

**City of Crestview
General Employees' Retirement Plan
PROPOSAL
FOR
PENSION PLAN ADMINISTRATOR**

Presented By:



FOSTER & FOSTER
ACTUARIES AND CONSULTANTS

2503 Del Prado Blvd S

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239.333.4872 Office

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March 10, 2021

Proposal for Professional Plan Administration Services
Board of Trustees
City of Crestview General Employees' Retirement Plan

SENT VIA EMAIL

Dear Board of Trustees,

I am writing in response to your request for proposal regarding the City of Crestview General Employees' Retirement Plan. This letter is our effort to emphasize what a pleasure it would be to serve as the Board's plan administrator.

It is our opinion that we are uniquely qualified and would be the best applicant to perform these services for the following reasons:

- **Plan Familiarity and Delivery Time** – Foster & Foster has had an affiliation with the Plan for 30+ years. This longstanding relationship provides us with relevant historical information and understanding regarding the Plan and its members. Our Plan Administration Division will also work directly with the actuaries, making information transmittal seamless and efficient. We will devote two administrators to the Plan who will remain the main point of contact for the Board and its members. We take great pride in not just delivering services, but also partnering with our clients to build long lasting relationships.
- **Firm's Staff and Experience in the State of Florida** – Our firm was founded in Gainesville, Florida with a focus on plans subject to Florida Chapters 112, 175 and 185. Our comprehensive range of expert services from actuaries, plan administrators, trust reconciliation team, attorneys, accountants, and analysts, enable us to provide the depth of services our clients require without the need for outsourcing. Additionally, our firm works with the State's police and fire unions during the annual legislative sessions in Tallahassee regarding proposed laws affecting defined benefit plans.
- **Education** – Our Plan Administration Division participates in quarterly educational sessions, led by the Plan's actuaries. This brings us a unique level of experience and expertise that is unmatched by any administrative firm.
- **Transition Process** – Foster & Foster already possess most of the documents that other plan administrators would need to request. This simplifies the transition process without adding extra responsibilities to the Board or City. Foster & Foster's staff of experts also have longstanding working relationships with the same legal counsel, custodian, and investment consultant currently servicing the Plan.

- **Document Security** – Our firm has gone to great lengths to ensure that plan and personal information is housed and transmitted in a secure manner. Each night all client-related data is backed up to two redundant storage facilities located hundreds of miles apart. The data is encrypted, and remains encrypted, using a unique 256-bit encryption key that only our firm has. Our firm is also HIPAA compliant.

Our firm understands the scope of services and would consider it a privilege to serve the Board as their plan administrator. If you have any questions regarding this proposal, our firm, or the services we are prepared to provide, please do not hesitate to contact me.

Sincerely,



Ferrell Jenne

Lead Plan Administrator

Our Profile

Background Information

Foster & Foster Consulting Actuaries, Inc. d/b/a Foster & Foster, Inc., a Florida corporation, is a national independent actuarial consulting firm that was founded in 1979. Our firm provides administration services to fifty-nine (59) public pension plans and actuarial services to over one thousand (1,000) public retirement systems. We work almost exclusively with public retirement plans and consider ourselves to be experts in all phases of the design and administration of these programs.

Our firm has a dedicated plan administration division with thirteen (13) full-time employees that have over eighty (80) years of combined administrative experience. We currently administer plans ranging in size from 30 to over 1,800 members. Our firm also has sixty (60) additional staff members including credentialed actuaries, accountants, attorneys, data analysts, and consultants that provide support to our plan administration division.

Our main plan administration office is in Cape Coral, FL at the below address. This office is open Monday-Friday from 8:30am-5:00pm.

*Foster & Foster, Inc.
2503 Del Prado Blvd S, Suite 502
Cape Coral, Florida 33904*

*Telephone: (239) 333-4872
Facsimile: (239) 333-0177
www.foster-foster.com*

The ability of the firm to meet the needs of its clients is evidenced by our very low client turnover. We have **never** been terminated for cause as a plan's administrator.

Qualifications

Staff Biographies

Being strictly involved with the public sector, our administrators have a very firm grasp on the wants and needs of our clients. We understand that services required may vary from client to client and we tailor our services to each individual plan.

The persons with the primary responsibility for completion of the work outlined herein are Kim Kilgore, Ferrell Jenne, and Estefania Bravo.

Mrs. Kim Kilgore will be a dedicated administrator for the Plan. Mrs. Kilgore will serve as a point of contact for the Board, City, consultants, and members. Mrs. Kilgore has been working closely with Florida public pension plans for over twenty-five years and will be attending all meetings.

Mrs. Ferrell Jenne will be another dedicated administrator and point of contact for the Fund. Mrs. Jenne has been working closely with Florida defined benefit plans for eleven years and will be managing the firm's internal administrative systems and procedures.

Mrs. Estefania Bravo is a dedicated plan administration analyst for the division and has been working with public pension plans for over four years. Mrs. Bravo will be providing administrative support to the Fund, will assist in the transition process, and be an additional contact for the Board, City, consultants, and members.

Foster & Foster's professional staff satisfies all licensing requirements to conduct business in the State of Florida. We also guarantee accessibility of these professionals, and all phone calls/emails will be returned promptly and certainly within one (1) business day.

Our goal is to maintain the level of growth experienced by our Plan Administration Division over the past seven years. To continue to grow, we will emphasize our ability to administer public pension plans effectively and accurately across the state. As our client numbers increase, we are committed to adding additional staff to ensure our service level is not adversely impacted.

Website Capabilities

A client portal dedicated exclusively to the Plan Administration Division will be accessible to plan members, trustees, and retirees through our firm's website. This portal contains documents such as agendas, meeting minutes, summary plan description, retirement forms, actuarial valuation reports, investment performance reports and is specific to each plan that we administer. We feel that by keeping the plan documents in one easily accessed location, it serves as a valuable tool for trustees,

retirees, and active plan members. Upon contract execution, the Fund would be added to the portal at no additional cost.

Risk Management

Foster & Foster does not limit its professional liability to its clients in any capacity. We carry professional liability, comprehensive business liability, workers' compensation and employers' liability, and cyber liability insurance.

- ❖ **Risks covered:** Professional Liability (Errors & Omissions)
Name of Insurance Carrier: Indian Harbor Insurance Company
Levels and Limits: The limit of our liability is on a per claim basis (\$5,000,000) subject to an annual aggregate (\$5,000,000)

- ❖ **Risks covered:** Comprehensive Business Liability
Name of Insurance Carrier: State Farm
Levels and Limits: The limit of our liability is \$1,000,000 for each occurrence with a \$2,000,000 general aggregate. Limits of liability are 500/500/10

- ❖ **Risks covered:** Workers' Compensation and Employers' Liability
Name of Insurance Carrier: Travelers Insurance Company
Levels and Limits: The limit of our liability is \$1,000,000

- ❖ **Risks covered:** Cyber Liability
Name of Insurance Carrier: Travelers Insurance Company
Levels and Limits: The limit of our liability is \$2,000,000 for each occurrence

If our headquarters became inoperable, every person in the firm can work remotely. As a result, the individuals working on your plan would be able to log on to our firm's encrypted server and complete their work from home or any other desired location.

Foster & Foster is utilizing a dual backup approach for important data. Local backups are run each night, with a full back-up on Friday nights, and differentials every night but Friday. The backup media is rotated daily. Also, each night all the important client-related data is backed up to two redundant storage facilities located hundreds of miles apart. The data is encrypted, and always remains encrypted, using a unique 256-bit encryption key that only our firm has. Moreover, our firm can restore files as often as necessary and at any time of day.

In our 40+ year history, our firm has never had a security breach. Our hardware and networks are protected from external access using the following methods:

- Active directory network to ensure user identity and apply security policies
- Servers and communication network (Switches & Firewall) located in a secure room with restricted access
- Enterprise grade UTM firewall
- Remote access over encrypted SSL Connection, authentication via active directory

We also have an exceptional local Information Technology (IT) team that only employs senior level IT engineers and technicians ensuring that we are supported with the highest level of expertise.

We have a strict policy that we do not share any client or account information with any third party.

Miscellaneous

As with all our clients, we agree to be a fiduciary of the Fund as defined in the Employee Retirement Income Security Act of 1974 and Section 112.656, Florida Statutes. We would be happy to provide a Sworn Statement under Section 287.133(3)(a) Florida Statutes. Our firm has never been the subject of any ethics referrals or complaints.

Our firm states that the agreement shall be construed under the laws of the state of Florida and federal law where applicable. Our firm also agrees to venue any judicial proceedings in the county where the Board sits.

Proposed Services

A. Annual ongoing services are set forth below, performed under the supervision of the Board of Trustees.

1. Administration of meetings:
 - a) Prepare and send meeting notices
 - b) Schedule meetings
 - c) Prepare agenda and agenda packets
 - d) Prepare meeting minutes

2. Trustee organization
 - a) Maintain board contact list of vendors and trustees
 - b) Maintain pending matter list
 - c) Run trustee elections
 - d) Coordinate trustee appointments through the City
 - e) Renew pension organizational dues and update trustee information

3. Review all statements and documents received from:
 - a) Money Managers
 - b) Performance Monitors
 - c) Attorneys
 - d) Actuaries
 - e) Accountants
 - f) Others

4. Review invoices and pay plan expenses as authorized
5. Ensure that all plan payments are ratified by the Board
6. Assist in the creation of board policies
7. Monitor disbursement of benefit payments
8. Obtain necessary information for retirement eligibility and benefits
9. Set up and maintain files
10. Respond to public record requests
11. Assist members in the retirement process
12. Maintain current beneficiary designations
13. Obtain quotes for fiduciary/cyber liability insurance

14. Ensure compliance with the Government in the Sunshine Law and the Public Records Act
15. Respond to inquiries from trustees, members (active, retired and terminated), money managers, and the custodian
16. Maintain a liaison between the Board and the City
17. Ensure the pension plan is administered in accordance with board policies and the Pension Ordinance
18. Collect necessary data for the audit report
19. Maintain a liaison with the City to obtain new employee data in a timely manner
20. Maintain a liaison with the State of Florida, Division of Retirement
21. Provide timely assistance to outside auditors for preparation of the annual financial statement.

B. Services requested of the plan administrator by the Trustees as special assignments, are set forth below.

1. Printing special or bulk mailings
2. Additional on-site meetings outside four (4) quarterly board meetings
3. Special projects assigned to the administrator by the Board

Proposed Fees

The cost for all services listed in Section A are as follows:

An annual fee of \$27,000, payable in monthly installments of \$2,250.

The fees listed above are guaranteed for two (2) years. Four (4) board meetings are included in the above fees; only out-of-pocket travel expenses will be reimbursed. All travel fees are split amongst clients visited during a single trip. Our firm does not charge processing or copy fees. If the Crestview Police Officers' & Firefighters' Retirement Plan also hires our firm as their administrator, the annual fees shown above would reduce by 10.0%.

The cost for work outlined in Section B of this proposal will be based upon the amount of time required and/or the cost of materials to complete each task. The hourly rate will be \$180 and special travel time will be billed at an hourly rate of \$90. We will provide a firm fee quotation prior to commencing any work at the Board's request.

Plan Administration References

City of Bradenton Police Officers' Retirement System

Ross Hodges, Chairman
101 Old Main Street
Bradenton, FL 34205
Ross.Hodges@centerstatebank.com
(941) 720-4208

City of Lakeland Firefighters' Retirement System

Derek McBrayer, Chairman
701 East Main Street
Lakeland, FL 33801
derek.mcbrayer@lakelandgov.net
(863) 514-5928

City of Daytona Beach Police Officers' & Firefighters' Retirement System

Michael Rowley, Secretary
301 S. Ridgewood Ave
Daytona Beach, FL 32115
rowleymichael@dbfd.us
(386) 679-0363

City of Cape Coral Municipal Firefighters' Retirement System

Damon Alimonti, Chairman
815 Nicholas Parkway East
Cape Coral, FL 33990
dalimont@capecoral.net
(239) 209-2016

East Niceville Fire District Firefighters' Pension Trust Fund

Jon Kramer, Chairman
1709 27th Street
Niceville, FL 32578
jkramer@enfd.net
(850) 797-6418

Plan Administration Client List

- ❖ City of Avon Park Firefighters' Retirement System
- ❖ City of Bartow Municipal Firefighters' Retirement Trust Fund
- ❖ City of Bartow Municipal Police Officers' Retirement Trust Fund
- ❖ City of Bradenton Firefighters' Retirement System
- ❖ City of Bradenton Police Officers' Retirement System
- ❖ City of Brooksville Police Officers' Retirement Plan & Trust
- ❖ City of Cape Coral Municipal Firefighters' Retirement Plan
- ❖ City of Cape Coral Municipal General Employees' Retirement Plan
- ❖ City of Casselberry Police Officers' and Firefighters' Pension Plan
- ❖ City of Covington Defined Benefit Plan
- ❖ City of Dade City Firefighters' Relief and Pension Fund
- ❖ City of Dade City Police Officers' Pension Fund
- ❖ City of Daytona Beach Police Officers' & Firefighters' Retirement System
- ❖ East Niceville Fire Control District Firefighters' Pension Trust Fund
- ❖ City of Holmes Beach Municipal Police Officers' Pension Trust Fund
- ❖ City of Edgewater Firefighters' Retirement Plan
- ❖ City of Edgewater General Employees' Pension Plan
- ❖ City of Edgewater Police Officers' Pension Fund
- ❖ City of Fort Myers Firefighters' Retirement System
- ❖ City of Fort Myers Police Officers' Retirement System
- ❖ City of Fort Walton Beach Municipal Firefighters' Pension Trust Fund
- ❖ City of Fort Walton Beach Police Officers' Retirement Fund
- ❖ City of Hallandale Beach Police Officers' & Firefighters' Retirement Trust
- ❖ City of Hollywood Firefighters' Pension Fund
- ❖ City of Homestead Police Officers' Retirement Plan
- ❖ Illinois Police Officers' Pension Investment Fund
- ❖ Town of Indian River Shores Public Safety Officers' & Firefighters' Defined Benefit Plan
- ❖ Town of Indian Shores Police Officers' Pension Trust Fund
- ❖ Town of Lady Lake Police Officers' Retirement Trust Fund
- ❖ City of Lakeland Firefighters' Retirement System
- ❖ City of Lakeland Police Officers' Retirement System
- ❖ Town of Lantana Firefighters' Pension Fund
- ❖ City of Maitland Police Officers' & Firefighters' Pension Trust Fund
- ❖ City of Neptune Beach Police Officers' Retirement System
- ❖ North River Fire District Firefighters' Retirement Trust Fund
- ❖ City of Ocoee Municipal General Employees' Retirement Trust Fund
- ❖ Town of Orange Park Firefighters' Retirement Plan
- ❖ Town of Orange Park Police Officers' Retirement Trust
- ❖ City of Palm Beach Gardens Firefighters' Pension Trust Fund
- ❖ Palm Harbor Special Fire Control and Rescue District Firefighters' Pension Plan
- ❖ City of Perry Municipal Police Officers' Retirement Trust Fund

- ❖ City of Perry Municipal Firefighters' Retirement Trust Fund
- ❖ City of Punta Gorda Employees' Retirement System
- ❖ City of Punta Gorda Police Officers' Retirement System
- ❖ City of Sebring Municipal Firefighters' Pension Plan
- ❖ City of Seminole Municipal Firefighters' Pension Trust Fund
- ❖ City of South Pasadena Firefighters' Retirement System
- ❖ City of St. Cloud General Employees' Retirement System
- ❖ City of St. Cloud Police Officers' & Firefighters' Retirement System
- ❖ City of St. Pete Beach Firefighters' Retirement System
- ❖ City of St. Pete Beach General Employees' Retirement System
- ❖ City of St. Pete Beach Police Officers' Retirement System
- ❖ City of Sunrise Firefighters' Retirement Plan
- ❖ City of Tavares Firefighters' Pension Trust Fund
- ❖ City of Tavares Police Officers' Pension Trust Fund
- ❖ City of Temple Terrace Police Officers' Pension Fund
- ❖ City of Vero Beach Police Officers' Retirement Trust Fund
- ❖ West Manatee Fire and Rescue District Firefighters' Retirement Plan