

# THE ADMINISTRATOR

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*Scott Baur, Managing Partner*

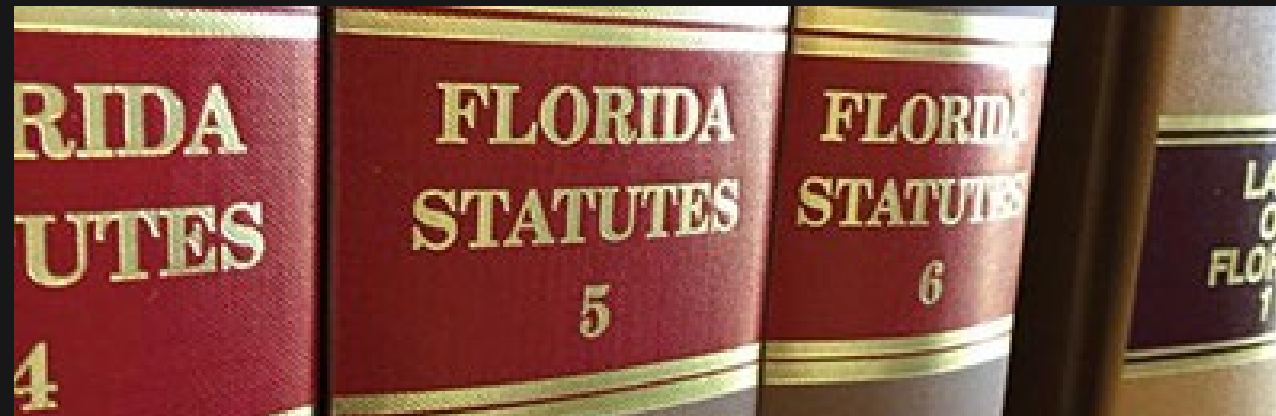


THE RESOURCE CENTERS

A stylized sun graphic with a yellow circle in the center. The left half of the sun is set against a black background with yellow rays, while the right half is set against a light gray background with white rays. The entire graphic is enclosed in a yellow border.

# WHO IS THE PLAN ADMINISTRATOR?

**Section 185.05 (1) Florida Statutes.** In each municipality described in s. 185.03 there is hereby created a board of trustees of the municipal police officers' retirement trust fund, which shall be solely responsible for administering the trust fund.



**Section 175.061 (1) Florida Statutes.** In each municipality and in each special fire control district there is hereby created a board of trustees of the firefighters' pension trust fund, which shall be solely responsible for administering the trust fund.



112.66 General Provisions . . . . the board of trustees shall have ultimate control over the assets and liabilities of the retirement system or plan.

*As a fiduciary, the Trustee shall discharge his or her duties with respect to a Plan solely in the interest of the participants and beneficiaries for the exclusive purpose of providing benefits to the participants and their beneficiaries and defraying reasonable expenses of administering the Plan.*

(Section 112.656(1), Florida Statutes)

A black and white photograph showing the silhouettes of five people sitting around a long table. They appear to be in a meeting or discussion. The background is a light gradient, and the table and chairs are reflected on the surface in front of them. The image has a torn paper effect at the bottom.

# What does the Board do?

## Pension Board: Assets

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- Collect and verify deposits of contributions and receipts due to plan.
  - Invest plan assets (Sections 112.661, 175.071, 185.06, 215.47, 215.473, and 518.11 Florida Statutes).
  - Verify and authorize all payments and disbursements from plan.
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## Pension Board: Benefits

- Determine eligibility for benefits.
- Calculate benefits, service, and compensation.
- Establish entitlement to disability benefits, resolve claims, and decide forfeitures.





# Pension Board: Documents

- Become familiar with local, state and federal laws, plan provisions, and procedures. (Section 112.66 FS)
- Establish and adopt operating rules and procedures for proper administration.
- Periodically review all documents and maintain compliance.
- Distribute Summary Plan Description to members.
- File Plan documents and reports with Division of Retirement (Chapters 112, 175, and 185, Florida Statutes).





## Pension Board: Service Providers

- Hire consultants and service providers to assist and advise the Board (Section 112,656, 175.071, 185.06 Florida Statutes)
- Contract for professional services and actuarial studies, establish assumptions and methods.
- Evaluate performance of all consultants and service providers.
- Review agreements for services, reasonable compensation, for provisions, and compliance with current requirements.



- Maintain clear records of all Board actions.
- Maintain all member service and employment records.
- Maintain clear records delegating responsibilities and assigning tasks.
- Document advice provided by consultants and reliance by the Board.

## Pension Board: Records

# Pension Board: Responsible for Everything!

The Board is responsible for all of the above!



*“I want to know  
God’s thoughts, the  
rest are details.”*

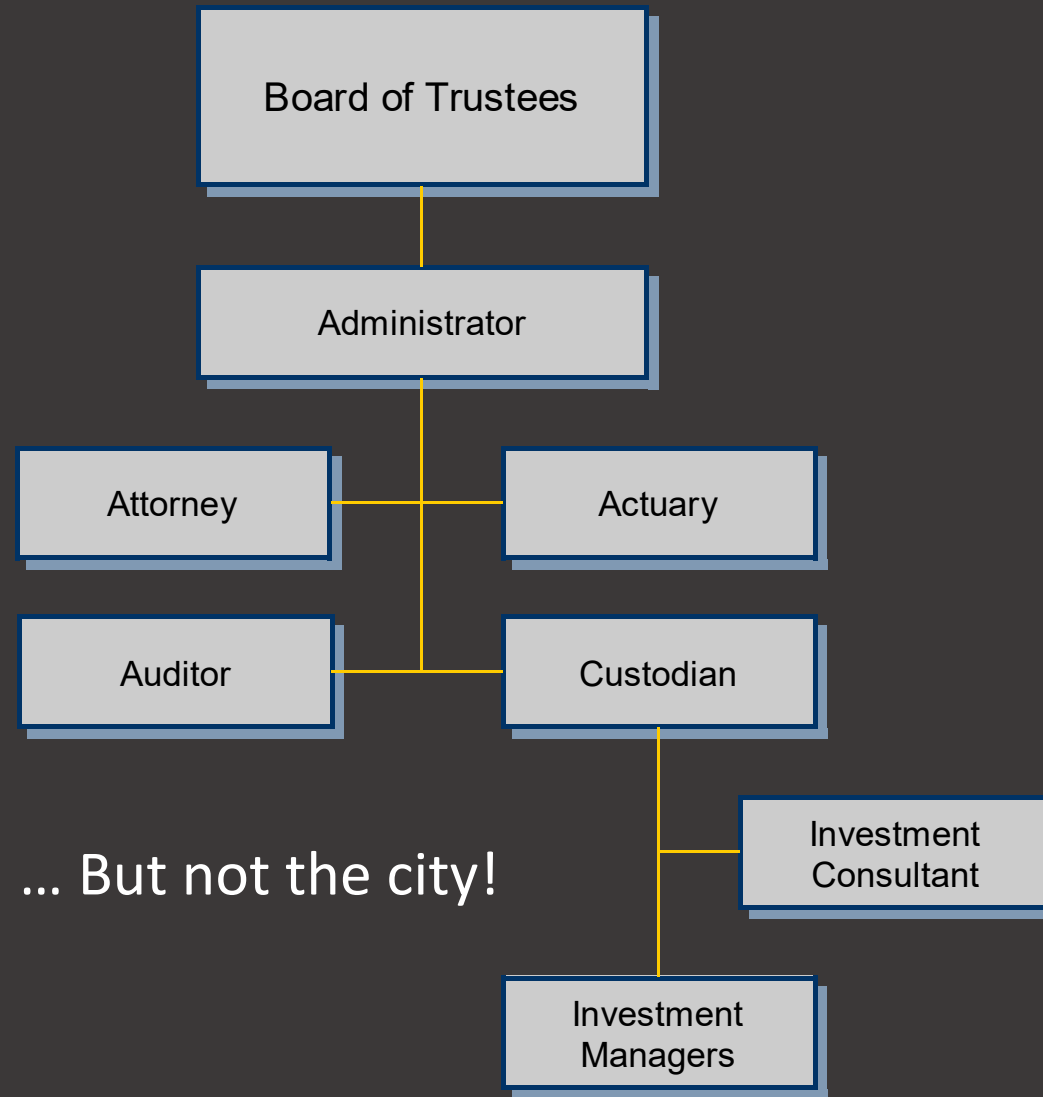
*--Albert Einstein*



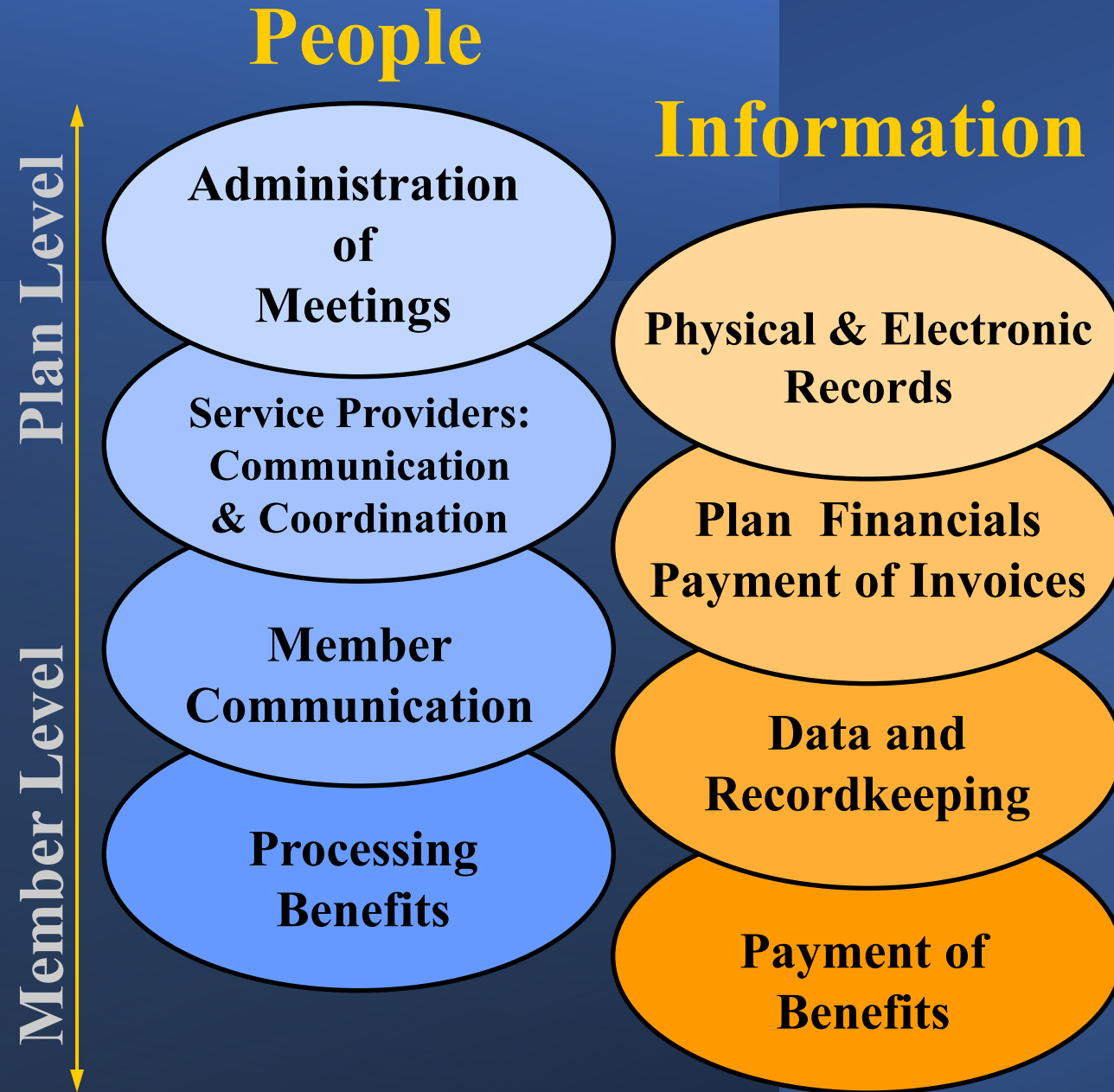
# *Plan Administration:* ***Details***



# Board & Service Providers



# Plan Administration: A Conceptual Framework







## Organization & Communication

The quality of the many different forms of communication often determines the successful operation of the plan and the quality of the benefit provided to the members.

# Plan Administration Personnel

Trustees

One Trustee

Payroll  
Specialist

HR Staff

Board  
Secretary

In-house  
Administrator

Finance  
Department  
Designee

Custodian

Auditor

Investment  
Consultant

Actuary

Service  
Provider

Legal Counsel

Third Party  
Administrator



Some person  
somewhere  
completes  
each  
administrative  
task  
to operate  
the plan.

# Plan Administration: Meeting Administration



- *Meetings*
- *Agenda Items*
- *Minutes*



A group of business professionals are seated around a long table in a modern office setting, engaged in a meeting. The scene is brightly lit by large windows in the background. A semi-transparent white circle is overlaid on the right side of the image, containing the title and list.

# Trustee Management

- Meeting Preparation
- Trustee Elections and Appointments
- Travel and Education
- Conflicts of Interest
- Fiduciary Insurance
- Board Policies
- Memberships and Associations



Plan Administration:  
**Communication  
and Coordination**

- Review of Statements and Documents
- Coordination of Service Providers
- Ways to Communicate

# Plan Administration: Processing of Benefits



- Forms and Applications
- Plan Provisions
- Benefit Calculations
- Processing of Benefits
- Benefit Timeline





Records and Data  
Administration:

## Records Custodian

- Physical and Electronic Records
- Public Records
- Conversion to Paperless
- Records Retention

**All kinds of records!**



# Records and Data Administration: Financial Recordkeeping



- Interim Financial Statements
- Audited Financial Statements
- Accounts Payable
- Monitoring Contributions
- Annual Report Preparation



Records and Data  
Administration:  
**Participant Data**

Systems to Receive  
and Record  
Contributions

Demographic Data

Systems to Record  
Payments and  
Distributions

**Never throw those records away!**



## Records and Data Administration: Pension Payments

- Systems to Process Distributions
- Tax Withholding and Deductions
- Member and Plan Reporting
- Processing Changes
- Death Searches



# Post Pandemic Plan Administration



***Embracing Change:*** *The pandemic acted as a catalyst to accelerate the evolution already under way. We can either try to swim upstream or embrace that change.*



## Positive Meeting Outcomes

- *Higher Quality Participation*
  - *Investment Managers*
  - *Other Service Providers*
- *Few Glitches*
- *Increased Focus*
- *More Public Involvement*
- *Increased Transparency*





Managing Our New Work Environment

# Distractions + Mistakes



# Controls + Fundamentals

# Challenges and Change

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- *Unanticipated Changes*
  - *Member Hardships*
  - *Vulnerability and Control*
  - *Death and Disability*
- *Wanting Something Different*
  - *Changing Priorities*
  - *Changing Jobs and Careers*
  - *Retiring During COVID*







## Annual Verification Letters

Confirm that retired members  
receiving benefits are alive!

- *Increasing Risk to Plan*
- *Greater Risk to Members*
- *Mail Process*
- *Notary Requirements*

# The Challenge: Change Does Not Treat Everyone Equally

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- *Young vs Old*
- *Economically Disadvantaged vs Electronically Engaged*

*We must remain aware and act intentionally to serve all our constituents equally.*





# Plan Administration in the New Normal

- *The Board is always the Plan Administrator.*
- *The Board is responsible for everything.*
- *Essential tasks involve people and information.*
- *The current environment accelerates change and brings new challenges.*

