

**POMPANO BEACH POLICE & FIREFIGHTERS' RETIREMENT SYSTEM**

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

**BOARD OF TRUSTEES MINUTES  
REGULAR MEETING  
DECEMBER 18, 2017**

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 3:05 PM.

PRESENT: Chairman Paul O'Connell  
Vice-Chairman Richard Samolewicz  
Trustee Sharra Aaronian  
Trustee Daniel Christophers  
Trustee Vincent Femia  
Trustee Peter McGinnis  
Trustee Jorge Rossi

ABSENT: Trustee Robert Drago  
Trustee David Hall

ALSO PRESENT: Pedro Herrera, Esq., Board Attorney (via conf call)  
Debra Tocarchick, Executive Director  
Maureen Femia, Deputy Director

VISITORS: Sean Sandell, Brother of Captain Richard Sandell

AUDIENCE TO BE HEARD

None

APPROVAL OF AGENDA

**MOTION:** To approve the December 18, 2017 agenda as presented with the addition of an agenda item under the Sugarman & Suskind Legal Report to address the Wells Fargo Litigation matter. PASSED 7-0.

	MOTION	SECONDS	VOTED YES	VOTED NO
O'Connell			X	
Samolewicz	X		X	
Aaronian		X	X	
Christophers			X	
Femia			X	
McGinnis			X	
Rossi			X	

APPROVAL OF MINUTES

The Chairman requested a correction to the minutes of the Regular Board Meeting on November 20, 2017, page 2, paragraph 4, which currently reads:

*"The Board took a brief recess while Trustees Hall, Drago and Samolewicz proceeded to the Executive Director's office. The recording was played commencing at the Chairman's introduction of the meeting minutes for discussion and concluded with Trustee Drago's comments regarding the*

Board of Trustees Minutes Page Two	December 18, 2017	TRUSTEES	M	S	Y	N	
<p><i>minutes. Trustee Drago departed before the end of the recording and returned to the meeting room. Upon Trustee Hall's return to the meeting room, the Chairman asked him to relate to the Board what he heard on the audio recording to which he did."</i></p> <p>The Chairman asked to correct the last sentence to state that he asked "them" not "him" because he asked all three Trustees, Drago, Hall and Samolewicz, for their interpretation of the recording. The Chairman also requested that the paragraph include a comment that Trustee Drago expressed a belief that the recording system malfunctioned and was broken.</p> <p>Trustee Christophers stated he did not recall exactly how the conversation went and suggested waiting for Trustee Drago's presence to give him an opportunity to respond before making any changes.</p> <p>The Board agreed to table the meeting minutes to the January 16 Board meeting noting that staff has purchased external speakers for the laptop computer that are sufficient for the Trustees to hear the recordings if desired.</p>							
<p><u>RATIFICATION AND APPROVAL OF WARRANTS</u></p>							
<p><b>MOTION:</b> To ratify and approve payment of benefits and expenses as set forth on Warrant Nos. 4919 through 4927, with the exception of the payment to Comprehensive Investigate Solutions on Warrant 4919, which will be resubmitted for approval on January 16. PASSED 7-0.</p>		<p>O'Connell Samolewicz Aaronian Christophers Femia McGinnis Rossi</p>			<p>X X X X X X X</p>		
<p>Under discussion, the Chairman referenced Trustee Drago's e-mail request to pull the payment for investigative services from Warrant 4919 until the Board has had an opportunity to review the investigative reports. The Chairman continued that the reports are now available in the Pension Office for review and encouraged the Trustees to individually review them prior to the January 16 meeting. If there are any public records requests, then a redacted version will be made available.</p> <p>The Board agreed to pull the referenced payment and resubmit it for approval on January 16.</p>				<p>X</p>	<p>X</p>	<p>X X</p>	
<p><u>SUGARMAN &amp; SUSSKIND LEGAL REPORT</u></p>							
<p>Mr. Herrera from Sugarman &amp; Susskind was unable to attend the meeting due to illness; however, he made himself available via conference call. The Board continued on to Administrative and Miscellaneous items while waiting for Mr. Herrera's call.</p>							

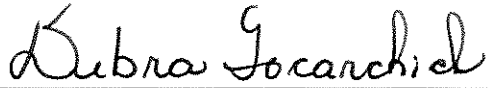
Board of Trustees Minutes Page Three	December 18, 2017	TRUSTEES	M	S	Y	N
<u>ADMINISTRATIVE AND MISCELLANEOUS ISSUES</u>						
The DROP Performance Evaluation Report for Quarter Ending September 30, 2017 was submitted by Graystone Consulting.						
<p><b>MOTION:</b> To approve the DROP Performance Evaluation Report for Quarter Ending 9/30/2017 as submitted by Graystone. PASSED 7-0.</p>	<p>O'Connell Samolewicz Aaronian Christophers Femia McGinnis Rossi</p>	<p>X</p>	<p>X</p>	<p>X X X X X X</p>	<p>X X X X X X</p>	<p>X X X X X X</p>
The Executive Director recommended adopting rates of returns for the firefighter share plan account allocations on January 1, 2018.						
<p><b>MOTION:</b> To adopt the net rate of return of 11.43% as the Pension Plan Fund Rate as reported on the 9/30/2017 Breakdown of Returns submitted by Graystone Consulting, and the 9/30/2017 Money Market Rate of 0.60% based on the RBC US Government Money Market Fund, for the purpose of crediting earnings to the firefighters' share plan accounts on 1/1/2018. PASSED 7-0.</p>	<p>O'Connell Samolewicz Aaronian Christophers Femia McGinnis Rossi</p>	<p>X</p>	<p>X</p>	<p>X X X X X X</p>	<p>X X X X X X</p>	<p>X X X X X X</p>
A semi-annual summary of staff sick and vacation accruals was submitted to the Board for informational purposes.						
<u>COMMITTEE REPORTS</u>						
<u>Professional Advisors Review Committee:</u>						
Due to the holidays, Committee Chairman Samolewicz advised the Board that he will address minor changes to the existing Compensation Policy at the January 16 meeting.						
No other Committee Reports were rendered.						
The Chairman reminded the Board to mark their calendars for the Educational Symposium scheduled on May 3-5, 2018.						
<u>EXECUTIVE DIRECTOR'S REPORT</u>						
<ul style="list-style-type: none"> <li>➤ John Devoe's medical records were sent to Sugarman &amp; Susskind on December 14 to arrange for the IME appointment.</li> </ul>						
<ul style="list-style-type: none"> <li>➤ The proposed ordinance amendment for the DROP Interest and In-Service Distribution issues passed first reading on December 12. Second reading is scheduled for January 9.</li> </ul>						



Board of Trustees Minutes Page Five	December 18, 2017	TRUSTEES	M	S	Y	N
<p>time, there is not enough information regarding the charges still pending as to whether something under the catch-all provision may apply. Additionally, charges may still be amended.</p> <p><b>MOTION:</b> To accept the opinion memorandum dated November 15, 2017 from Sugarman &amp; Susskind regarding benefits payable to Craig Turturo and Lewis Stouffer and to delay the eventual payment of interest and share benefits until the final disposition of all felony counts of the respective informations. PASSED 6-1.</p> <p>Mr. Herrera advised the Board that the Court granted Diana Sandell's Motion for Summary Judgment in the Captain Sandell interpleader case. Essentially Diana Sandell has won her case. The Court ruled that the trust Captain Sandell had named as a beneficiary was not a legal trust, and therefore, the benefits are payable to the estate. Diana is the executor of the estate, and based on Florida testamentary law, both his children will be entitled benefits equally. Mr. Herrera confirmed that Sugarman &amp; Susskind has been in contact with Lisa Sandell (Captain Sandell's ex-wife) and her attorney who confirmed they will be filing post judgment pleadings and appealing the decision.</p> <p>Mr. Herrera reminded the Board that there is still a cross-claim filed against the Retirement System and a service-connected disability claim. All the pertinent information will be provided to the actuary and the various options will be provided to Diana Sandell; however, this information will be contingent on the status of these outstanding matters. No action is needed by the Board at this time.</p> <p>Mr. Herrera advised that a Notice of Appearance has been filed on behalf of the Board in the Jeff Poole Forfeiture Appeal matter. Trustee Christophers questioned whether there would be oral arguments. Mr. Herrera stated from prior experience that generally both sides will file a paper brief and the judge will issue a recommended order; however, either party can petition the judge for oral argument.</p> <p>Mr. Herrera addressed Sugarman &amp; Susskind's fee arrangement that expires on December 31. They are comfortable keeping the fees at the current rate for one year and revisiting the fee structure at that time.</p> <p><b>MOTION:</b> To approve a one-year extension of Sugarman &amp; Susskind's fee agreement at status quo. PASSED 7-0.</p>	<p>O'Connell Samolewicz Aaronian Christophers Femia McGinnis Rossi</p> <p>O'Connell Samolewicz Aaronian Christophers Femia McGinnis Rossi</p>	<p>X</p> <p>X</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>X</p>	<p>X</p>

Board of Trustees Minutes Page Six	December 18, 2017	TRUSTEES	M	S	Y	N
<p>Mr. Herrera provided an update regarding Grant &amp; Eisenhofer's Second Amended Stockholder Derivative complaint re AmTrust noting that they have been able to gather more facts and therefore able to expand their claim further.</p> <p><b>MOTION:</b> To ratify the Chairman's execution of the Verification of Second Amended Stockholder Derivative Complaint re AmTrust as recommended by Grant &amp; Eisenhofer. PASSED 7-0.</p>		O'Connell Samolewicz Aaronian Christophers Femia McGinnis Rossi	 X      	    X  	      	      
<p>Mr. Herrera explained to the Board that a complaint was filed in June on the Board's behalf in the Wells Fargo derivative matter. In reviewing the records, the Board did not take formal action to ratify the Chairman's original Verification and Affidavit. Since then a Second Amended Complaint has been filed due to new facts and additional support.</p> <p><b>MOTION:</b> To ratify the Chairman's execution of the Verification of the Stockholder Derivative Complaint; and authorize the Chairman's execution of the Verification of the Amended Derivative Complaint re Wells Fargo &amp; Company, as recommended by Guttman, Buschner &amp; Brooks, PLLC. PASSED 7-0.</p>		O'Connell Samolewicz Aaronian Christophers Femia McGinnis Rossi	     X 	      X	      	      
<p>Mr. Herrera expressed his gratitude to the Board for its understanding during the recent difficult period with Mr. Sugarman's absence and thanked the Trustees for their business.</p> <p>As the holiday approaches, Mr. Herrera reminded the Trustees by virtue of their service on the Board that they are considered public officials and subject to the state law regarding gifts.</p> <p>Vice-Chairman Samolewicz extended his appreciation to those on the Board who donated to the 9463 Foundation. Seven laptops were purchased for graduating high school students and delivered as Christmas gifts.</p> <p><u>RECESS &amp; ADJOURNMENT</u></p>						
<p><b>MOTION:</b> To recess the December 18, 2017 meeting at 4:03 PM. The meeting will reconvene at 6:30 PM at Casa D' Angelo in Boca Raton for the Holiday Dinner and will adjourn following dinner. PASSED 7-0.</p>		O'Connell Samolewicz Aaronian Christophers Femia McGinnis Rossi	     X 	      X	      	      

Respectfully submitted,



Debra Tocarchick, CEBS  
Executive Director

DISTRIBUTION:

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

**REGULAR MEETING – DECEMBER 18, 2017**

**ITEM NO. 5 - WARRANT NOS. 4919 THROUGH 4927**

**Ratified and Approved on 12/18/2017**

<b>WARRANT NO.</b>	<b>PAYABLE TO</b>	<b>DESCRIPTION</b>	<b>AMOUNT</b>
<b>4919</b>	Comerica Bank  Comprehensive Investigative Solutions Office Depot Alerus Financial	Inv No. 436100, custodial fee for qtr ended 9/30/2017; <b>\$16,165.76</b> Inv No. 1060, dated 11/15/2017, investigative services; <b>\$4,163.60</b> Inv No. 985122925-001, copy paper; <b>\$119.28</b> Inv No. 20172462, dated 12/4/2017, Fund Rate administration and recordkeeping fee quarter ended 9/30/2017; <b>\$762.50</b>	<b>21,211.14</b>
<b>4920</b>	Alerus Retirement Solutions FBO Allen J. Scott	Wire transfer of funds deposited by Allen J. Scott to satisfy the outstanding loan balance of his employee-directed DROP account – due to separation of service on November 30, 2017; <b>\$3,453.18</b>	<b>3,453.18</b>
<b>4921</b>	Xerox Corporation  Marcum, LLP  Travelers Insurance	Inv No. 091370844, November lease; \$172.94, excess print charges \$12.57, <b>Total \$185.51</b> Inv. No. 101164705; progress audit billing for 9/30/2017, <b>Total \$9,622.00</b> Account No. 8958VA069, policy no. 396D2434 UB, renewal of worker's compensation policy 1/1/2018 – 1/1/2019; <b>\$939.00</b>	<b>10,746.51</b>
<b>4922</b>	Deborah Zimmerman	Normal Retirement Benefit commencing 2/1/2018 as a result of reaching end of DROP period on 1/31/2018; <b>\$6,316.32</b>	<b>6,316.32</b>
<b>4923</b>	Bank of America	Debra Tocarchick: Telephone & Internet, \$612.00; FPPTA CPPT re-certification fees, \$210.00; Notary fee for Deputy Director, \$172.62; Board meeting supplies, \$94.67; Power cord for laptop, \$64.99; Office supplies, \$15.84, <b>Total \$1,170.12</b> Maureen Femia: FPPTA CPPT registration fee, \$900.00; FPPTA Winter School Registration, \$600.00; External speaker for laptop, \$32.93; Medical records for John Devoe, \$16.00, <b>Total \$1,548.93</b> Paul O'Connell: FPPTA Winter School Registration, <b>\$600.00</b> Robert Drago: FPPTA Winter School Registration, \$600.00, Opal Public Funds Summit Hotel, \$987.69; Opal Public Funds Summit Airfare, \$1,037.22, <b>Total \$2,624.91</b> Vincent Femia: FPPTA Winter School Registration, <b>\$600.00</b> David Hall: FPPTA Winter School Registration, <b>\$600.00</b>	<b>7,143.96</b>
<b>4924</b>	Maureen K. Femia  Vantagepoint Transfer Agents	Payroll commencing 01/01/2018 and payable each pay period thereafter, <b>\$2,920.54</b> Vantagepoint Transfer Agents – 401 Plan, <b>\$649.02</b>	<b>3,569.56</b>
<b>4925</b>	Sugarman & Susskind Daniel Christophers	Inv No. 125698, R. Sandell Interpleader, <b>\$30.00</b> Opal 2017 Conference hotel reimbursement, <b>\$377.42</b>	<b>407.42</b>



**REGULAR MEETING – DECEMBER 18, 2017**

**ITEM NO. 5 - WARRANT NOS. 4919 THROUGH 4927**

**Ratified and Approved on 12/18/2017**

<b>4926</b>	Scott Friend	Normal Retirement benefit commencing on 2/1/2018 as a result of reaching end of DROP period on 01/31/2018; <b>\$4,529.44</b>	<b>4,529.44</b>
<b>4927</b>	John Devoe	Normal Retirement benefit commencing on 2/1/2018 as a result of reaching end of DROP period on 01/31/2018; <b>\$6,059.71</b>	<b>6,059.71</b>