

POMPANO BEACH POLICE & FIREFIGHTERS' RETIREMENT SYSTEM

**2335 EAST ATLANTIC BLVD.
SUITE 400
POMPANO BEACH, FLORIDA**

**BOARD OF TRUSTEES MINUTES
REGULAR MEETING
OCTOBER 17, 2011**

The Board of Trustees convened at the Pompano Beach Police and Firefighters' Pension Office, Pompano Beach, Florida. The Chairman called the meeting to order at 3:07 PM.

PRESENT: Chairman Paul D. O'Connell
Vice Chairman Richard E. Avallone
Trustee Sharra Aaronian
Trustee John P. DeVoe
Trustee Patrick S. Fletcher
Trustee David Hall
Trustee Peter McGinnis (arrived 3:21 pm)
Trustee Richard H. Samolewicz

ABSENT: Trustee Daniel M. Christophers

ALSO PRESENT: Robert A. Sugarman, Esq. Board Attorney
Pedro Herrera, Esq. Sugarman & Susskind, P.A.
Glenda Rowley, Deputy Administrator
Brian Hall, Assistant to Deputy Administrator
Retired Police Chief Gary Morton

APPROVAL OF AGENDA

MOTION: To approve the agenda of October 17, 2011. PASSED 7-0.

	M O T I O N	S E C O N D	V O T E D Y E S	V O T E D N O
O'Connell			X	
Avallone	X		X	
Aaronian			X	
DeVoe			X	
Fletcher		X	X	
Hall			X	
Samolewicz			X	

APPROVAL OF MINUTES

MOTION: To waive the reading of the September 19, 2011 Minutes and to approve same as submitted. PASSED 7-0.

	M O T I O N	S E C O N D	V O T E D Y E S	V O T E D N O
O'Connell			X	
Avallone	X		X	
Aaronian			X	
DeVoe			X	
Fletcher		X	X	
Hall			X	
Samolewicz			X	

Board of Trustees Minutes Page Two	October 17, 2011	TRUSTEES	M	S	Y	N
<u>RATIFICATION AND APPROVAL OF WARRANT NOS. 4135 – 4144</u>						
<p>MOTION: To ratify and approve payment of bills set forth on Warrants as follows: No. 4135, \$500.00; No. 4136, \$41,692.82; No. 4137, \$4,216.00; No. 4138, \$331,945.18; No. 4139, \$459.48; No. 4140, \$380.70; No. 4141, \$3,282.16; No. 4142, \$74,519.95; No. 4143, \$2,060.72; and No. 4144, \$16,983.34. PASSED 7-0.</p>	<p>O'Connell Avallone Aaronian DeVoe Fletcher Hall Samolewicz</p>	<p>X</p>			<p>X X X X X X X</p>	
<u>APPROVAL OF RETIREMENT APPLICATIONS</u>						
<p>MOTION: To approve a Normal Retirement application from Sgt. Daniel J. Fitzpatrick effective 11/21/2011. PASSED 7-0.</p>	<p>O'Connell Avallone Aaronian DeVoe Fletcher Hall Samolewicz</p>	<p>X</p>			<p>X X X X X X X</p>	
<u>REVIEW OF DISABILITY QUESTIONNAIRES FROM MEMBERS NOT EXEMPTED</u>						
<p>MOTION: To accept the questionnaires from disability retirees Edwin Johnson and David Kestner with no further action. PASSED 7-0.</p>	<p>O'Connell Avallone Aaronian DeVoe Fletcher Hall Samolewicz</p>	<p>X</p>			<p>X X X X X X X</p>	
<p>Mr. Sugarman was asked if he was aware of proposed legislative changes that would reduce some of the heart/lung presumptions. He noted that a committee was set up last year to review this issue, as well as other pension related issues, but it remains to be seen what recommendations they will make and what will eventually be adopted. He added that everyone is still trying to assess the total impact of last year's changes.</p>						
<u>APPROVE FEE REQUEST FROM GABRIEL ROEDER SMITH (GRS)</u>						
<p>As a result of last year's legislation, the actuary is required to calculate the Retirement System's liabilities in the annual Valuation Report using the Florida Retirement System's investment assumption rate (currently at 7.75%). Therefore, GRS is requesting a \$950 increase to their annual fee.</p>						
<p>MOTION: Approve GRS's annual \$950.00 fee request to satisfy the new actuarial disclosure requirements for legislative compliance reporting. PASSED 7-0.</p>	<p>O'Connell Avallone Aaronian DeVoe Fletcher Hall Samolewicz</p>	<p>X</p>			<p>X X X X X X X</p>	

MOTION: To consent to any change of control resulting from the proposed transfer of ownership interest among management and establishment of the investment management agreement between the Plan and Cornerstone Investment Partners, LLC, and to authorize the Chairman to execute the consent form. PASSED 8-0.

O'Connell
Avallone
Aaronian
DeVoe
Fletcher
Hall
McGinnis
Samolewicz

X

X

X
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X

Mr. Herrera informed the Board that Bernstein Litowitz is proposing to supplement the Dollar Thrifty derivative complaint to demand redemption of a poison pill, add claims for damages, compel the parties to update their document productions and seek a trial within the next few months. They are asking for immediate approval for the supplemental complaint, subject to a full explanation at the November meeting. Mr. Herrera indicated they may request that update to be in the "shade" (i.e. temporarily exempt from public disclosure until the litigation is concluded) and the Board agreed to that, if requested by Bernstein Litowitz.

MOTION: To consent to having Bernstein Litowitz file the supplemental complaint re Dollar Thrifty and authorize the Chairman to execute the necessary documents. PASSED 8-0.

O'Connell
Avallone
Aaronian
DeVoe
Fletcher
Hall
McGinnis
Samolewicz

X

X

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X
X

Mr. Herrera discussed three options the Board could pursue with regard to what he considered an outdated proxy voting policy: 1) The Board could have Sugarman & Susskind draft a new Board policy; 2) The Board could allow the investment managers to vote in accordance with their internal proxy voting policies; 3) The Board could hire a proxy voting administrator to draft a policy, monitor the portfolio and vote the proxies, with the cost usually being passed on to the managers. Chairman O'Connell requested that Mr. Herrera explore the last option first to determine if that is a viable option.

At the last meeting it was discovered that the "pop-up" provision had been eliminated from the plan. This was apparently done inadvertently and Mr. Sugarman presented a proposed ordinance to reinstate it. The pop-up allows a member to change his/her benefit option from the joint and survivor option to the normal form should a member's spouse predecease him/her.

MOTION: To accept the proposed ordinance and send it to the City with a recommendation for approval. PASSED 8-0.

O'Connell
Avallone
Aaronian
DeVoe
Fletcher
Hall
McGinnis

X

X

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X
X
X
X
X

Mr. Herrera noted that he would try to add this amendment to the stop/start ordinance. Also, a statement of "no impact" must be requested from the actuary.

		Samolewicz			X	
Board of Trustees Minutes Page Five	October 17, 2011	TRUSTEES	M	S	Y	N
<p>Mr. Sugarman said he would seek some sponsors for the holiday dinner, which will be held at J. Marks restaurant on December 12 at 6:30. Chairman O'Connell noted that each attendee should pay a specified amount and the sponsorship funds could be used to supplement the balance.</p> <p><u>COMMITTEE REPORTS AND REVIEWS</u></p> <p><u>Building Committee:</u> The elevator project is temporarily delayed due to construction obstacles and the need for an adjusted permit. Midgard sent notification that the East CRA is starting their improvements to Atlantic Blvd. so construction may impede access to the building entrance on Atlantic. The crane that came to remove the old elevator equipment was not large enough to handle the boiler so it is still on top of the building.</p> <p><u>DEPUTY ADMINISTRATOR'S REPORT</u></p> <p>Mrs. Rowley reported that she signed an acknowledgement for receipt of the firefighters' supplemental contribution check from the Division of Retirement and notification of benefit forms for Kevin Stickley and Tracy Glass.</p> <p>Also, she attended a couple of pension administration software demonstrations given to the Fort Lauderdale police/fire plan. The system they are considering has an initial cost of \$150,000 plus an annual \$18,000 licensing fee. Mrs. Rowley said she would continue to research a solution to the limitations of our software or an alternative software solution.</p> <p>Research is still being conducted with regard to getting cable TV service in the office.</p> <p><u>OLD BUSINESS</u></p> <p>Chairman O'Connell reported that the State Attorney's office is still working on his public records request. Once available it will be forwarded to Sugarman & Susskind.</p> <p>There have been no developments with regard to increasing the number of overtime hours that can be included in the calculation of police officer benefits. Although the actuary has said otherwise, BSO still believes there is a cost involved and no headway has been made. Chairman O'Connell will follow up with Jeff Poole of the PBA who was going to contact BSO. The next step will be to seek assistance from the Division of Retirement.</p> <p><u>MISCELLANEOUS</u></p> <p>The new appraisal of the Bank of America building was reviewed. The \$3 million value was unchanged from two years ago. Hopefully, the market will eventually reflect improvements made to the building and the CRA area.</p>						

As noted previously in the meeting, Graystone Consulting recommended the Schwab Advantage Money Market Fund as the alternative investment for the share plan. Documentation about that recommendation was included in the agenda backup.

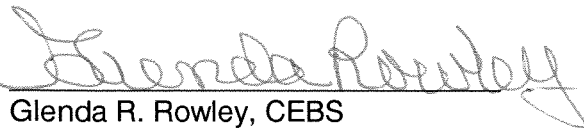
The Board reviewed and approved the 2012 meeting schedule, except for the educational symposium dates, which are still under consideration pending final selection of a site. Trustee Christophers is working again with the Embassy Suites on a proposal. In addition, the Marriott Residence Inn in Pompano was visited as a possible alternative site but was not acceptable for our needs. There was a suggestion that the committee check out the Beachcomber Hotel.

ADJOURNMENT

MOTION: To adjourn the meeting at 4:53 p.m. PASSED 8-0.

O'Connell				X
Avallone	X			X
Aaronian				X
DeVoe				X
Fletcher		X		X
Hall				X
McGinnis				X
Samolewicz				X

Respectfully submitted by:



Glenda R. Rowley, CEBS
 Deputy Administrator

Distribution:

Board of Trustees
 Robert A. Sugarman, Esq.
 J. Stephen Palmquist
 City Manager
 Mayor and City Commission
 Marcum
 Webmaster