prepare agendas for all Meetings and post notices and agendas of Meetings after approval by Chairman or Plan Administrator.
3. Prepare minutes, and record all Meetings. Process minutes promptly and distribute.
4. Post all minutes as directed.
5. Maintain necessary communication with any business entities associated with the Board. Distribute correspondence for the plan to Board members and attorneys.
6. Respond to inquiries by trustees, Firefighters (active, retired and terminated), money managers, custodians, and other contract professionals.
7. Maintain a liaison between the Board and the district.
8. Setup and maintain files. File all necessary documents and preserve them in an orderly fashion as required by Public Records law.
9. Order and maintain supplies and equipment as needed.
10. Make copies as needed.
11. Assist the Pension Plan in administering in accordance with the Operating Rules and Procedures and the Pension Ordinance.
12. Annual review of operating rules and procedures.
13. Review all statements and documents from:
 - Money managers
 - Performance monitors
 - Attorneys
 - Actuaries
 - Accountants
 - Others
14. Review invoices and pay plan expenses as authorized.
15. Review and reconcile all bank statements.
16. Maintain current roster of members and retirees, including status and addresses.
17. Administer all aspects of elections of Firefighter Trustees.
18. Remind/track annual filing of financial disclosure forms.
19. Obtain all necessary information and process retirement applications for members for forwarding to actuarial firm for calculations of benefits.

20. Process all forms of benefit application and work with actuary and custodian (DROP applications, Normal retirement applications, Disability applications, Death benefits, etc.)
21. Process request for buyback of credited service.
22. Prepare information for actuarial calculation of terminated vested employees.
23. Monitor disbursement of payments for retirees and disability recipients (to ensure proper payment is being made). Process of deposits of withholding for pension retirees.
24. Collect necessary data for the district's audit report.
25. Prepare annual letters to retirees.
26. Maintain current, up to date Beneficiary forms as required.
27. Serve as liaison with the district to obtain new employee data in a timely manner.
28. Serve as liaison with the State of Florida Division of Retirement.
29. Serve as liaison with other pension plans and organizations as needed in the best interest of the Board.
30. Prepare quarterly financial statements which reconcile to custodial reports.
31. Prepare the annual information of contributions for the Board's actuary to assist in preparation of the annual actuarial valuation report.
32. Process all paperwork regarding disability cases as required by the Board attorney.
33. Create policies for Board approval.
34. Perform projects as directed by the Board.
35. Offer information pertinent to the Board as directed.
36. Maintain current listing of education/training/seminar opportunities.
37. Assure compliance with the Government in the Sunshine Law and the Public Records Act.
38. Collect the required information for Annual State Reports and submit to actuary or prepare the Annual State Report, as directed by the Board.
39. Prepare Annual Administrative Budget
40. Prepare Annual Detailed Accounting Report of Actual Plan Expenses
41. Ensure timely posting of pension information to District website as required by Florida Statutes.

Section III - Term.

The services of the ADMINISTRATIVE ASSISTANT pursuant to this Agreement, have commenced and shall continue until terminated as provided herein.

Section IV - Termination.

A. In the event of termination of the ADMINISTRATIVE ASSISTANT by the BOARD, the ADMINISTRATIVE ASSISTANT shall be compensated for all services performed under the terms of this agreement up to and including the day of termination.

B. Either party hereto may terminate this agreement upon thirty (30) days written notice to the other.

Section V - Compensation.

A. Rates. This contract shall be effective _____, 2017, for the services rendered, the ADMINISTRATIVE ASSISTANT shall be compensated at the rate of \$_____ per month payable in advance by the Destin Fire Control District.

B. Invoicing. All invoices shall be forwarded to the Destin Fire Control District with copies to the BOARD - Attention: Chairman, for action and disposition in accordance with BOARD policy. Invoices shall be formatted in such a manner as to clearly identify all billable services and hours.

Section VI - Severability.

If any clause or provision of this Agreement is found illegal, invalid or unenforceable under present or future laws effective during the Term of this Agreement, then and only in that event, it shall be the intention of the parties that the remainder of this Agreement, and the Term covered thereby, shall not be affected. All rights, powers and privileges conferred by this Agreement upon the parties shall be cumulative but not restricted to those given by law.

Section VII - Assignability.

It is specifically agreed that the ADMINISTRATIVE ASSISTANT herewith binds herself to the BOARD as respects to the covenants of this Agreement; and it is further agreed that the ADMINISTRATIVE ASSISTANT shall not assign, sublet, or transfer her interest in this Agreement without the written consent of the BOARD.

Section VIII - Governing Law.

The validity of this Agreement and of any of its terms or provisions, as well as the rights and duties of the parties hereunder, shall be governed by the laws of the State of Florida.

Section IX - Venue.

Any action involving matters or disputes arising under this Agreement shall be brought in Okaloosa County, Florida.

Section X - Public Records.

In accordance with the provisions of Chapter 119.0701(2), Florida Statutes:

A. IF THE ADMINISTRATIVE ASSISTANT HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE ADMINISTRATIVE ASSISTANT'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT: KATHRYN WAGNER, 850-837-8413, KWAGNER@DESTINFIRE.COM, 848 AIRPORT ROAD, DESTIN, FL 32541.

- B. The Administrative Assistant must comply with public records laws, specifically to:
1. Keep and maintain public records required by the Board to perform the service.
 2. Upon request from the Board's custodian of public records, provide the Board with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in Chapter 119, Florida Statutes, or as otherwise provided by law.
 3. Ensure that the public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of the term of the Agreement and following completion of the Agreement if the Administrative Assistant does not transfer the records to the Board.
 4. Upon completion of the Agreement, transfer, at no cost to the Board, all public records in possession of the Administrative Assistant or keep and

maintain public records required by the Board to perform the service. If the Administrative Assistant transfers all public records to the Board upon completion of the Agreement, the Administrative Assistant shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If the Manger keeps and maintains public records upon completion of the Agreement, the Administrative Assistant shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to the Board, upon request from the Board's custodian of public records, in a format that is compatible with the information technology systems of the Board.

IN WITNESS WHEREOF, the parties hereto have accepted, made and executed this Agreement upon the terms and conditions above stated on the day and year first above written.

ATTEST:

A **BOARD OF TRUSTEES OF THE
DESTIN FIRE CONTROL DISTRICT
FIREFIGHTERS' RETIREMENT TRUST
FUND**

As Secretary

By: _____
As Chairman

By: _____
Kathryn Wagner

AGREEMENT FOR ADMINISTRATIVE ASSISTANT SERVICES

THIS AGREEMENT, is entered into this ____ day of _____, 2017,
by and between the **BOARD OF TRUSTEES OF THE DESTIN FIRE CONTROL DISTRICT
FIREFIGHTERS' RETIREMENT TRUST FUND** (hereinafter referred to as the "BOARD") and
~~KATHRYN WAGNER~~ (hereinafter referred to as the "~~ADMINISTRATIVE ASSISTANT~~").

the DESTIN FIRE CONTROL DISTRICT

DISTRICT

WITNESSETH:

WHEREAS, it has been deemed by a recorded majority vote of the BOARD, pursuant to the governing procedures, that an administrative assistant is to be retained to assist in the proper administrative duties of the BOARD; and

WHEREAS, the BOARD is legally permitted to hire a administrative assistant to assist the BOARD in performing its duties; and

WHEREAS, the ~~ADMINISTRATIVE ASSISTANT~~ is desirous of working for the BOARD as an administrative assistant;

DISTRICT

(by providing an employee to serve)

NOW, THEREFORE, in consideration of the premises and mutual benefits which will accrue to the parties hereto in carrying out the terms of this Agreement, the parties hereto do hereby agree as follows:

Section I - General.

The ADMINISTRATIVE ASSISTANT shall perform such secretarial and clerical services as are normally provided in the general course of business for municipal pension boards. The relationship of the ADMINISTRATIVE ASSISTANT to the BOARD shall be that of independent

employee

of the District contractor. The ADMINISTRATIVE ASSISTANT shall perform services in a prompt and professional manner.

Section II - Scope of Services.

A. General Duties. The Administrative Assistant shall perform all necessary services provided hereunder as directed by the BOARD for the purpose of ensuring administrative functioning of the BOARD pursuant to all applicable local ordinances, statutes and laws.

B. Specific Duties. The Administrative Assistant shall provide the following services (as requested) but not be limited in her duties thereby.

1. Schedule and attend all Board Meetings.
2. Prepare agendas for all Meetings and post notices and agendas of Meetings after approval by Chairman or Plan Administrator.
3. Prepare minutes, and record all Meetings. Process minutes promptly and distribute.
4. Post all minutes as directed.
5. Maintain necessary communication with any business entities associated with the Board. Distribute correspondence for the plan to Board members and attorneys.
6. Respond to inquiries by trustees, Firefighters (active, retired and terminated), money managers, custodians, and other contract professionals.
7. Maintain a liaison between the Board and the district.
8. Setup and maintain files. File all necessary documents and preserve them in an orderly fashion as required by Public Records law.
9. Order and maintain supplies and equipment as needed.
10. Make copies as needed.
11. Assist the Pension Plan in administering in accordance with the Operating Rules and Procedures and the Pension Ordinance.
12. Annual review of operating rules and procedures.
13. Review all statements and documents from:
 - Money managers
 - Performance monitors
 - Attorneys
 - Actuaries
 - Accountants
 - Others
14. Review invoices and pay plan expenses as authorized.
15. Review and reconcile all bank statements.
16. Maintain current roster of members and retirees, including status and addresses.
17. Administer all aspects of elections of Firefighter Trustees.
18. Remind/track annual filing of financial disclosure forms.
19. Obtain all necessary information and process retirement applications for members for forwarding to actuarial firm for calculations of benefits.

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20. Process all forms of benefit application and work with actuary and custodian (DROP applications, Normal retirement applications, Disability applications, Death benefits, etc.)
 21. Process request for buyback of credited service.
 22. Prepare information for actuarial calculation of terminated vested employees.
 23. Monitor disbursement of payments for retirees and disability recipients (to ensure proper payment is being made). Process of deposits of withholding for pension retirees.
 24. Collect necessary data for the district's audit report.
 25. Prepare annual letters to retirees.
 26. Maintain current, up to date Beneficiary forms as required.
 27. Serve as liaison with the district to obtain new employee data in a timely manner.
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 29. Serve as liaison with other pension plans and organizations as needed in the best interest of the Board.
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 39. Prepare Annual Administrative Budget
 40. Prepare Annual Detailed Accounting Report of Actual Plan Expenses
 41. Ensure timely posting of pension information to District website as required by Florida Statutes.

C. The Administrative Assistant shall have no authority over: directing investments, signing disbursements, executing contracts, approving benefits.

Section III - Term.

The services of the ADMINISTRATIVE ASSISTANT pursuant to this Agreement, have commenced and shall continue until terminated as provided herein.

Section IV - Termination.

D A. In the event of termination of the ADMINISTRATIVE ASSISTANT by the BOARD, the ~~ADMINISTRATIVE ASSISTANT~~ shall be compensated for all services performed under the terms of this agreement up to and including the day of termination.

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B. ~~Invoicing~~ All invoices shall be forwarded to the Destin Fire Control District with copies to the BOARD - Attention: Chairman, for action and disposition in accordance with BOARD policy. Invoices shall be formatted in such a manner as to clearly identify all billable services and hours.

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The validity of this Agreement and of any of its terms or provisions, as well as the rights and duties of the parties hereunder, shall be governed by the laws of the State of Florida.

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IN WITNESS WHEREOF, the parties hereto have accepted, made and executed this Agreement upon the terms and conditions above stated on the day and year first above written.

ATTEST:

A

**BOARD OF TRUSTEES OF THE
DESTIN FIRE CONTROL DISTRICT
FIREFIGHTERS' RETIREMENT TRUST
FUND**

As Secretary

By: _____
As Chairman

F

By: _____
~~Kathryn Wagner~~

DESTIN FIRE CONTROL DISTRICT
Chairman

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