



BOARD OF TRUSTEES HANDBOOK

FIRE and POLICE DISABILITY and RETIREMENT (FPDR)

CITY OF PORTLAND

January 4, 2024

Purpose of Manual

The purpose of the *Board of Trustees Handbook* is to give trustees a basic understanding of their responsibilities and authority. It contains useful information about the Fire and Police Disability and Retirement (FPDR) Fund, the Board, policies, the FPDR Bureau, and other topics.

The *Handbook* is designed to be a single resource containing the information needed by the trustees to carry out their role of administering the Fire and Police Disability and Retirement Fund and serving the sworn employees of the City of Portland's Bureau of Fire and Rescue and the Bureau of Police along with their surviving spouses and minor children.

In case of conflict or ambiguity between this Board Handbook and the FPDR Plan (Chapter 5 of the Charter of the City of Portland and the City Council approved Charter changes) and the FPDR Administrative Rules, the FPDR Plan documents and Administrative Rules will control.

Latest Updates

(January 4, 2024)

Added:

1. Board Chairperson responsibilities (page 3)
2. Benefit Adjustment for FPDR One (page 16)
3. Attendance (page 17)

Updated:

1. Adoption of Rules (page 13)
2. Meetings (page 17) to reflect Admin Rule change
3. Discussions and Deliberations Outside of Regular or Special Board Meetings (page 17) to comply with recent changes to Oregon Public Meeting statutes
4. Executive Session (page 18) to comply with recent changes to Oregon Public Meeting statutes
5. Values (page 25)
6. Strategic Plan (page 25)
7. Additional Training Classes (page 30) to include training now required by Oregon statute
8. Appendix A – Current Trustees and Terms
9. Appendix B – 2024 Board of Trustees Meeting Schedule
10. Appendix C – FPDR Organizational Chart
11. Appendix D – Documents and Publications Included with the Board of Trustees Handbook

Moved:

1. Current Trustees and Terms to Appendix A
2. Current Board of Trustees Meeting Schedule to Appendix B

Table of Contents

PURPOSE OF MANUAL.....	ii
LATEST UPDATES.....	ii
ABOUT FIRE AND POLICE DISABILITY AND RETIREMENT (FPDR).....	1
ABOUT FPDR.....	1
OVERVIEW OF MEMBERSHIP AND BENEFITS.....	2
BOARD OF TRUSTEES.....	3
ABOUT THE BOARD.....	3
FUNCTIONS OF THE BOARD OF TRUSTEES.....	4
PUBLIC OFFICIAL.....	4
FIDUCIARY DUTIES.....	4
<i>Duty of Loyalty</i>	5
<i>Duty to Manage Expenses</i>	5
<i>Duty of Prudence</i>	5
<i>Duty to Follow Plan Document</i>	5
<i>Co-Fiduciary Duty</i>	5
TRUSTEE APPOINTMENT AND ELECTION.....	6
<i>Election of Trustees Representing the Members of Portland Fire and Rescue and the Portland Police Bureau</i>	6
<i>Appointment of the Citizen Board Members</i>	6
PUBLIC RECORDS.....	7
PUBLIC RECORDS REQUESTS.....	7
RESTRICTIONS ON POLITICAL ACTIVITY.....	8
TRUSTEE ACCESS TO FPDR BUREAU STAFF.....	8
BOARD CODE OF ETHICS.....	9
CITY OF PORTLAND’S CODE OF ETHICS.....	9
<i>1.03.010 Definitions</i>	9
<i>1.03.020 Trust</i>	9
<i>1.03.030 Objectivity</i>	10
<i>1.03.040 Accountability</i>	10
<i>1.03.050 Leadership</i>	10
STATE OF OREGON ETHICS LAWS.....	11
STANDARDS OF CONDUCT.....	11
BOARD POLICIES.....	12
ADMINISTRATIVE RULES.....	12
<i>Authority</i>	12
<i>Purpose</i>	12
<i>Duties of the Director</i>	12
<i>Rulemaking Notices and Procedures</i>	12
<i>Adoption of Rules</i>	13
INDEMNITY.....	13
TRAVEL.....	14
FINANCES, DISBURSEMENTS AND BOOKKEEPING.....	14
CLAIMS RECORDKEEPING AND ASSESSMENT OF THE FPDR FUND.....	15
LEGAL ADVISER.....	15
TAX QUALIFIED STATUS.....	15
BUDGET.....	15
FPDR ONE BENEFIT ADJUSTMENTS.....	16
FPDR TWO BENEFIT ADJUSTMENTS.....	16

DISABILITY BENEFITS	16
APPEALS	16
BOARD MEETINGS.....	17
MEETINGS	17
QUORUM	17
ATTENDANCE.....	17
DISCUSSIONS AND DELIBERATIONS OUTSIDE OF REGULAR OR SPECIAL BOARD MEETINGS	17
MEETINGS BY MEANS OF TELEPHONE OR ELECTRONIC COMMUNICATION	18
OREGON PUBLIC MEETINGS LAW	18
EXECUTIVE SESSION	18
CONDUCT OF BOARD MEETINGS	19
PUBLIC COMMENT AND TESTIMONY DURING BOARD MEETINGS	20
CODE OF CONDUCT DURING BOARD MEETINGS	20
AGENDA.....	21
BOARD COMMITTEES	22
ACTUARIAL COMMITTEE	22
<i>General</i>	22
<i>Composition</i>	22
<i>Duration</i>	22
BUREAU DIRECTOR (FUND ADMINISTRATOR)	23
DIRECTOR JOB DESCRIPTION.....	23
RESPONSIBILITIES/DUTIES	23
RESPONSIBILITIES DELEGATED TO DIRECTOR	24
<i>Authorizing the Director to make all benefit and administrative expense payments</i>	24
MONITORING OF DIRECTOR’S PERFORMANCE/PERFORMANCE EVALUATION	24
REMOVAL OF DIRECTOR.....	24
FPDR BUREAU	25
RESPONSIBILITIES	25
MISSION STATEMENT AND VALUES	25
<i>Mission Statement</i>	25
<i>Values</i>	25
STRATEGIC PLAN	25
FINANCE	27
ANNUAL BUDGET	27
TAX ANTICIPATION NOTES	27
RESERVE FUND	27
ACTUARIAL VALUATION AND TAX LEVY ADEQUACY ANALYSIS.....	27
REPORT OF INDEPENDENT AUDITORS AND FINANCIAL STATEMENTS.....	28
ONBOARDING AND ONGOING TRAINING OF TRUSTEES	29
INITIAL ORIENTATION.....	29
<i>Session Outline</i>	29
ADDITIONAL TRAINING CLASSES	30
<i>Fiduciary Duties</i>	30
<i>Training by FPDR outside counsel</i>	30
<i>In-depth review of Charter (FPDR Plan) and Administrative Rules</i>	30
<i>Training by FPDR staff and City Attorney</i>	30
<i>Disability Claims</i>	30
<i>Pension Benefits and Calculations</i>	30
ONGOING ORIENTATION.....	30

CONFERENCES	30
PROCEDURES TO UPDATE HANDBOOK	32
APPENDIX A – CURRENT TRUSTEES AND TERMS	33
APPENDIX B – 2024 BOARD OF TRUSTEES MEETING SCHEDULE	34
APPENDIX C – FPDR ORGANIZATIONAL CHART	35
APPENDIX D – DOCUMENTS AND PUBLICATIONS INCLUDED WITH THE BOARD OF TRUSTEES HANDBOOK	36
<i>Plan Documents</i>	36
<i>Ethics</i>	36
<i>Public Meetings Law</i>	36
<i>Code of Conduct</i>	36
<i>Election Laws</i>	37
<i>Finance</i>	37

About Fire and Police Disability and Retirement (FPDR)

About FPDR¹

The Fire and Police Disability and Retirement Fund (FPDR Fund) was originally created and established for the benefit of the sworn employees of Portland Fire and Rescue and the Portland Police Bureau, and for the benefit of the Surviving Spouses and Dependent Minor Children of deceased sworn employees. Chapter 5 of the City of Portland Charter, along with City Council approved Charter changes, is the plan document for the Fire and Police Disability, Retirement and Death Benefit Plan (FPDR Plan).

The FPDR Fund and FPDR Plan are administered by a Board of Trustees (Board) which acts as an independent public body. The purpose of the Board is to ensure that the provisions of Chapter 5 of the Charter of the City of Portland are followed so that Fire and Police sworn employees and their survivors receive the benefits due them and that the funds provided by the taxpayers of the City of Portland are expended prudently.

The Board consists of five members:

- The Mayor or the Mayor’s designee, who shall act as Chairperson
- An active member from Portland Fire and Rescue
- An active member from the Portland Police Bureau
- Two citizens of the City of Portland who have relevant experience with pensions or disability/workers’ compensation plans and administration

The Bureau of Fire and Police Disability and Retirement (FPDR Bureau) provides the operational administration for the FPDR Fund. The FPDR Bureau processes and administers all claims for disability, retirement and death benefits. It also provides the Board of Trustees with the information they need to administer the FPDR Fund. In addition, the FPDR Bureau is overseen by a Fund Administrator (Bureau Director) who has the authority to determine eligibility for benefits.

The FPDR Plan is funded through a dedicated property tax levy on all taxable property within the City of Portland. Each year, the Board prepares an estimate of the amount of money required to pay and discharge all requirements of the FPDR Plan for only the next fiscal year. The estimate is sent to the Portland City Council, which levies a tax sufficient to raise the required funds. The FPDR Fund does not retain any monies to pay for future benefits. This is called “pay as you go” funding. The FPDR Plan differs from most public defined benefit retirement plans that hold portions of employee and employer contributions in a managed fund in order to have sufficient funds to pay future benefits.

¹ Charter Chapter 5, Section 501. Creation of Fund

Overview of Membership and Benefits²

The FPDR Plan has three separate programs:

- **FPDR One** consists of sworn employees of Portland Fire and Rescue and the Portland Police Bureau who were actively receiving pensions or benefits before January 1, 1990 and did not or were not able to elect to join the FPDR Two program, as well as their surviving spouses and dependent minor children. Pension, disability and survivor benefits for members of this program are paid from the FPDR Fund and administered by the FPDR Bureau.
- **FPDR Two** consists of sworn employees of Portland Fire and Rescue and the Portland Police Bureau who are not FPDR One members and were sworn before January 1, 2007, as well as their surviving spouses and dependent minor children. Pension, disability and survivor benefits for members of this program are paid from the FPDR Fund and administered by the FPDR Bureau.
- **FPDR Three** consists of sworn employees of Portland Fire and Rescue and the Portland Police Bureau first sworn on or after January 1, 2007. Disability and death benefits are paid from the FPDR Fund and administered by the FPDR Bureau. FPDR Three members have retirement benefits through PERS.

Persons first sworn on or after January 1, 2013 become an FPDR Three member upon completion of six (6) consecutive months of employment as a permanently appointed sworn employee in Portland Fire and Rescue or the Portland Police Bureau. Prior to becoming an FPDR member, service-connected disability benefits are provided through the City of Portland's workers' compensation program.

PERS employee and employer contributions, disability benefit payments and other costs of the plan provided to FPDR Three members are paid from the FPDR Fund.

A more detailed description of the benefits provided by the FPDR Plan may be found in the FPDR Plan Summary document.

² Charter Chapter 5, Section 501. (a)-(c) Creation of Fund

Board of Trustees

About the Board³

The Board of Trustees administers the FPDR Plan as well as supervises and controls the FPDR Fund and the FPDR Reserve Fund, which has a balance of \$750,000 that may be used in the event of insufficient funds in the FPDR Fund.

The Board of Trustees is composed of five members:

- The Mayor or the Mayor’s designee approved by the City Council (who shall act as Chairperson)
- One member now serving in Portland Fire and Rescue elected to the Board by the members now serving in Portland Fire and Rescue
- One member now serving in the Portland Police Bureau elected to the Board by the members now serving in the Portland Police Bureau
- Two citizens of the City of Portland with relevant experience in pension or disability matters who are nominated by the Mayor and approved by the City Council.

Neither the Mayor nor the Mayor’s designee nor either of the citizen members shall be an active or past member or a beneficiary of the FPDR Plan or have been employed by Portland Fire and Rescue or the Portland Police Bureau.

The Board Chairperson presides over meetings of the Board of Trustees. In this capacity, the chairperson:

- Chairs meetings according to accepted rules of order
- Ensures board meetings have an agenda
- Provides leadership to the board
- Encourages all members to participate in the discussion
- Ensures that the board arrives at decisions in an orderly, timely, and democratic manner
- Manages complex/lengthy public testimony
- Ensures that the board complies with the City of Portland Charter, the FPDR Administrative Rules, and applicable state and federal laws; and
- Votes

All members of the Board (trustees) shall receive orientation to the Board and serve without compensation.

³ Charter Chapter 5, Section 5-201 (a). Board of Trustees.

Functions of the Board of Trustees

Trustees are entrusted with ensuring the efficient administration and legal compliance of the FPDR Plan. The major responsibilities of the trustees are:

- Prescribe rules and regulations for the administration of the plan document
- Approve operating budgets
- Provide oversight of the administration of the FPDR Fund programs
- Approve methods for internal reporting and control
- Ensure overall compliance of the FPDR Plan with the appropriate governing provisions
- Develop and ensure ethical standards of operation
- Promote the long-term viability of the FPDR Plan

Trustees, apart from exercising the global responsibility outlined above, also recognize the need to interface and maintain professional relationships with FPDR Plan participants (plan members, survivors or other beneficiaries), FPDR Bureau staff, City leadership, consultants, attorneys, labor union leadership and taxpayers.

Public Official⁴

In the State of Oregon, a person who is serving any public body as an appointed official is considered a public official and a public employee, irrespective of whether the person is compensated for the services. Therefore, all FPDR Board of Trustees members are considered public officials and public employees and are subject to applicable state statutes and rules as well as the City of Portland Charter, City Code and administrative rules.

Fiduciary Duties^{5 6}

A fiduciary of a pension plan is any person with any discretionary authority or discretionary responsibility in administering a pension plan. For the FPDR Plan, the trustees and the Fund Administrator (Director) are considered fiduciaries. At the Board of Trustees' discretion, outside experts may take on duties that make them a fiduciary.

Fiduciaries have special duties that govern their conduct and actions. Those duties are outlined below:

⁴ ORS 192.410(3)

⁵ U.S. Internal Revenue Service. *Retirement Plan Fiduciary Responsibilities*. <https://www.irs.gov/retirement-plans/retirement-plan-fiduciary-responsibilities>, October 9, 2015.

⁶ Employee Benefits Security Administration, U.S. Department of Labor. *Meeting Your Fiduciary Responsibilities*. February 2012.

Duty of Loyalty

Fiduciaries shall discharge their duties with respect to a plan *solely in the interest of the participants and beneficiaries* for the exclusive purpose of providing benefits to participants and their beneficiaries.⁷

The City of Portland, the citizens and taxpayers of the City and employee unions are not considered plan participants or beneficiaries. Therefore, their input and interest in the FPDR Plan is important but should not supersede the interest of the participants and beneficiaries.

The duty of loyalty forbids a fiduciary from using plan assets for one's personal interest and from favoring the interests of a third party over the interests of a plan participant, even if the fiduciary's own interests are not implicated.

Duty to Manage Expenses

Fiduciaries shall discharge their duties to pay reasonable expenses of administering the plan.

Duty of Prudence

Fiduciaries shall discharge their duties with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims.

This standard is much higher than just acting with the care of a prudent person. This standard is based upon how a person with experience and knowledge of a certain area would act in a given situation. If a fiduciary lacks the expertise for a certain area then the fiduciary must obtain expert help.

Being prudent does not mean that a fiduciary must always be right in the decisions made. It means only that actions are taken in a careful, prudent manner.

Duty to Follow Plan Document

Fiduciaries shall discharge their duties in accordance with the plan document and instruments governing the plan.

Co-Fiduciary Duty

A fiduciary has the responsibility to make sure all fiduciaries of the plan are fulfilling their

⁷ IRS – 26 USC § 401 - QUALIFIED PENSION, PROFIT-SHARING, AND STOCK BONUS PLANS

a) Requirements for qualification

A trust created or organized in the United States and forming part of a stock bonus, pension, or profit-sharing plan of an employer *for the exclusive benefit of his employees or their beneficiaries* shall constitute a qualified trust under this section

responsibilities and duties. If a fiduciary has knowledge of a breach of duties by the other fiduciaries, the fiduciary *must* make a reasonable effort under the circumstances to remedy the breach.

Trustee Appointment and Election

Election of Trustees Representing the Members of Portland Fire and Rescue and the Portland Police Bureau⁸

Elections of these trustees shall be under the supervision of the City Auditor and shall be held in the month of December, at which election someone now serving in Portland Fire and Rescue and someone now serving in the Portland Police Bureau shall be elected to the Board of Trustees for three-year terms to succeed the members whose terms expire the month following the time of said election. Members so elected in December shall take office the following January.

Special elections for unexpired terms shall be held within 30 days after a vacancy occurs, and such elections shall be conducted in the same manner as regular elections.⁹ Elections shall be held in a manner prescribed by the rules and regulations adopted by the Board, which must be in writing and filed with the Administrator of the Fund. The trustee elected during a special election will serve the balance of the unexpired term.

An elected trustee who ceases serving in Portland Fire & Rescue or the Portland Police Bureau may complete the remainder of the trustee's term. Notwithstanding the previous sentence, trustees who are discharged for cause shall cease to be a member of the Board of Trustees on the effective date of their discharge.¹⁰

Appointment of the Citizen Board Members¹¹

The two citizen Board members shall be citizens of the City of Portland and have relevant experience in pension or disability matters. They are nominated by the Mayor and approved by the City Council. Their appointments are made in January and they serve a three-year term.

Appointments for a vacated position shall be made within 30 days after they occur. A new trustee shall be nominated by the Mayor and approved by the City Council. The new appointed trustee will serve the balance of the unexpired term.

For complete information on trustee appointments and elections, see Charter Chapter 5, Section 5-201, *Board of Trustees* and FPDR Administrative Rules, Section 5.2.04 – *Board Members*.

⁸ Charter Chapter 5, Section 5-201 (b). Board of Trustees.

⁹ FPDR Administrative Rules, Section 5.2.04(A) – Elected Board Members

¹⁰ FPDR Administrative Rules, Section 5.2.04 (A)(6) – Elected Board members

¹¹ Charter Chapter 5, Sections 5-201 (a) & (b). Board of Trustees.

Public Records

Public records for the FPDR Board of Trustees means any information that:

- Is prepared, owned, used, or retained by the Board;
- Relates to an activity, transaction, or function of the Board
- Is necessary to satisfy the fiscal, legal, administrative or historical policies, requirements or needs of the Board.¹²

Public records include any *writing* that contains information relating to the conduct of the public's business used or retained by a public body regardless of physical form or characteristics.¹³ Writing means handwriting, typewriting, printing, photographing and every means of recording, including letters, words, pictures, sounds, or symbols, or combination thereof, and all papers, maps, files, facsimiles or electronic recordings.¹⁴ Text messages and emails that discuss Board or FPDR business are considered public records. Document drafts and Board meeting notes are also considered public records.

Records meeting the above definition are public even if the records are produced or stored on a private, personal or non-City of Portland device. Devices include but are not limited to personal computers, pads and cell phones. Text messages and emails, even if the email is produced from a private email account, that relate to the conduct of FPDR or Board business are public records.

FPDR is responsible for retaining all public records generated by the Board or individual trustees. Copies of all public records generated by the Board or individual trustees should be sent to the FPDR Legal Assistant. The Legal Assistant will retain the records in accordance with the FPDR Record Retention Schedule.

Knowingly destroying public records can constitute a criminal offense.¹⁵

All questions about public records and record retention should be directed to the FPDR Legal Assistant.

Public Records Requests

The public has a right to inspect any public record of a public body in this state including FPDR and the FPDR Board of Trustees.¹⁶

¹² ORS 192.005(5)

¹³ ORS 192.311(5)(a))

¹⁴ ORS 192.311(7)

¹⁵ ORS 162.305

¹⁶ ORS 192.314(1)

When a person, organization or a news organization requests copies of FPDR, Board or trustee records, the requestor should be directed to:

- The FPDR website for publicly available records including board agendas, minutes, board book material, budgets and other financial reports
<https://www.portlandoregon.gov/fpdr>.
- The City of Portland’s public records request webpage. The link to the page is found under the “Search Portland.gov” search bar on the City’s website,
<https://www.portlandoregon.gov>., or
- The FPDR Legal Assistant or Director

All questions about public records requests should be directed to the FPDR Legal Assistant.

Restrictions on Political Activity

The State of Oregon and the City of Portland have restrictions on the political activities of public employees. These restrictions are explained in the State of Oregon publication *Restrictions on Political Campaigning by Public Employees* and the memo from Tracy Reeve, City Attorney, *Election Laws and City Employees*. Both are included in the Board of Trustees Handbook binder.

Trustee Access to FPDR Bureau Staff

The Director will serve as the primary contact to the Board of Trustees on any issue concerning FPDR.¹⁷

¹⁷ FPDR Administrative Rules, Section 5.2.08 – Board Communications with FPDR Administration

Board Code of Ethics

City of Portland's Code of Ethics¹⁸

As members of a City of Portland board, the FPDR Board of Trustees shall comply with the City of Portland Code of Ethics pursuant to City Code Chapter 1.03.010.

1.03.010 Definitions

- A. **"City official"** means any elected official, employee, appointee to a board or commission, or citizen volunteer authorized to act on behalf of the City of Portland, Oregon.
- B. **"Ethics"** means positive principles of conduct. Some ethical requirements are enforced by federal, state, or local law. Others rely on training, or on individuals' desire to do the right thing. The provisions of this Chapter which are not elsewhere enforced by law shall be considered advisory only.

1.03.020 Trust

The purpose of City government is to serve the public. City officials treat their office as a public trust.

- A. The City's powers and resources are used for the benefit of the public rather than any official's personal benefit.
- B. City officials ensure public respect by avoiding even the appearance of impropriety.
- C. Policymakers place long-term benefit to the public as a whole above all other considerations, including important individuals and special interests. However, the public interest includes protecting the rights of under-represented minorities.
- D. Administrators implement policies in good faith as equitably and economically as possible, regardless of their personal views.
- E. Whistle-blowing is appropriate on unlawful or improper actions.
- F. Citizens have a fair and equal opportunity to express their views to City officials.
- G. City officials do not give the appearance of impropriety or personal gain by accepting personal gifts.
- H. City officials devote City resources, including paid time, working supplies and capital assets, to benefit the public.
- I. Political campaigns are not conducted on City time or property.

¹⁸ Portland City Code, Chapter 1.03 Code of Ethics

1.03.030 Objectivity

City officials' decisions are based on the merits of the issues. Judgment is independent and objective.

- A. City officials avoid financial conflict of interest and do not accept benefits from people requesting to affect decisions.
- B. If an individual official's financial or personal interests will be specifically affected by a decision, the official is to withdraw from participating in the decision.
- C. City officials avoid bias or favoritism, and respect cultural differences as part of decision-making.
- D. Intervention on behalf of constituents or friends is limited to assuring fairness of procedures, clarifying policies or improving service for citizens.

1.03.040 Accountability

Open government allows citizens to make informed judgments and to hold officials accountable.

- A. City officials exercise their authority with open meetings and public records.
- B. Officials who delegate responsibilities also follow up to make sure the work is carried out efficiently and ethically.
- C. Campaigns for election should allow the voters to make an informed choice on appropriate criteria.
- D. Each City employee is encouraged to improve City systems by identifying problems and proposing improvements.
- E. City government systems are self-monitoring, with procedures in place to promote appropriate actions.

1.03.050 Leadership

- A. City officials obey all laws and regulations.
- B. City officials do not exploit loopholes.
- C. Leadership facilitates, rather than blocks, open discussion.
- D. Officials avoid discreditable personal conduct and are personally honest.
- E. All City bureaus and work teams are encouraged to develop detailed ethical standards, training, and enforcement.
- F. The City Auditor will publish a pamphlet containing explanations and examples of ethical principles.

The City of Portland *Code of Ethics – Explanations and Examples* pamphlet is included in the Board of Trustees Handbook binder.

State of Oregon Ethics Laws

A trustee shall also comply with the State of Oregon ethics laws. Those laws and the trustee's responsibilities are explained in the *Oregon Government Ethics Law – A Guide for Public Officials* which is included in the Board of Trustees Handbook binder.

Standards of Conduct

The FPDR Board of Trustees shall comply with the following standards of conduct:

- A. Abide in all respects by the City of Portland's Code of Ethics and the State of Oregon's ethics laws.
- B. Abide in all respects by the City of Portland's rule regarding Prohibition Against Workplace Harassment, Discrimination and Retaliation,¹⁹ a copy of which is included with the Board of Trustees Handbook.
- C. Conduct business affairs of the FPDR Plan in good faith, with honesty, integrity, due diligence and reasonable competence.
- D. Act in the best interest of the plan participants and beneficiaries.
- E. Act with prudence and reasonable care.
- F. Maintain independence and objectivity by avoiding conflicts of interest, refraining from self-dealing and refusing any gift that could reasonably be expected to affect their loyalty.
- G. Abide by all applicable laws, rules and regulations, including the plan documents.
- H. Except as the Board of Trustees may otherwise require or as otherwise required by law, refrain from sharing, copying, reproducing, transmitting, divulging or otherwise disclosing any confidential information related to the affairs of the FPDR Plan.
- I. Uphold the strict confidentiality of all meeting and other deliberations and communications held in Executive Session pursuant to ORS 192.660(2)(f) and ORS 192.660(2)(h).
- J. Exercise proper authority and good judgment in their dealings with FPDR Bureau staff, suppliers and the general public, and respond to the needs of the FPDR members in a responsible, respectful and professional manner.

¹⁹ City of Portland Human Resources Administrative Rule 2.02

Board Policies

Administrative Rules ^{20 21}

Authority

The Board has the power to prescribe rules and regulations for the administration of Chapter 5 of the City Charter.

Purpose

To carry out the rulemaking requirement of the Board and to provide for a process that is open and inclusive of all stakeholders. This process will be applicable to all provisions of these administrative rules.

Duties of the Director

The Director will:

- A. Provide the Board of Trustees with the technical and staffing resources necessary for the rulemaking process;
- B. Develop rules and amendments for review and adoption by the Board of Trustees; and
- C. Produce, publish, and distribute proposed and adopted rules.

Rulemaking Notices and Procedures

Any proposed change or addition to these rules must be referred to the Board. The Board will then consider the proposed change or addition.

The Director will provide notice of rulemaking to the Board of Trustees and known interested parties at least 30 days prior to the upcoming rulemaking session by email. The notice will include:

- A. A statement of the section of the rules to be reviewed.
- B. The date, time, and location of the Board's consideration of the proposed rule or amendment.
- C. Information on how to submit comments.

The Director will post the Notice of Rulemaking and draft copies of the proposed new or amended Administrative Rules on the FPDR website at least 30 days prior to the Board's review.

²⁰ Charter Chapter 5, Sections 5-202 (a). Powers of the Board and Fund Administration.

²¹ FPDR Administrative Rules, Section 5.1 – Procedural Rules Governing Rulemaking

Interested parties may submit written testimony on the proposed rules to the Director or present oral testimony during the Board meeting when the Board considers the proposed administrative rules.

After posting the notice, the Director may hold a public Question and Answer (Q&A) session. The public is invited to the session to ask questions and make comments on the proposed administrative rules. The Q&A session is not a work session, bargaining session, or Board of Trustees meeting. No decisions or commitments will be made during the meeting. The Director will summarize the session to the Board of Trustees. The Q&A session is not a substitute for submitting written or oral testimony to the Board.

Adoption of Rules

Upon completion of the processes outlined in this procedure, the Board of Trustees shall adopt, for implementation, these rules by section or in their entirety.

At Board meetings, when reviewing and voting on proposed rule changes, the Board may:

1. Move to adopt the proposed rule, or sections of rule, as proposed;
2. Amend the proposed rule and move to adopt the amended version of the original proposed rule;
3. Move a that modified version of the original proposed rule be considered at a later meeting after additional public testimony; or
4. Take no action and withdraw the proposed rule altogether. The Board may reconsider the proposed rule in the future.

Indemnity²²

The members of the Board and the Fund Administrator are indemnified by the FPDR Fund from any claim or liability, including the cost of legal defense by counsel approved by the City Attorney that arises from any action or inaction in connection with their functions under the Charter Chapter 5 subject to the following:

1. Coverage shall be limited to actions taken in good faith that the person reasonably believed were not opposed to the best interest of the FPDR Plan.
2. Coverage shall be reduced by the extent of any insurance coverage.

²² Charter Chapter 5, Section 5-201 (e). Board of Trustees

Travel²³

It is the desire and intention of the Board to ensure that all trustees receive educational opportunities afforded by attendance at conferences and seminars relevant to their duties on the Board.

Trustees shall be reimbursed for expenses related to the conference or seminar attendance based on the City of Portland's Rules for Travel, Miscellaneous Expenses and Receipt of Related Benefits. A copy of the City's Rules for Travel, Miscellaneous Expenses and Receipt of Related Benefits will be provided prior to conference or seminar attendance.

Trustees are authorized to attend up to two conferences per fiscal year as long as the total number of conferences attended by the trustees does not exceed six. Trustees will coordinate with other trustees and the Director to stay within the number of limited spots for each fiscal year. Prior to registering, Trustees shall notify the Director who will coordinate travel and assure that the budgeted total travel allocation is not exceeded. Trustees' attendance at more than two each or a total of six conferences in a fiscal year requires preapproval by the Board of Trustees.

Finances, Disbursements and Bookkeeping^{24 25}

Unlike virtually all pension plans, the FPDR Plan is *not* prefunded. Each year, a dedicated property tax sufficient to fund current year benefit payments and administrative expenses is levied, provided the levy rate does not exceed the maximum established in City Charter (\$2.80 per \$1,000 of real market value). Therefore, the FPDR Board has no investments to manage.

The cash balances of the FPDR Fund and the FPDR Reserve Fund are in the care and custody of the City Treasurer, as required by City Charter, and shall be paid out by the Treasurer on warrants or checks signed by the Mayor and countersigned by the Fund Administrator and not otherwise.

The books and accounts of the FPDR Fund are, at all times, subject to the inspection of any person interested, and are audited annually at the expense of the FPDR Fund by a licensed public accountant or firm of accountants approved by the City. The City Auditor may audit the activities of the FPDR Fund.

²³ FPDR Administrative Rules, Section 5.2.07 – Travel Policy

²⁴ Charter Chapter 5, Section 5-203. Custodian and Disbursing Officer

²⁵ Charter Chapter 5, Section 5-204. Books and Accounts

Claims Recordkeeping and Assessment of the FPDR Fund²⁶

The FPDR Bureau will keep disability claims records in a manner comparable to the City's Workers' Compensation records. The Board may direct the FPDR Bureau to periodically contract for assessment of plan administration. The most recent direction from the Board is to conduct pension and disability audits on a five-year cycle.

Legal Adviser²⁷

The City Attorney advises the Board of Trustees and Fund Administrator in all matters pertaining to their duties and the management of either of the FPDR Fund or the FPDR Reserve Fund whenever required by the Board or the Fund Administrator. The City Attorney shall represent and defend the Board and the Fund Administrator as their attorney in all suits or actions at law or in equity that may be brought against them and institute all suits and actions in their behalf that may be required or determined upon by the Board or Fund Administrator. In addition, the Board or Fund Administrator may retain other legal counsel to advise or represent them.

Tax Qualified Status²⁸

The FPDR Plan is intended to constitute a tax qualified pension plan that satisfies the requirements of Section 401(a) of the Internal Revenue Code of 1986, or any successor provision, as it may be amended from time to time.

Budget²⁹

The Board has sole authority to approve the FPDR Funds' annual budget. The Board is required to prepare and transmit to City Council an estimate of the funds required for all FPDR expenses in the succeeding fiscal year. The Council is then required to levy a tax sufficient to produce that sum, provided the levy rate does not exceed \$2.80³⁰ per \$1,000 of real market value.

²⁶ Charter Chapter 5, Section 5-205. Powers of Board and Fund Administration

²⁷ Charter Chapter 5, Section 5-206. Powers of Board and Fund Administration

²⁸ Charter Chapter 5, Section 5-402. Tax Qualification

²⁹ Charter Chapter 5, Section 5-103. Levy by Council

³⁰ Per Charter Section 5-103. Levy by Council, the levy rate may not exceed \$2.50 per \$1,000 of valuation. Per Charter Section 7-110 (5). Annual Tax Levy, the City can increase the levy rate by \$0.30 per \$1,000 of assessed valuation not exempt from taxation.

FPDR One Benefit Adjustments³¹

Pension benefits payable under City Charter Article 5 (FPDR One Benefits) of the Plan shall vary annually and shall be based upon the current salary of a First Class Fire Fighter or First Class Police Officer, as the case may be, computed annually at the beginning of the fiscal year. Current salary shall mean the maximum payment for the fire fighter or police officer civil service classification and shall not include wages or salaries for extra duties or extra services.

FPDR Two Benefit Adjustments³²

FPDR member benefits are defined by the City Charter, with the exception of increases to pension benefits for FPDR Two members. The Board has sole authority to determine the amount and timing of such adjustments at its discretion, except that the percentage rate may not exceed the percentage rate applied to police and fire retirees in the Oregon Public Employees Retirement System.

Disability Benefits³³

All service-connected and occupational disability, nonservice-connected disability, and death before retirement claims are adjusted, administered and decided by the Director. The Board does not decide applications for these benefits. However, the Board has the power to prescribe rules and regulations for administration of claims for these benefits.

Appeals^{34 35 36}

An FPDR member, surviving spouse or dependent may appeal the Director's decision to reduce, suspend or deny disability benefits or any determination that may affect a member's retirement benefits.

The Board is responsible for retaining hearing officers to hear and adjudicate member appeals. The hearing officers shall be members of the Oregon State Bar and have relevant disability training and experience. In addition, the Board will establish an independent panel to consider appeals of a hearing officer's decision. In 2007, the Board passed a resolution authorizing the Oregon Office of Administrative Hearings to conduct hearings and appellate reviews of members' appeals in accordance with Charter Chapter 5 and the FPDR Administrative Rules.

³¹ FPDR Administrative Rules, Section 5.4.05 – Benefit Adjustments

³² Charter Chapter 5, Section 5-312. Benefit Adjustments

³³ Charter Chapter 5, Section 5-202 (a) & (h) (2). Powers of the Board and Fund Administration

³⁴ Charter Chapter 5, Section 5-202 (b), (c) & (h) (3) & (4). Powers of the Board and Fund Administration

³⁵ FPDR Administrative Rules, Section 5.4.08 – Retirement and Death Benefit Appeals Process

³⁶ FPDR Board of Trustees Resolution No. 416, Passed January 9, 2007.

Board Meetings

Meetings³⁷

All business of the Board shall be transacted at regular or special meetings. Regular meetings of the Board are normally held on the fourth Tuesday of every other month starting with January and commence at 1:00 pm. Unless otherwise stated, all meetings will be in the City of Portland Council Chambers. Special meetings may be called by the Chairperson, or by three or more members of the Board. All meetings are governed by the provisions of ORS 192.610 to 192.690 in effect at the time of the meeting Except when in executive session pursuant to ORS 192.660, all meetings of the Board are open to the public. All meetings shall be recorded electronically or documented in meeting minutes consistent with state law.

Quorum³⁸

At least three trustees must be present in order to constitute a quorum. An affirmative vote of at least three members of the Board shall constitute an action of the Board.

Attendance³⁹

Any appointed board member who misses four or more meetings in the fiscal year may be removed by the Board unless the Board determines there was a good cause for the absences.

A Board member who is discharged for cause shall cease to be a member of the Board on the effective date of their discharge.

Discussions and Deliberations Outside of Regular or Special Board Meetings⁴⁰

Any meeting or gathering of three or more trustees (a quorum) where board business is discussed or deliberated on is a meeting governed by the Oregon Public Meetings Law. This is true even if the meeting is held outside of a regular or special board meeting. Any discussions or deliberations regarding board business between board members via telephone, email and text may also constitute a meeting.

Per the Oregon Public Meetings Law, these meetings must be announced in advance, open to the public, have an agenda and minutes taken.

³⁷ FPDR Administrative Rules, Section 5.2.03 – Regular and Special Meetings

³⁸ Charter Chapter 5, Section 5-201 (a). Board of Trustees

³⁹ FPDR Administrative Rules, Section 5.2.04 –Board Members (B)(4) & (5)

⁴⁰ Oregon Public Meetings Law, ORS 192.610 to 192.690

Using electronic, video, or telephonic technology to be able to communicate contemporaneously among trustees; using serial electronic written communication among trustees; or using an intermediary to communicate among trustees is considered a public meeting and must comply with Oregon Public Meetings Law.

Communications between trustees that are:

1. Purely factual or educational in nature and that convey no deliberation or decision on any matter that might reasonably come before the Board;
2. Not related to any matter that, at any time, could reasonably be foreseen to come before the Board for deliberation and decision; or
3. Non-substantive in nature, such as communication relating to scheduling, leaves of absence and other similar matters, are not considered public meetings.

Meetings by Means of Telephone or Electronic Communication⁴¹

Any meeting, including an executive session which is held through the use of telephone or other electronic communication, such as text or email, shall be conducted in accordance with Oregon Public Meetings Law

When telephone or other electronic means of communication is used, and the meeting is not an executive session, the Board shall make available to the public at least one place where, or at least one electronic means by which, the public can listen to the communication at the time it occurs. A place provided may be a place where no member of the Board is present.

Oregon Public Meetings Law

All regular and special Board meetings must comply with the State of Oregon Public Meetings Law, ORS 192.610 to 192.690, in effect at the time of the meeting. The law is explained in the *Attorney General's Public Records and Meetings Manual* which is included in the Board of Trustees Handbook binder and training materials provided by the City Attorney's Office.

Executive Session

The State of Oregon Public Meetings Law allows the Board to meet in executive session to discuss certain topics and issues. The Board may hold an executive session when consulting with counsel regarding current litigation or litigation that is more likely than not to be filed, discussing information or records that are exempt by law from public inspection, to consider matters relating to the safety of the governing body and of public body staff and volunteers, the security of public body facilities and meeting spaces, and cyber security infrastructure and responses to cyber security threats. Prior to going into executive session, the Chairperson must announce the statutory authority for the executive session using an approved script.

⁴¹ Oregon Public Meeting Law, ORS 192.670

The following people may attend an executive session⁴²:

1. Trustees
2. FPDR management staff (Director, Operations/Disability Manager, Financial Manager and Legal Assistant)
3. Other FPDR staff providing direct input on the matters at hand
4. Third parties such as actuaries, auditors and accountants providing direct input on the matters at hand
5. City and Board attorneys
6. News media representatives

If a trustee wishes to bring a staff member or assistant into an executive session, they need to ask permission of the Board prior to going into executive session.

All other members of the audience are asked to leave the room. Representatives of the news media are specifically directed not to report on any of the deliberations during the executive session, except to state the general subject of the session as previously announced. No decisions may be made during the executive session. At the end of the session, the Board will return to open session and welcome the audience back into the room.

Conduct of Board Meetings⁴³

The Chairperson or Chairperson Pro Tempore shall preside over all meetings unless the Chairperson or Chairperson Pro Tempore directs otherwise. In the absence of the Chairperson or Chairperson Pro Tempore, the presiding officer of any Board meeting shall be a trustee chosen by a majority of the trustees present. In the event that a meeting is being chaired by someone other than the Chairperson or Chairperson Pro Tempore, such presiding officer shall retain his or her right to vote and to participate in discussion of matters before the Board.

Robert's Rules of Order, current edition, shall be controlling in governing Board procedure in the absence of any direction appearing in the administrative rules.

⁴² Meeting Minutes of January 28, 2014; Action Item No. 1 – Discussion Regarding Executive Session

⁴³ FPDR Administrative Rules, Section 5.2.03 – Conduct of Meetings

Public Comment and Testimony During Board Meetings⁴⁴

The public may provide comments or testimony at Board meetings only during the Public Comment Period at the start of the meeting or immediately prior to the Board's discussion of specific agenda topics.

Those wishing to comment or testify must sign up prior to the start of the Board meeting. Signup sheets will be available at least 30 minutes prior to the start of the meeting.

The Public Comment Period will normally be the first agenda item after approval of the prior Board meeting minutes. Each person who signed up will have three minutes to comment. They may speak about any topic regarding FPDR or issues impacting FPDR. Persons representing multiple people will have up to ten minutes to comment.

Public testimony on specific agenda items will normally occur just prior to the Board's discussion of the specific agenda topic. Each person will have three minutes to testify. They may only testify on the specific agenda topic. Persons representing multiple people will have up to ten minutes to comment.

Trustees are not required to respond to speakers or take action. However, they may ask follow-up questions.

Code of Conduct During Board Meetings⁴⁵

All people participating or attending Board meetings are expected to comply with Rules of Conduct for City Property as written in the City Code of Portland. The goal of these rules of conduct are to maintain an environment that promotes orderly administrative and business operations, and to take reasonable and prudent actions to protect the health, welfare and safety of all persons attending the meeting.

Per the Rules of Conduct, the Chairperson or Chairperson Pro Tempore is designated as the Person-in-Charge and has the authority to enforce the Rules of Conduct including the authority to direct a person to leave the meeting.

The complete Rules of Conduct and Person-in-Charge's role are found in the *City Code of Portland, Chapter 3.18 – Rules of Conduct for City Property*.

⁴⁴ Procedures adopted by Board of Trustees in 2007, reviewed by Board in 2014

⁴⁵ City Code of Portland, Chapter 3.18 – Rules of Conduct for City Property

Agenda⁴⁶

Notice of the date and time of meetings shall be included in the agenda prepared by the Director. The place where the meeting will be held shall also appear if the meeting is to be held somewhere other than the City of Portland Council Chambers. The Director will share the agenda with the Board six days before a regular or special meeting.

Except in the case of an actual emergency, no matter will be considered by the Board unless it is included on a Board agenda. To be included on a Board agenda, a request for inclusion on the agenda must be received by the Director not less than seven calendar days before the date of the meeting.

Executive sessions shall be the last item on the agenda whenever possible.⁴⁷

⁴⁶ FPDR Administrative Rules, Section 5.2.02 – Agenda

⁴⁷ Board of Trustees Meeting Minutes, January 28, 2014

Board Committees

Actuarial Committee

General

The Actuarial Committee is an ad hoc standing committee of the Board responsible for advising the independent actuaries hired by the FPDR Administrator to conduct the biannual plan valuation and tax levy adequacy analysis. (See Finance section below for additional information on these two reports.)

Composition

The committee is composed of two trustees, the FPDR Financial Manager and the FPDR Director.

Duration

The committee is convened biannually and typically meets one or two times in even-numbered years. The committee advises the actuaries about assumptions to be used in calculating the FPDR Plan's liability, particularly with respect to plan benefit provisions.

Bureau Director (Fund Administrator)

Director Job Description⁴⁸

The Director is responsible for the general administration of the FPDR Plan. The Director is appointed by the Mayor, approved by the Board and confirmed by the City Council. The Director reports to the Mayor, although the Mayor may delegate the oversight of the Director to a City Commissioner who is given the assignment to serve as the Commissioner in Charge of FPDR. Under the Mayor's or other Commissioner in Charge's policy direction, the Director plans, organizes and directs the activities of FPDR Bureau operations.

The Director is responsible for managing and directing the work of all staff assigned to the FPDR Bureau and, under the direction of the Board, is responsible for managing all functions, programs and activities of the FPDR Plan. Further, the Director provides consultation and staff support to the Board and works with the Mayor in setting and carrying out the FPDR Bureau's mission and objectives, consistent with City Charter mandates. The Director rather than the Board is directed by Charter to decide applications for disability benefits. The Board and the Director may appoint other agents or advisers to assist the Board or Director, including actuaries and attorneys.

The Director is required to be a qualified disability expert, with technical expertise and knowledge of disability laws as well as knowledge of best practices related to disability claims administration and adjudication, current medical standards, case management, vocational rehabilitation and return-to-work programs especially in the areas of job-related illnesses and injuries. The Director also has an understanding of the principles of public safety pension plans and the ability to provide analytical information related to benefits policies, cost issues and other programs.

Responsibilities/Duties⁴⁹

Note: In the Charter, the Director is referred to as the Fund Administrator.

The Administrator of the Fire and Police Disability and Retirement Fund shall:

- A. Be the Director of the Bureau of Fire and Police Disability and Retirement, in accordance with Charter Chapter 5, Section 5-202;
- B. Be responsible for administering the terms of the FPDR Plan;
- C. Serve as the principal Administrator of the FPDR Plan and have the power to initially approve or deny claims filed with the FPDR Plan and to subsequently suspend, reduce or terminate benefits as provided in Charter Chapter 5;

⁴⁸ Summarized from City of Portland Class Specification, Fire and Police Disability and Retirement (FPDR) Director

⁴⁹ City Code Chapter 3.127, Section 3.127.040 Administrator's Powers and Duties

- D. Lead and direct the activities of the FPDR Bureau staff;
- E. Oversee and direct other agents or advisers of the FPDR Plan including actuaries and attorneys;
- F. Be responsible for integrating disability, retirement and return-to-work programs with other bureaus within the City where applicable; and
- G. Review and propose amendments as necessary to the FPDR Plan to conform to changes in federal or state law and, as appropriate, provide Council with the documentation necessary for its review and approval of the same.

Responsibilities Delegated to Director

Authorizing the Director to make all benefit and administrative expense payments⁵⁰

The Director is authorized to make pension, disability and administrative expense payments. The Director shall also provide the Board of Trustees with a monthly summary of expenditures at each board meeting.

Monitoring of Director's Performance/Performance Evaluation

The Mayor is responsible for overseeing the Director's performance and conducting an annual performance review and evaluation. The Board may also provide performance feedback directly to the Director or through the Mayor. However, merit pay increases, formal job coaching and discipline are the sole responsibility of the Mayor.

Removal of Director⁵¹

The Mayor may remove the Director, for any reason, after seeking the advice of the Board.

⁵⁰ Board of Trustees Resolution No. 490, approved May 27, 2014

⁵¹ Charter Chapter 5, Section 5-202 (f). Powers of Board and Fund Administration

FPDR Bureau

Responsibilities

The Bureau of Fire and Police Disability and Retirement provides the operational administration for the FPDR Plan. The FPDR Bureau processes and administers all claims for disability, retirement and death benefits. It also provides the Board of Trustees with the information they need to administer the FPDR Plan.

Mission Statement and Values

Mission Statement

We deliver peace of mind to our fire and police members and their survivors by providing disability and retirement benefits in a timely, compassionate and fiscally responsible manner.

Values

- We treat our members with respect, dignity and courtesy.
- We care about the health and welfare of fire and police members.
- We fairly and equitably evaluate all member requests for benefits and other services.
- We cultivate professional and productive relationships with everyone we work with including the Board of Trustees, the Bureaus of Police and Fire and City labor organizations.
- We enjoy a positive and supportive work environment with an atmosphere of mutual respect, openness, teamwork, humor and camaraderie.
- We are fiscally responsible and careful stewards of public resources.
- We are committed to equity and compassion in all our interactions and operations.

Strategic Plan

In 2023, FPDR created its 2023 – 2028 Strategic Plan after interviewing and surveying FPDR Members, stakeholders, Board of Trustees and FPDR staff.

FPDR's strategic goal are:

1. Maintain and improve member access to education about services throughout
2. their lifecycle of relationship with FPDR.
3. Optimize existing technology systems by improving work processes and

4. communications.
5. Leverage new technology to improve member services and systems.
6. Support staff so they can work effectively and efficiently and continue to offer
7. excellent service to our members.
8. Prepare FPDR for future success due to retirements and staff turnover.
9. Enhance existing Trustee onboarding, continuing education, and information
10. sharing/collaboration.
11. Identify, develop, and implement data share opportunities with Police and Fire
12. Bureaus.
13. Ensure that FPDR continues to meet the needs of our Members under the new
14. form of government.

The complete Strategic Plan is available on the FPDR website (<https://www.portland.gov/fpdr/fpdr-strategic-plan>) or from the FPDR Legal Assistant.

Finance

FPDR's fiscal year is July 1 – June 30, the same as the City's.

Annual Budget

Like all City funds, the FPDR Fund is required to have an annual budget. The Board has sole authority to approve the budget. FPDR staff present a recommended budget and five-year forecast of revenues and expenses to the Board in January. Once approved or amended by the Board, the requested budget must be forwarded to the City Budget Office in early February. City Council (acting as the City's Budget Committee) approves the budget and levy amount in May, and the Council formally adopts the budget in June.

The major components of FPDR's budget, in order of size, are direct pension benefits (FPDR One and Two), PERS contributions (FPDR Three), disability and death benefits and administrative expenses, which are typically less than three percent of the total budget. Very little of FPDR's budget is discretionary. Primary budget drivers are retirement and mortality patterns for FPDR One and Two members and their survivors, wage and hiring levels in the Police and Fire Bureaus, PERS contributions rates and the frequency, severity and duration of disability claims. Budget drivers within the Board's control are FPDR administrative expenses and annual pension adjustments for FPDR Two members and their survivors.

Tax Anticipation Notes

Over 99% of FPDR's revenue comes from the dedicated FPDR tax levy. To provide for the FPDR Fund's operation between July 1 and November, when most tax revenue is received, FPDR works with the City's Debt Management group to issue short-term debt called tax anticipation notes (TAN) each year. FPDR staff asks the Board to authorize the TAN issue in May or June. Public Debt Management submits an ordinance to City Council to authorize the issue after the Board's approval. The debt sale is in July or August, and the debt is repaid the following June.

Reserve Fund

City Charter authorizes a \$750,000 FPDR Reserve Fund. Funds may only be transferred if the operating fund cannot meet its current obligations and must be transferred back by June 30 if there are then sufficient funds in the FPDR Fund. FPDR staff budgets the transfer each year but only executes it if there is concern that the TAN amount will be insufficient to maintain a positive cash balance in the FPDR Fund.

Actuarial Valuation and Tax Levy Adequacy Analysis

Governmental accounting standards require all public pension plans to be valued at least biannually; that is, to have the estimated liability of the plan calculated with actuarial methods,

given the benefits already earned by current members. The FPDR Bureau contracts with an external actuary for both the valuation and a tax levy adequacy analysis, which projects future tax levy rates and estimates the probability that the levy rate will exceed the Charter maximum over the next 20 years.

Report of Independent Auditors and Financial Statements

City Charter requires the FPDR Funds to be audited annually by a firm of accountants approved by the City, currently under the contract for all external audit work for the City. The audited financial statements are presented to the Board each January.

Onboarding and Ongoing Training of Trustees

Initial Orientation

The initial orientation will consist of a one-hour orientation session in the FPDR offices. The information will be presented by FPDR staff and a City Attorney.

Two weeks prior to the session, a copy of Board of Trustees Handbook along with all documents listed in Appendix C of the Handbook will be sent to the new trustee.

Session Outline

1. Overview of key documents: Board Handbook, Charter (FPDR Plan), Admin Rules and Plan Summary
2. Overview of FPDR, Plan and Benefits
(*Handbook*, pp 1-2)
3. Board of Trustees
 - a. Board functions
(*Handbook*, p 3)
 - b. Effective trustee
 - i. Prepared
 - ii. Attends Board meetings
 - iii. Participates
 - iv. Engaged
 - v. Acts in the best interest of the plan participants and beneficiaries
 - c. Fiduciary duties
(*Handbook*, pp 4-6)
 - d. Code of Ethics and Standards of Conduct (*Brief review only*)
(*Handbook*, pp 9-11)
 - e. Board Meetings
 - i. Meetings
(*Handbook*, p 17)
 - ii. Public comment and testimony
(*Handbook*, p 19)
 - iii. Agenda
(*Handbook*, p 20)
 - f. Misc.
 - i. Trustee Access to FPDR Staff
(*Handbook*, p 8)
 - ii. Board Policies Section (*Point out location in Handbook*)
(*Handbook*, pp 12-15)

4. Bureau of FPDR
 - a. Functions
 - i. Disability
 - ii. Pension
 - b. Director

Additional Training Classes

Fiduciary Duties

Training by FPDR outside counsel

In-depth review of Charter (FPDR Plan) and Administrative Rules

Training by FPDR staff and City Attorney

Disability Claims

Training by FPDR Disability Staff

Pension Benefits and Calculations

Training by FPDR Finance and Pension Staff

Prohibition Against Workplace Harassment, Discrimination and Retaliation (HRAR 2.02)

Training by the City of Portland Bureau of Human Resources

Public Meetings

Training by the Oregon Government Ethics Commission

Ongoing Orientation

1. Prior to Board meetings – The FPDR management staff will review the agenda with the new trustee and explain agenda topics as well as answer questions
2. Post Board meetings – The FPDR management staff will meet with the new trustee immediately after meeting to discuss how the meeting went and answer any questions
3. Ongoing Training – The FPDR Management staff will provide ongoing training as needed and answer new trustee questions as they arise

Conferences

It is the desire and intention of the Board to ensure that all trustees receive educational opportunities afforded by attendance at conferences and seminars relevant to their duties on the Board.

Trustees are authorized to attend up to two conferences per fiscal year as long as the total number of conferences attended by the trustees does not exceed six.

For complete details on conference attendance and travel arrangements, see the *Board Policies – Travel* section in the Board handbook.

Procedures to Update Handbook

When there are any updates or changes to the content of the Board of Trustees Handbook, each trustee will receive a Handbook addendum outlining the changes. The addendum will become an official part of the Handbook.

In January, each trustee will receive an updated Handbook that includes all mid-year addendums and other changes and updates. In addition, each will receive the latest version of any document or publication listed in Appendix C that was updated or revised in the last year.

A trustee may request a copy of the Handbook, addendums and accompanying documents or publications from the Director at any time during the year.

The Handbook and accompanying documents and publications are considered public documents.

Appendix A – Current Trustees and Terms

Catherine MacLeod (Mayor’s Designee), Chairperson

Kyle MacLowry, Portland Fire and Rescue (term ends December 31, 2024)

Christopher Kulp, Portland Police Bureau (term ends December 31, 2024)

Tom Kramer, Citizen Member (term ends December 31, 2026)

Vacant, Citizen Member

Appendix B – 2024 Board of Trustees Meeting Schedule

2024 FPDR Board of Trustees Meeting Schedule

Updated: November 28, 2023

Agenda items, meeting dates, and meeting locations are subject to change.

Board meetings will be held in the 1900 Building, Room 2500, starting at 1:00 p.m. unless otherwise noted.

Address: 1900 Building, Room
2500 1900 SW 4th
Avenue
Portland OR

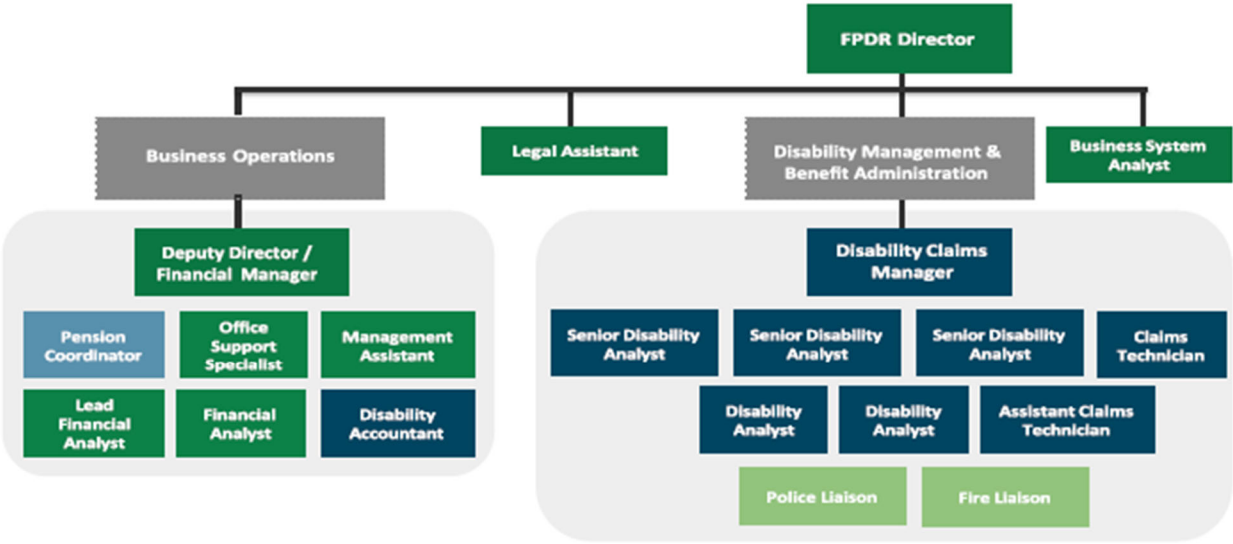
Parking: PSU Engineering Building
1930 SW 4th Ave
(Entrance off 4th Ave)

Jacobs Center
2020 SW 4th Ave
(Entrance off SW Lincoln)

January 23 rd * Virtual *	Financial - Budget Approval General business
March 19 th <i>(26th is during PPS spring break)</i>	FPDR Two Benefit Adjustment General Business
May 28 th	Tax Anticipation Notes FPDR Two Benefit Adjustment, if necessary General Business
July 23 rd	General Business
September 24 th Start time: Noon	State of FPDR General Business
November 19 th <i>(26th is during Thanksgiving week)</i> Location and time TBD	General Business

In accordance with the Portland City Code and state law, The Fire and Police Disability and Retirement Board of Trustees will hold hybrid public meetings, which provides for both virtual and in-person attendance. Board members will elect to attend remotely via video, teleconference, or in person. FPDR has made several avenues available for the public to listen to the audio broadcast of this meeting, including the City's e-GovPDX YouTube Channel, Channel 30, and www.portlandoregon.gov/video

Appendix C – FPDR Organizational Chart



Appendix D – Documents and Publications Included with the Board of Trustees Handbook

Plan Documents

Fire and Police Disability, Retirement and Death Benefit Plan

- Chapter 5 of the Charter of the City of Portland
<https://www.portlandoregon.gov/citycode/28210>
- City Council Authorized Changes
<https://efiles.portlandoregon.gov/record/15492115/file/document>
- Chapter 7-110 of the Charter - Annual Tax Levy
<https://www.portlandoregon.gov/citycode/article/21528>

Bureau of Portland Fire and Police Disability and Retirement, Chapter 3.127 of the Code of the City of Portland,

<https://www.portland.gov/code/3/127>

Fire and Police Disability, Retirement and Death Benefit Plan Administrative Rules

<https://www.portland.gov/policies/fpdr-administrative-rules>

FPDR Plan Summary

<https://efiles.portlandoregon.gov/record/14444517/file/document>

Ethics

City of Portland *Code of Ethics – Explanations and Examples* (December 2009)

<https://www.portlandoregon.gov/auditor/article/279370>

Oregon Government Ethics Law – A Guide for Public Officials (Adopted April 2021)

<https://www.oregon.gov/ogec/Documents/2021%20PO%20Guide%20Final%20Adopted.pdf>

Public Meetings Law

Attorney General's Public Records and Meetings Manual (June 2019)

https://www.doj.state.or.us/wp-content/uploads/2019/07/public_records_and_meetings_manual.pdf

Code of Conduct

City of Portland City Code Chapter 3.18 – Rules of Conduct for City Property

https://www.portlandoregon.gov/citycode/28410#cid_636389

City of Portland Human Resources Administrative Rule 2.02 *Prohibition Against Workplace Harassment, Discrimination and Retaliation*

<https://www.portlandoregon.gov/citycode/article/12121>

Election Laws

City of Portland *Political Activities Restrictions and City Employees* (August 2022)
https://www.portland.gov/sites/default/files/2022/city-attorneys-interoffice-memorandum-on-political-activity-restrictions-august-23-2022_0.pdf

State of Oregon *Restrictions on Political Campaigning by Public Employees* (July 2023)
<http://sos.oregon.gov/elections/Documents/restrictions.pdf>

Finance

2022-2023 Adopted Budget &
<https://efiles.portlandoregon.gov/record/15333934/file/document>

2024-2028 Five-Year Forecast
<https://efiles.portlandoregon.gov/record/15833651/file/document>

2022 Actuarial Valuation Report
<https://efiles.portlandoregon.gov/record/15832827/file/document>

2022 Levy Analysis and Actuarial Valuation Board Presentation
<https://efiles.portlandoregon.gov/record/15832828/file/document>

2022-2023 Report of Independent Auditors and Financial Statements
<https://efiles.portlandoregon.gov/record/16409136/file/document>