RECAP: FPPTA’s 32nd Annual Conference at the Hyatt Regency Orlando

IN THIS ISSUE:
Conference Review,
Announcements and Pension Clips

Bagpipe and color guard opened the 32nd FPPTA Annual Conference and Annual Meeting.

Conference photos courtesy of Darrel Presley, City of Sanford.
Our 32nd Annual Conference was a super success! More than 700 FPPTA members attended the event at the Hyatt Regency Orlando, and 68 Associate Members participated in our Exhibition Hall.

This year's conference focused on the question, “How are we really doing?”, which provided us an opportunity to look back at the most recent boom-bust cycles of investments that are required to fund pension plans, and the all too real insecurity experienced by people who don’t have a secure DB pension.

We started our event with keynote speaker, Jack Uldrich, a “futurist” who opened our eyes to the most fantastic possibilities the future holds, the impact of new technology and the truly incredible new changes it will unleash in our world. We also heard from some of the best-known industry professionals about the need for retirement security, the importance of protecting defined benefit pension plans for public workers and the critical role that best practices will play in preserving well-run pension plans.

Our Associates Charity Golf Classic drew a full field and once again replenished the coffers of our account for supporting municipal employees and their families in times of crisis.

And we have a new FPPTA Board of Directors member, Christopher Spencer, CPPT, of North Collier Fire Pension Plan. In welcoming Christopher Spencer aboard, we would like to take this opportunity to thank Gary Clark, CPPT, of the Winter Haven Fire Pension Fund for his many long years of service to the FPPTA and its Board of Directors. Gary served 17 years on our Board of Directors; it is that example of loyalty and commitment that is a primary reason our organization is still going strong after more than 30 years. Congratulations also are in order for Ann Thompson who was re-elected to the Board. Ann has been an indispensable contributor to our team for nine years and we are pleased she will be with us for another term.

Lastly, we hope you liked our agenda; we did a few things differently this time in an effort to satisfy your needs and to keep things fresh. We held afternoon workshops that repeated, so more people could attend. We devoted a special session to Administrators, and we especially hope you enjoyed the Tuesday “Morning Show”. It was a blast putting the show together, and we hope you enjoyed the performance. We thought it was a nice way to touch on many topics of importance without drilling down too deeply. We wanted to keep the program moving along with some pace and some entertainment value as well, so please respond to our request for feedback and share your experience at this year's conference.

We wrapped up the conference on Wednesday morning with the very inspiring Stephanie Decker. Stephanie shared her story of surviving a severe tornado and saving the lives of her two children - but at the cost of losing her legs. At times there was not a dry eye in the ballroom. Stephanie endured such pain and yet carried-on with an incredibly positive and determined attitude. It really makes you step back and think, just when you think life is difficult, it could be so much worse. Her father was very strong figure in her life. He taught her to be tenacious and positive and instilled a serious work ethic and love of family. He played a very big role in her life, something I completely relate to!

In closing I would like to share a special thanks to our staff and consultants. They often work behind the scenes, but Stephanie Wehrly, MJ Chwalik, Lois Edmondson and Lea Herrell keep the trains running on time under great pressure and against all odds. Thanks also to Peter Hapgood, Susan Marden, Mike Spencer, Fred Nesbitt, Sean McKinstry, MJ Chwalik, Kate West and Patrick Langan for their contributions to the Morning Show. Each contributed by writing scripts, editing, searching for commercials, graphic design and so much more. I have said it before and I will say it again: we have the best team, no egos, no agendas, all want the best for the FPPTA. Can’t ask for more than that!!
In conjunction with the FPPTA, Don Trone of 3Ethos is pleased to debut “The Seven Signs of Leadership” video series available now on the Public Pension Institute website.

In the first three installments of the Seven Signs of Leadership video series, which are now available, Don Trone will describe the attributes that make a great trustee and how to utilize these attributes to do the job with integrity and purpose.

The video series will be released through the Public Pension Institute website on a bi-weekly basis at:

www.publicpensioninstitute.org.

Interested in more leadership training?

Now accepting applications for
The Fall 2016 Leadership Boot Camp
September 25 – 28, 2016 at Hyatt Coconut Point, Bonita Springs

To register now online, click here.

This trustee program offering will take place during the Fall Trustees School. The Leadership Boot Camp is limited to the first 75 registrants who are FPPTA members. The focus of the training is on how leadership and stewardship can be used to broaden and deepen a trustee’s understanding of their role and responsibilities. The training is based on a universal framework which can be used to evaluate the effectiveness of a decision-maker who is serving in a critical leadership role. The skills learned in the training are as applicable to City Hall, the fire house or police station, as they are to the investment committee.
Vanguard Audio & Visual made magic with our new television programming. From left: Jason Pelszynski, Kate West, Patrick Langan, Nils Anderson, Kim Ryals, Matt Santa Cruz Jr, Peter Hapgood, Netza Rodriguez, Maxine Santa Cruz, and Robby Lapp

Members of the FPPTA Associates Charity Golf Committee delivered another winner for our Relief Fund. From left: Howard Bos, Don Ruiter, Katie Byrne, Tom Capobianco, Tony Napolitano, Greg McNeillie, and Janna Hamilton.

There was something fun for everyone at the Annual Conference. Golf, games, speakers - even a television show!
Administrator’s Certificate Program Was a Big Success!

A group of 35 plan administrators participated in a certificate program at this year’s Annual Conference.

The program was so well received, there are additional programs now in development, including CEU workshops that will be included in the September 2016 Trustee School program.

Pay close attention to your e-mail and future editions of the e-newsletter for details as they are announced. Your input matters!

And please fill out an evaluation form here: https://www.surveymonkey.com/r/HL7X29F

WE WANT TO HEAR FROM YOU
Please fill out a conference evaluation form!

This is a great opportunity for you to let us know how well we’re doing.

We want to hear your thoughts, suggestions and ideas about how to make our Annual Conference an experience that broadens your education and understanding.

We will mail you a survey, or you can use this link:

https://www.surveymonkey.com/r/GSHN6QG

THE PUBLIC PENSION INSTITUTE

The Public Pension Institute (www.publicpensioninstitute.org) has been created by the Florida Public Pension Trustees Association to provide outreach and education online. It has been designed to offer information to everyone who works with public employees: not just trustees, but city commissioners, mayors, finance managers and administrators. Most importantly, The Public Pension Institute also has been designed to serve as a forum for discussion so that it will become a central source of news and information on all pension related subjects.
Curry seeks to mobilize city workers to rally pension tax support
By David Bauerlein, Florida Times Union, June 20, 2016

Mayor Lenny Curry convened a town hall meeting with city employees and urged them to vote for a half-cent sales tax on Aug. 30. That meeting was the first of 11 that Curry will have with city employees through August as he tries to mobilize them to support a half-cent sales tax aimed at paying down the city’s massive pension debt. The city’s three pension plans cover about 7,670 active city employees, so one way or another those workers form a potent group at the ballot box. Curry renewed his warning that if Jacksonville doesn’t approve the half-cent sales tax, it is headed down the path of Detroit, which declared municipal bankruptcy in 2013.

Can pension problems make Jacksonville the next Detroit? Not likely
By Nate Monroe, Florida Times Union, June 11, 2016

Mayor Lenny Curry has used nothing short of End-of-Days prophesying in his push for Jacksonville voters to support a first-of-its kind sales tax to help pay down the city’s $2.8 billion pension debt — even invoking the specter of large-scale municipal failure akin to Detroit’s 2013 bankruptcy. THE NEXT DETROIT? Consider the following: ■ Jacksonville is a low-tax city: The 11.44 millage rate is well below the state-allowed 20 mills and lower than many of its peer cities. ■ Wall Street credit rating agencies consider Jacksonville’s financial condition to be stable, though they also consistently flag the city’s high pension costs as a concern. ■ A May report from the City Council Auditor projects the city general fund is running a $14.9 million surplus this year, fueled by $6.8 million in higher revenue than expected and $8.1 million in lower expenses. ■ A 90-day audit of City Hall finances said the city could face deficits in the general fund of more than $30 million by 2017, but one major driving force behind that finding has vanished. ■ For the third straight year, taxable property values are projected to increase. For the next budget year, a $2 billion increase in taxable property means about $23 million more for City Hall.
■ That increase is complemented by a spike in new construction: It is projected to increase from $786 million in this fiscal year to $899 million, a 14 percent jump. ■ Population growth continues to be robust: U.S. Census Bureau figures released last month show Jacksonville had the 12th-largest population increase between 2014 and 2015 in the nation. ■ State figures show unemployment in the Jacksonville area is at 4.3 percent, a significant drop from its recession high of 11.2 percent in the summer of 2010. When Detroit filed for bankruptcy, its unemployment sat near 18 percent — a 200 percent increase since 2000.

Editorial: Workers’ compensation laws need work
Editorial, Tampa Bay Times, June 15, 2016

The Florida Supreme Court correctly found a key portion of the state workers’ compensation system unconstitutional in the case of an injured St. Petersburg firefighter who was both unable to work and unable to collect benefits. For the second time, the justices have sent a clear signal to the Florida Legislature that it has to overhaul workers’ compensation to better protect people who are injured on the job. In 2009, a St. Petersburg veteran firefighter suffered a severe back injury while moving furniture during a house fire. Westphal, who lost feeling in his left leg and required multiple surgeries, was caught in a terribly unfair legal limbo. Doctors would not clear him to return to work, his temporary benefits were cut off, and yet he could not qualify for permanent disability. Two years is the maximum Florida allows workers to collect temporary benefits under a statute that cut the time from five years. But doctors — chosen by the city — also would not declare that Westphal had reached “maximum medical improvement,” meaning he might get better, so he couldn’t qualify for permanent disability. In a 5-2 decision, the court said that left Westphal in a “statutory gap” and declared the time limit on
Audit—pension liabilities going up in Jacksonville
By Jim McCabe, WEAI, June 14, 2016

Cautious positivity may be the best two words to describe the attitudes of Jacksonville city leaders regarding new audit numbers shared. The audit shows the City of Jacksonville’s firefighter pension has increased from $31,260,444 to just over $32-million from the end of 2014 to the end of last year. For the police pension fund, the number increased about a million dollars from $33,731,528. But the auditor noted this past year, the city overfunded both police and fire pensions.

Remember This Vote
By Matt Walsh, Editor, Your Observer, June 8, 2016

Four Longboat Key commissioners gave up a cap on firefighter pension payments in favor of obligating taxpayers to more risk and more cost. How did that work before? They voted to ratify the latest contract with the International Firefighters Association Local 2546. And in that contract, these four commissioners pledged Longboat Key taxpayers to paying into a defined-benefit plan with no caps on the percentage of the firefighters’ pay that must be contributed to the Florida Retirement System. Those percentages and costs will be left in the hands of the Legislature, not the town, not you, the taxpayer. This is in complete contrast to the previous contract, which capped the taxpayers’ obligation at no more than 13%. And just to give you a sense of how that changes taxpayers’ obligations: The Florida Retirement System now requires 25% of firefighters’ pay to be contributed to the fund. Before this latest contract, the town was obligated for 11.02% of that. Under the new contract, taxpayers will cover the entire 22.02%. (Firefighters are required to pay the first 3%). Who knows what that percentage will rise to during the next year or next recession.

Miami budget crunchers warn city spending is getting out of whack
By David Smiley, Miami Herald, May 25, 2016

Fully recovered from a financial crisis during the late 2000s, Miami commissioners are finally restoring the pay and benefits they unilaterally stripped from their employees in order to balance their books — and giving budget crunchers heartburn in the process. One factor that should keep the city from falling into another crisis even if real estate values plummet like they did in 2008 is a recession-driven decision to cap employee pensions at $100,000. With that rule, the ballooning pension obligations that threatened to swallow 20 percent of the city’s budget in 2010 shouldn’t recur. The only caveat is that the pension cap is the subject of an open Florida Supreme Court case that has yet to be ruled on 13 months after oral arguments.

*Click on a title to view the entire article*
FPPTA Education Committee

Peter Hapgood, CPPT, Chairperson
FPPTA Education Consultant

Steve Corbet, CPPT
FPPTA Vice Chairperson

Mike Spencer, CPPT
FPPTA Dean of Faculty

Ann Thompson, CPPT, FPPTA Secretary
Vero Beach Police Pension Fund

Steve Aspinall, CPPT, FPPTA Treasurer
St. Petersburg Police Officers Pension Fund

Kimberle E. Ryals, CPPT
FPPTA Chief Executive Officer

Phyllis Shaw
Hollywood General Employees

MJ Chawlik
FPPTA Chief Operating Officer

Dwight Mattingly, CPPT, FPPTA Director
Amalgamated Transit 1577 Pension Fund

Tela Thompson, CPPT
Punta Gorda GE (Retired)

Richard Grover, CPPT
Pensacola Firefighters Pension Fund

Warren West, CPPT
Avery Park Firefighters Pension Fund

Lynn Bernstein, CPPT
Miami Beach Fire and Police

David Puscher, CPPT
Vero Beach Police

Tim Olsen, CPPT, FPPTA Director
Melbourne Fire Pension Fund

Fred Nesbitt, PhD
FPPTA Media Consultant

Mark Boghich, III
Tampa General Employees (Retired)

Susan Marden
FPPTA Public Relations Consultant

Ray Edmondson, CPPT
Director Emeritus
FPPTA Senior Advisor Consultant

Jack Farland, CPPT
Public Pensions, Inc.

Grant McMurry, CPPT
Highland Capital Management

Katie Byrne, CPPT
DePrince, Race & Zollo

David West
Bogdahn Group

Sean McKinstry, CPPT
Education Committee Secretary
Director of Research

Claire Potter
INVECSO

FPPTA Advisory Board

Tracy Musser, Chairperson
Thompson, Siegel & Walmsley, Inc.

Richelle Hayes, Vice-Chairperson
American Realty Advisors

Chris Greco, Secretary
Sawgrass Asset Management

Janna Hamilton, CPPT
Garcia Hamilton & Associates

David West
The Bogdahn Group

Howard Bos, CPPT
Richmond Capital Management

Brad Rinsem, CPPT
Salem Trust

Grant McMurry, CPPT
Highland Capital Management

Jonathan Davidson, CPPT
Kessler Topaz Meltzer & Check, LLP

Chuck Jeroloman
Saxena White, PA

Katie Byrne, CPPT
DePrince, Race & Zollo

Tom Capobianco
Lee Munder Capital

Chad Little
Freiman Little Actuaries

Jerry Navarrette
The Boston Company

Peter Kenny
JP Morgan

Mary McTague Byrom
Atlanta Capital Management

Gustavo Bikkebakker
Meketa Investment Group

Tom Franzese
Lazard Asset Management

W.O. Bell
Advanced Investment Partners

Allison Corbally
State Street Global Advisors

Bruce Feiner
Abel Noser

FPPTA
2946 Wellington Circle East
Tallahassee, FL 32309
Phone: 800-842-4064
Fax: 850-668-8514
E-mail: fppta@fppta.org
www.fppta.org