

<p>Board of Trustees Minutes Page Two</p> <p style="text-align: right;">January 19, 2016</p>	TRUSTEES	M	S	Y	N
<p><u>APPROVAL OF RETIREMENT APPLICATION</u></p> <p>MOTION: To approve the Normal Retirement Application and DROP Entry from Firefighter Robert Major effective February 1, 2016. PASSED 6-0</p>	<p>O'Connell Samolewicz Aaronian Fletcher Hall Rossi</p>	<p>X</p>	<p>X</p>	<p>X X X X X</p>	<p>X X X X X</p>
<p><u>RATIFICATION AND APPROVAL OF WARRANTS</u></p> <p>MOTION: To ratify and approve payments of benefits and expenses as set forth on Warrants No. 4678, \$5,636.83; No. 4679, \$4,122.93; No. 4680, \$125.00; No. 4681, \$13,389.55; No. 4682, \$1,754.03; No. 4683, \$35,956.28; PASSED 6-0</p>	<p>O'Connell Samolewicz Aaronian Fletcher Hall Rossi</p>	<p>X</p>	<p>X</p>	<p>X X X X X</p>	<p>X X X X X</p>
<p><u>PRESENTATION OF THE 9/30/2015 AUDIT REPORT BY MICHAEL FUTTERMAN OF MARCUM LLP</u></p> <p>Michael Futterman, CPA, with Marcum LLP, presented the September 30, 2015 Financial Statements, with comparison to September 30, 2014. After conducting the audit in accordance with auditing standards generally accepted in the United States, and standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller of the United States, an unmodified, otherwise known as "clean opinion", was issued.</p> <p>A summary of the items discussed in the presentation include:</p> <ul style="list-style-type: none"> • Net position restricted for pension benefits totaled \$219,256,301 a decrease of \$13,781,311, or -5.9% from the prior fiscal year, primarily attributed to investment losses. • Net pension liability of the Employer totaled \$81,542,125. This is calculated by the actuary and will be recorded in the City's financial statements for the first time for fiscal year ended 9/30/2015, according to GASB 68. • Plan fiduciary net position as a percent of the total pension liability was 72.89%. • The annual money-weighted rate of return, net of investment expense was -1.48%. The required Schedule of Investment Returns will eventually be developed to be a 10-year schedule. • No violations of internal control over financial reporting were detected during the course of the audit. <p>MOTION: To approve the September 30, 2015 audited financial statements as presented. PASSED 7-0</p>	<p>O'Connell Samolewicz Aaronian Fletcher Hall McGinnis Rossi</p>	<p>X</p>	<p>X</p>	<p>X X X X X X X</p>	<p>X X X X X X X</p>

<p>Board of Trustees Minutes Page Three</p> <p style="text-align: right;">January 19, 2016</p>	TRUSTEES	M	S	Y	N
<p><u>SUGARMAN & SUSSKIND, PA LEGAL REPORT</u></p> <p>Sugarman & Susskind reported that a request was sent to the Division of Retirement on January 8 requesting clarification as to whether employee contributions are required to be made on the differential between supplemental pay and normal pay for members on active military leave in order for the differential compensation to be recognized as pensionable under USERRA and state statutes. It could be several weeks before an answer is received by the state.</p> <p>On January 10, a request for a written decision on Adam Burn's application for service-incurred disability retirement was submitted by his attorney, Andrea Wolfson. Sugarman & Susskind drafted for the Board's consideration an Order Denying Disability Benefit Application of Adam Burns which outlines the actions that occurred at the November meeting and the basis for why Mr. Burns is not eligible to receive a service-incurred disability benefit. At Ms. Wolfson's request, the Board tabled action on the proposed Order until the February meeting to permit her to attend in person and present her objections to the proposed Order for Board consideration.</p> <p>Mr. Herrera will follow-up with Ms. Wolfson regarding Mr. Burn's records request.</p> <p>Sugarman & Susskind reported on the following upcoming educational opportunities: FPPTA Winter Trustees School, January 31 – February 3, in Orlando; and the DOR School, May 16-18, in Tallahassee.</p> <p>Other items addressed:</p> <ul style="list-style-type: none"> ➤ It appears that FRS is changing their policy on the taxability of service incurred disabilities. It is unclear what their basis is. This change does not affect the Retirement System as there has been no change to the tax code or regulations. ➤ Legislatively there have been some Bills filed during the state session pertaining to FRS only; including addressing a cancer presumption for service-incurred disabilities, death benefits for members in the investment plan, and reemployment under certain circumstances <p><u>ADMINISTRATIVE AND MISCELLANEOUS ISSUES</u></p> <p>The January 1, 2016 Share Plan Allocation for submitted for approval.</p> <p>MOTION: To approve the January 1, 2016 Share Plan Allocation. PASSED 8-0</p>	<p>O'Connell Samolewicz Aaronian Christophers Fletcher Hall McGinnis Rossi</p>	<p>X</p>	<p>X</p>	<p>X X X X X X X X</p>	<p>X X X X X X X X</p>

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<p>A January 5, 2016 communication was received from Sands Capital regarding organizational changes. Graystone reported no concerns with the changes.</p> <p>Chairman O'Connell updated the Board on the status of the Lobby Grand Opening and the Memorial Dedication to our fallen officers. The bronze plaques were ordered but will not be finished in time for the dedication, so instead a rendering will be provided for the event. In order to start the process and generate an invoice, a credit card was required. The payment invoice will be provided to Grover Corlew who will be reimbursing the full cost of the plaques.</p> <p>MOTION: To approve the Executive Director's PBPFRS credit card payment of \$2,970.00 to Metal Designs, LLC, for the cost and shipping of three bronze memorial dedication plaques, to be reimbursed in full by Grover Corlew. PASSED 8-0</p>						
<p>The tables and chairs that were to be loaned by the City Parks and Recreation Department are committed for the Nautical Flea Market. Trustee McGinnis located a vendor who can supply the tables at a cost of \$390.00.</p>	<p>O'Connell Samolewicz Aaronian Christophers Fletcher Hall McGinnis Rossi</p>	<p>X</p>			<p>X X X X X X X</p>	
<p>MOTION: To approve payment of Warrant 4684, in the amount of \$390.00, to Elite Tent Company, for the rental of tables and chairs for the Lobby Grand Opening and Memorial Dedication to PBPFRS fallen officers. PASSED 8-0</p>	<p>O'Connell Samolewicz Aaronian Christophers Fletcher Hall McGinnis Rossi</p>	<p>X</p>		<p>X</p>	<p>X X X X X X X</p>	
<p>Grover Corlew requested that the Board provide a tenant user's liability insurance policy for the event.</p> <p>MOTION: To authorize the credit card payment of \$101.00 to One Beacon Insurance Group, to obtain a Tenant User's Liability Insurance Policy for the Lobby Grand Opening and Memorial Dedication to PBPFRS fallen officers. PASSED 8-0</p>	<p>O'Connell Samolewicz Aaronian Christophers Fletcher Hall McGinnis Rossi</p>	<p>X</p>		<p>X</p>	<p>X X X X X X X</p>	
<p><u>COMMITTEE REPORTS</u></p>						
<p>The Chairman directed the Investment Committee to begin working with staff on the investment manager line-up for the 2016 Educational Symposium.</p> <p>No other committee reports were rendered.</p>						

<p>Board of Trustees Minutes Page Five</p> <p style="text-align: right;">January 19, 2016</p>	TRUSTEES	M	S	Y	N
<p><u>EXECUTIVE DIRECTOR'S REPORT</u></p> <ul style="list-style-type: none"> ❖ The monthly firewall monitoring fee increased from \$100 to \$125 due to an increase in software monitoring license fees, effective February 1. ❖ Staff was asked to remove storage boxes from Suite 404 so the building owner can stage the suite for showing to prospective tenants. A total of 45 boxes of documented records were shredded on-site, under staff supervision, by Unishred at a cost of \$225.00. ❖ Staff will review 32 remaining boxes of PBPFRS records, and 16 boxes of PBI, LLC records to determine what must be retained under the Public Records Law, and explore a storage solution that includes converting the records to electronic. ❖ The Board charged staff with independently evaluating proposals for a new pension administration system. The Chairman requested to be kept apprised as the review process progresses. <p>The Board recessed from 3:49 PM until 4:05 PM.</p> <p><u>FORMAL HEARING ON DAVID BENJAMIN FORFEITURE OF PENSION BENEFIT</u></p> <p>The Board's general counsel, Mr. Pedro Herrera, explained that the Board has a duty to forfeit a pension if there is a finding of a forfeitable offense pursuant to Florida statute. As part of the process, the Board hired special counsel, Gregg Rossman, to present the case as to why the pension should be forfeited. The role of the Board's general counsel is to advise the Board of the process. The goal of the hearing is to provide full and fair due process to the member and to provide a clear record should the member seek to appeal the decision. Mr. Herrera clarified to the Board that forfeiture of a pension benefit also includes any interest or earnings on a member's contributions.</p> <p>The Board was advised that the burden of proof is a preponderance of the evidence and the appeal process is to the Fourth District Court of Appeals. Mr. Rossman informed the Board that he is treating Mr. Benjamin as a Pro Se Defendant, and therefore brought a court reporter from BOSS Certified Realtime Reporting, Inc., to provide a transcript of the hearing should Mr. Benjamin wish to order it. Mr. Benjamin was provided sufficient notice of the proposed agency action and is not required to attend the hearing.</p> <p>Before commencing his summary presentation to the Board, Mr. Rossman advised the Board he was able to speak with Mr. Benjamin on the telephone just prior to the start of the meeting, and also provided a copy of his Memorandum of Law in Support of Forfeiture of Pension Benefits to him via fax. Additionally, Mr. Rossman advised the Board that Mr. Benjamin acknowledged to him that he was aware of the meeting, he was aware of the intention of the hearing, and that he had received the notices of agency action.</p>					

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<p>The Board was provided with a hearing file containing 106 documents including, in pertinent part, a Memorandum of Law in Support of Forfeiture of Pension Benefits submitted by Mr. Rossman, the Stipulated Statement of Facts, the Transcript of Plea Colloquy, and the Plea Agreement.</p> <p>Mr. Rossman presented his case for the forfeiture of Mr. Benjamin's pension benefit. At the conclusion of his presentation, he answered questions from the Board.</p> <p>As a courtesy to Mr. Benjamin since he didn't have legal counsel, Mr. Rossman had informed him that he would convey Mr. Benjamin's arguments opposing forfeiture to the Board for its consideration. Mr. Rossman summarized Mr. Benjamin's post-retirement, jurisdictional and case law arguments. Additionally, Mr. Rossman advised the Board that Mr. Benjamin was not waiving his right to appeal by agreeing to speak to him.</p> <p>Upon conclusion of questions from the Board, Mr. Herrera summarized the Board's options to have any additional questions answered, seek additional information, or make a motion. For the record, it was clarified that Mr. Benjamin's monthly pension benefit is \$6,859.14; and at the time the benefit was suspended pending a forfeiture hearing, he had been paid a total of \$41,020.31 in excess of his personal contributions paid into the Plan. By forfeiting Mr. Benjamin's pension benefit, the Board would need to discuss collection of overpayments above employee contributions.</p>						
<p>MOTION: To approve the Final Order for the Forfeiture of David Benjamin's pension benefits, and to authorize the Chairman to sign the Order in 60 days to allow for submission of objections by either side. PASSED IN A ROLL CALL VOTE 8-0.</p>	<p>O'Connell Samolewicz Aaronian Christophers Fletcher Hall McGinnis Rossi</p>	<p>X</p>	<p>X</p>	<p>X X X X X X X</p>	<p>X X X X X X X</p>	
<p>The Board discussed the options pertaining to a claw-back of the excess benefit payments and agreed to state in the Order that they retain the right to pursue collection.</p> <p>MOTION: To add an addendum to the Final Order for Forfeiture of David Benjamin's pension benefits, stating that the Board has the full intention of bringing action in Circuit Court to collect payments in excess of personal contributions. PASSED IN A ROLL CALL VOTE 8-0.</p>	<p>O'Connell Samolewicz Aaronian Christophers Fletcher Hall McGinnis Rossi</p>	<p>X</p>	<p>X</p>	<p>X X X X X X X</p>	<p>X X X X X X X</p>	
<p>Sugarman & Susskind will research the collection remedies available to the Board and draft the Final Order.</p>						

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<p>The Board was reminded that the formal forfeiture hearing on Jeff Poole's pension benefit is scheduled for Wednesday, February 10, at 9:00 AM.</p>						
<p><u>ADJOURNMENT</u></p>						
<p>MOTION: To adjourn the January 19, 2016 meeting at 5:20 PM. PASSED 8-0.</p>	<p>O'Connell Samolewicz Aaronian Christophers Fletcher Hall McGinnis Rossi</p>	<p>X</p>	<p>X</p>	<p>X X X X X X X X</p>	<p>X X X X X X X X</p>	<p>X X X X X X X X</p>
<p>Respectfully submitted,</p> <p><i>Debra Tocarchick</i></p>						
<p>Debra Tocarchick, Executive Director</p>						
<p><u>DISTRIBUTION:</u> Board of Trustees Robert A. Sugarman, Esq. Pedro Herrera, Esq. David Harris, Actuary City Manager Mayor and City Commission City Clerk Assistant City Attorney City HR Director President IAFF Local 1549 Marcum</p>						

REGULAR MEETING – JANUARY 19, 2016

ITEM NO. 6 - WARRANT NOS. 4678 THROUGH 4684

Ratified and Approved on 01/19/2016

WARRANT NO.	PAYABLE TO	DESCRIPTION	AMOUNT
4678	Richard F. Hall	Normal Retirement Benefit commencing 1/1/2016 as a result of reaching end of DROP period 12/31/2015; \$5,636.83	5,636.83
4679	Bauman and Rossman, LLC Economic Computers Florida U.C. Fund Xerox Corporation	Inv No. 78, dated 12/21/15, Adam Burns disability hearing; \$1,950.00 Inv No. 1952, dated 12/23/15, Onsite service on 12/22/15; \$119.93 Reemployment Taxes quarter ending 12/31/15; \$1,871.10 Inv No. 082717179, December lease; \$172.94; excess print charges; \$8.96, Total \$181.90	4,122.93
4680	Universal Solution Providers, LLC	Monthly recurring fee for FortiWifi monitoring services to be issued directly to the vendor effective 2/1/16; \$125.00	125.00
4681	Office Depot Nyhart Company Center Coast Capital	Inv No. 815220947001, office supplies; \$3.51 Inv No. 0117767, GASB 67/68 report for FYE 9/30/15; \$3,000.00 Investment mgmt fees qtr ended 12/31/15; \$10,386.04	13,389.55
4682	Bank of America	Glenda Rowley: Office supplies, \$42.86; Holiday decorations, \$31.62; Total: \$74.48 Debbie Tocarchick: Telephone/Internet, \$256.63; FPPTA annual membership dues 2016, \$600.00; Website domain renewal 2016, \$20.73; Meeting supplies, \$1.99; Courier, \$19.92; Educational expense (CEBS), \$675.00; Total: \$1,574.27 Amanda Cintron: Office supplies, \$48.21; Meeting supplies, \$6.29; Total: \$54.50 Paul O'Connell: Business lunch, \$50.78	\$1,754.03
4683	Standish Marcum Weston Insurance Co. US HealthWorks	Investment mgmt fees qtr ended 12/31/15; \$18,942.28 Inv No. 101000246, final audit billing for 9/30/15; \$15,653.00 Annual premium for Commercial Wind Policy No. CFA 14010860209 Effective 03/06/2016; \$1,081.00 Pre-Employment Physical, Ashley Inserra; \$280.00	\$35,956.28
4684	Elite Tent Company	Inv No. 5882, dated 1/20/16, tables and chairs for Lobby Grand Opening and Memorial Dedication to Fallen Officers; \$390.00	390.00