

MINUTES
CITY COUNCIL MEETING
November 12, 2019
3000 Bellemead Drive, Daytona Beach Shores, FL 32118

1. CALL TO ORDER BY MAYOR

Present: Councilmember Mel Lindauer, Mayor Nancy Miller, Vice Mayor Richard Bryan, Councilmember Richard Frizalone, Councilmember Michael Politis

Staff: City Manager Michael T. Booker, City Clerk Cheri Schwab, City Attorney Raymond Branch, Community Services Director Fred Hiatt, Finance Director Kurt Swartzlander, and Public Safety LT Michael Fowler.

2. ROLL CALL BY CITY CLERK

3. NEW BUSINESS:

A. **Continuing Discussion to move the general employee pension back to Florida Retirement System**

At the last workshop, the City Council had instructed the Finance Director to bring back estimated costs for the city to rejoin the Florida Retirement System. Finance Director Swartzlander began by stating the purpose of rejoining FRS was to recruit and retain employees. He instructed the council that they had three options. The first option was to do nothing and keep the general employees in the current 401A Pension plan. The second option was to rejoin FRS effective February 1, 2020 at an additional cost of \$22,000 per year. The third option was to rejoin FRS effective February 1, 2020 but also to buy back the employees existing time at an estimated cost of \$307,000. The cost per employee would be \$7,301.

The council discussed the options and CMBR Politis inquired if funds were available for option 3. The reply was that funds were available in reserves. It was also mentioned that four employees were in the Sewer Department and their cost would come from the Enterprise Fund. There were a few questions regarding purchasing individual annuities but it was explained that was not going to be feasible financially. It was estimated at a cost of roughly \$200,000 per employee. There were many employees in the audience and Mayor Miller asked in any would like to speak. Both Community Services Director Fred Hiatt and Captain Michael Fowler spoke on behalf of their employees. They felt it would be a great benefit to rejoin FRS as it would be a good recruiting tool for future employees. At times it is hard to replace an employee that has licenses and special certifications. Many other surrounding cities and the county are currently in the system. This combined with the generous insurance plan would be a nice enticement for recruitment.

Since this was a workshop and an official vote could not be taken, the Mayor asked for a consensus from the others on what direction they would like to proceed. CMBRS Politis, Lindauer and Mayor Miller selected option 3 with the buy back of service years. CMBRS Bryan and Frizalone selected option 2 of joining FRS with no buy back. Finance Director Swartzlander will bring a resolution to the next meeting for the council to adopt.

4. ADJOURNMENT:

The workshop ended at 5:45 pm.

**MAYOR
NANCY MILLER**

**CITY MANAGER
MICHAEL T. BOOKER**

ATTEST:

CITY CLERK, CHERI SCHWAB