

Board of Trustees Minutes Page Two	April 16, 2018	TRUSTEES	M	S	Y	N
Ms. Sandell confirmed to the Board that she wanted to proceed with her service-incurred death benefit claim.						
<u>APPROVAL OF AGENDA</u>						
MOTION: To approve the April 16, 2018 agenda as presented. PASSED 7-0 (Trustee McGinnis was out of the room).	O'Connell Samolewicz Aaronian Drago Femia Hall Rossi	X			X X X X X X X	
<u>APPROVAL OF MINUTES</u>						
MOTION: To waive the reading of the minutes of the Regular Board Meeting on March 19, 2018 and to approve same as presented. PASSED 7-0 (Trustee McGinnis was out of the room).	O'Connell Samolewicz Aaronian Drago Femia Hall Rossi	X		X	X X X X X X X	
<u>RATIFICATION AND APPROVAL OF WARRANTS</u>						
MOTION: To ratify and approve payment of benefits and expenses as set forth on Warrant Nos. 4965, \$514.02; No. 4966, \$10,653.15; No. 4967, \$13,186.94; No. 4968, \$7,430.09; No. 4969, \$5,205.47; No. 4970, \$55,408.61. PASSED 8-0.	O'Connell Samolewicz Aaronian Drago Femia Hall McGinnis Rossi	X		X	X X X X X X X X	
<u>GRAYSTONE REVIEW OF MID-CAP VALUE MANAGER SEARCH RESULTS (Chartwell and Nuance)</u>						
At the February 20 meeting, Graystone Consulting presented the Board with the results of a mid-cap value equities search to identify a replacement for RBC Global. Based on the search, the Board elected to interview both Chartwell Investments and Nuance Investments on April 16.						
Prior to each respective investment manager's presentation, Mr. Owens briefed the Board on both firms highlighting their company background, investment style, performance over time, volatility/risk and fees.						
The Chairman distributed two articles from the February and March editions of International Foundation of Employee Benefit Plans (IFEBP) magazine related to selecting and monitoring fund managers.						
The Board agreed that the selected firm would be invited, but not obligated, to attend the Educational Symposium in May 2018.						

<p>Board of Trustees Minutes Page Three</p> <p style="text-align: right;">April 16, 2018</p>	TRUSTEES	M	S	Y	N
<p><u>CHARTWELL INVESTMENTS PRESENTATION</u></p> <p>Brian Ward, Managing Partner and Director of Retail Distribution, introduced himself and David Dalrymple, Managing Partner and Senior Portfolio Manager. Mr. Ward provided a background of the company which was established in 1997 and is based in Philadelphia, PA. The company has 62 employees and manages approximately \$8.2 billion in a variety of equity and fixed income styles. Mr. Dalrymple leads the value team of four who manage \$2 billion in mid, small and smid-cap value equities. The mid-cap value space is approximately \$500 million. Mr. Ward stressed the longevity and consistency of the employees within the company and the importance of their clients to the firm.</p> <p>The presentation was turned over to Mr. Dalrymple who described his team, their individual characteristics and how they work together to understand and collectively make the best decisions. Chartwell believes in the importance of valuation history. Their strategy is to select companies that are inexpensive compared to their history, with the objective that the company will improve in time, and gain market recognition. The team researches to understand how potential companies work, to comprehend their management strategy, change in competition and history of strengths and weaknesses.</p> <p>The Chartwell portfolio is primarily a bottom-up strategy with 35 stocks currently. The intent for risk control is to have more well rounded stocks as opposed to those containing vulnerable qualities. Mr. Dalrymple reviewed the portfolio performance over the last 14 years which has outperformed the benchmark with lower overall risk.</p> <p><u>NUANCE PRESENTATION</u></p> <p>Paul Gillespie, Vice-President and Client Portfolio Manager introduced himself and Chad Baumler, Vice-President and Portfolio Manager. Mr. Gillespie gave a brief background of the firm. Nuance is a boutique classic value investment firm located in Kansas City, MO. The company was founded in 2008 and currently has 18 employees who manage approximately \$2 billion within three strategies; concentrated value, mid-cap value, and concentrated value long/short. All strategies are capacity constrained to ensure the ability to outperform in the future. The goal is to provide clients with strategies that attain and sustain leading risk-adjusted returns over the long-term.</p> <p>The presentation was turned over to Mr. Baumler who discussed Nuance's investment philosophy, process and performance. As analysts, they screen for companies with higher returns and lower volatility on capital over an extended period of time, in addition to stronger balance sheets and capital spending habits. Nuance looks at approximately 4,000 companies, and through their competitive analyses, narrow it down to approximately 250 that they believe will be best in class. Finally, through proprietary financial statement analysis, they normalize the earnings power of the companies.</p>					

Board of Trustees Minutes Page Four	April 16, 2018	TRUSTEES	M	S	Y	N
<p>Mr. Dalrymple reviewed Nuance’s investment performance return since inception noting that they have outperformed their benchmark and peer group with lower overall risk.</p> <p>At the conclusion of the presentations, Graystone commented that both managers would add value to the portfolio; with the potential of more value added on the upside with Chartwell and more value added on the downside with Nuance. It is important for the Board to keep in mind the potential for volatility in the future market. After much discussion, the Board agreed to hire Nuance Investments.</p> <p>MOTION: To retain Nuance Investments to replace RBC Global as the Plan’s mid-cap value equities manager subject to successful negotiation of the investment management agreement. PASSED 8-0.</p> <p><u>SUGARMAN & SUSSKIND</u></p> <p>The Board set the date for the informal hearing on Mrs. Sandell’s service-incurred death benefit claim for the June 18 Board meeting.</p> <p>The Chairman requested clarification on how the Trustees are to make a decision on the claim. Mr. Herrera explained that it is the applicant’s burden to prove why the death of Captain Sandell is service-incurred. The Pension staff gathered the medical records from the health care professionals identified in the claim, as well as the City of Pompano Beach employment records, and provided them to Ms. Sandell’s attorney on September 21, 2017. The applicant will be responsible for providing the relevant documentation and explanation to support her position for why the Board should conclude that the death is service-incurred.</p> <p>Ms. Sandell indicated that her attorney has a 50-page document that supports her claim; however, she was informed by Mr. Herrera that the document has not been provided to the Executive Director or Sugarman & Susskind.</p> <p>Mr. Shawn Sandell, brother of Captain Sandell, posed a hypothetical question to the Board regarding what would have happened had he not revoked his claim as the contingent beneficiary. Additionally, he questioned whether he could rescind the waiver of his contingent beneficiary rights, and if so, the dollar amount of the benefit he would be eligible for. Mr. Herrera responded that the Court has already decided who the beneficiary is so he does not know the answer. It would have to be researched further. The dollar amounts of the death benefit options were reiterated.</p> <p>Mr. Sandell expressed Captain Sandell’s love for the Department and the City and noted that the job did take a toll on him.</p>	<p>O’Connell Samolewicz Aaronian Drago Femia Hall McGinnis Rossi</p>	<p>X</p>	<p>X</p>	<p>X X X X X X X X</p>		

Board of Trustees Minutes Page Five	April 16, 2018	TRUSTEES	M	S	Y	N
<p>Mr. Herrera advised the Board that Ms. Sandell's attorney requested to have the actuarial calculations that were performed as of April 1, 2016 updated to the current date with interest according to the Treasury rate, and reflective of the birth date of Captain Sandell's son. The actuary's fee for this analysis is \$850.00.</p> <p>MOTION: To approve an expenditure of \$850.00 to Nyhart for a series of calculations in connection with the Captain Sandell death benefit as a result of the Court Order naming Diana Sandell as the beneficiary and personal representative of the Estate, and using an interest rate deemed appropriate by the Actuary, as recommended by Sugarman & Suskind. PASSED 8-0.</p>						
<p>Mr. Herrera updated the Board that a 30-day extension of time to file the Initial Brief in the Jeff Poole Appeal was requested and approved by the Chairman. This extension is in addition to the 60-day extension previously requested and approved by Mr. Poole's attorney.</p>						
<p>MOTION: To ratify the chairman's decision to approve a 30-day extension of time to file the Initial Brief in the Jeff Pool Appeal as recommended by Sugarman & Suskind. PASSED 6-1 (Trustee McGinnis was out of the room).</p>						
<p>Vice-Chairman Samolewicz informed Mr. Herrera that David Harris of Nyhart was leaving for another job opportunity. At this time, it is believed that Tayt Odom will be the Plan's actuary although this has not yet been confirmed by Nyhart.</p>						
<p><u>ADMINISTRATIVE AND MISCELLANEOUS ISSUES</u></p>						
<p>The Executive Director submitted the Deputy Director's six-month performance review and recommended that she be moved to the next step of her salary scale. The Deputy Director will be reviewed once annually going forward.</p>						
<p>MOTION: To accept the Executive Director's review and salary recommendation for the Deputy Director effective May 6, 2018. PASSED 7-0 (Trustee Femia abstained and filed Form 8B).</p>						

Board of Trustees Minutes Page Six	April 16, 2018	TRUSTEES	M	S	Y	N
<p>The Executive Director explained that the staff's IMCA-RC 457 Deferred Compensation Plan was being updated through the negative election process to incorporate legislative and regulatory changes. Even though it is not a requirement, the Board is asked to accept the changes consistent with their past action regarding model plan updates.</p> <p>MOTION: To accept the changes to the ICMA-RC 457 Deferred Compensation Plan and to adopt the amended Plan document through the negative election process. PASSED 8-0.</p>	<p>O'Connell Samolewicz Aaronian Drago 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>Information on the IFEBP Benefit and Communication Technology Institute Conference was submitted for consideration.</p> <p>MOTION: To approve attendance for any interested Trustee at the IFEBP Benefit Communication and Technology Institute in Portland, OR, on July 23-24. PASSED 8-0.</p>	<p>O'Connell Samolewicz Aaronian Drago Femia 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 FPPTA Board of Director's election will be held at the FPPTA Summer Conference.</p> <p>MOTION: To delegate authority to Trustee Hall or Trustee Aaronian to vote for three candidates for FPPTA Board of Directors at the 2018 Summer Conference. PASSED 8-0.</p>	<p>O'Connell Samolewicz Aaronian Drago Femia Hall McGinnis Rossi</p>	<p>X</p>		<p>X X X X X X X</p>	<p>X X X X X X X</p>	
<p><u>COMMITTEE REPORTS</u></p>						
<p><i>Professional Advisors Review Committee:</i> Committee Chairman Samolewicz noted that he received an invitation to the Robbins Geller 2018 Public Funds Forum being held in early September.</p> <p><i>Communication Committee:</i> Trustee Rossi will send an e-mail to the Executive Director for circulation to the Committee members requesting their thoughts and suggestions regarding updating the PBPFRS website. The Committee will convene at a later date for discussion.</p> <p>No other Committee Reports were rendered.</p>						

<p>Board of Trustees Minutes Page Seven</p> <p style="text-align: right;">April 16, 2018</p> <p>EXECUTIVE DIRECTOR'S REPORT</p> <ul style="list-style-type: none"> ➤ Signed Notification of Benefits forms for Julie Foster, Maker Baker and John Hudak. ➤ Annual Report to DOR was approved on April 5. ➤ Clarified that Center Coast will be moved from Saturday into the open slot created by RBC Global on Thursday, and the two Saturday presenters will be moved up. As a result, the Educational Symposium will conclude earlier on Saturday. ➤ David Loy, Chairman of Coral Spring Fire Plan, was invited to attend the Symposium on May 4 to observe the process. <p>ADJOURNMENT</p> <p>MOTION: To adjourn the April 16, 2018 meeting at 5:43pm. PASSED 8-0.</p> <p>Respectfully submitted,</p> <p><i>Debra Tocarchick</i></p> <hr/> <p>Debra Tocarchick, CEBS Executive Director</p> <p>DISTRIBUTION: Board of Trustees Robert A. Sugarman, Esq. Pedro Herrera, Esq. Tayt Odom, Actuary City Manager Mayor and City Commission City Clerk Assistant City Attorney City HR Director President IAFF Local 1549 Marcum</p>	<p>TRUSTEES</p>	<p>M</p>	<p>S</p>	<p>Y</p>	<p>N</p>
	<p>O'Connell Samolewicz Aaronian Drago Femia Hall McGinnis Rossi</p>	<p>X</p>	<p>X</p>	<p>X X X X X X X X</p>	

REGULAR MEETING – APRIL 16, 2018

ITEM NO. 5 - WARRANT NOS. 4965 THROUGH 4970

Ratified and Approved on 04/16/2018

4965	David Hall Office Depot Florida U.C. Fund Xerox Corporation	FPPTA Winter School expense reimbursement; \$196.10 Inv No. 118542687001, office supplies; \$79.52 Reemployment taxes quarter ending 3/31/2018; \$49.68 Inv No. 092695112, March lease; \$172.94, excess print charges \$15.78, Total \$188.72	514.02
4966	Julie Foster	Normal Retirement benefit effective 3/9/2018, pro-rata amount for 23 days (3/9 – 3/31) \$4,537.45; benefit due 4/1/2018 \$6,115.70, Total \$10,653.15	10,653.15
4967	Marcum, LLP Travelers Sugarman & Suskind Jorge Rossi	Inv. No. 101150118; final audit billing 9/30/2017, \$5,060.00; Inv. No. 101188108; PBI, LLC audit billing 9/30/2017, \$1,250.00; Total \$6,310.00 Account No. 2641M2202, Policy No. 0106508046LB, casualty and surety crime policy 4/20/2018 to 4/20/2019; \$485.00 Inv No. 128007, R. Sandell Interpleader; \$5,520.00 FPPTA NYSE School expense reimbursement; \$871.94	13,186.94
4968	Bank of America	Debra Tocarchick: Education Symposium expense; \$555.66, Telephone & internet; \$295.29, Office supplies; \$189.66, Board meeting supplies; \$81.51, Certified domain renewal; \$9.98, Total \$1,132.10 Paul O'Connell: Education Symposium expense; \$250.00 Sharra Aaronian: OPAL Public Funds Summit East hotel; \$1,186.50 Daniel Christophers: OPAL Public Funds Summit East hotel; \$1,582.00 Robert Drago: IFEBP Wharton School airfare; \$448.81 Richard Samolewicz: OPAL Public Funds Summit East hotel; \$1,582.00 Jorge Rossi: FPPTA CPPT NYSE hotel; \$1,248.68	7,430.09
4969	Scott Ambrose	Normal Retirement benefit commencing 7/1/2008 as a result of reaching end of DROP period on 6/30/2018; \$5,205.47	5,205.47
4970	Standish Mellon Renaissance Brookfield Investments Robert Drago	Invoice No. 91620, Investment management fee for quarter ending 3/31/2018; \$16,394.23 Investment management fee quarter ending 3/31/2018; \$26,646.62 Inv No. 2018-0331, Investment management fee for quarter ending 3/31/2018; \$12,086.34 IFEBP Investment Institute Expense Reimbursement; \$281.42	55,408.61

FORM 8B MEMORANDUM OF VOTING CONFLICT FOR COUNTY, MUNICIPAL, AND OTHER LOCAL PUBLIC OFFICERS

LAST NAME—FIRST NAME—MIDDLE NAME Femia Vincent	NAME OF BOARD, COUNCIL, COMMISSION, AUTHORITY, OR COMMITTEE Pompano Beach Police and Firefighters Retirement System
MAILING ADDRESS 2335 E. Atlantic Blvd, Suite 400	THE BOARD, COUNCIL, COMMISSION, AUTHORITY OR COMMITTEE ON WHICH I SERVE IS A UNIT OF:
CITY Pompano Beach	<input checked="" type="checkbox"/> CITY <input type="checkbox"/> COUNTY <input type="checkbox"/> OTHER LOCAL AGENCY
COUNTY Broward	NAME OF POLITICAL SUBDIVISION: City of Pompano Beach
DATE ON WHICH VOTE OCCURRED 4/16/2018	MY POSITION IS: <input type="checkbox"/> ELECTIVE <input checked="" type="checkbox"/> APPOINTEE

WHO MUST FILE FORM 8B

This form is for use by any person serving at the county, city, or other local level of government on an appointed or elected board, council, commission, authority, or committee. It applies to members of advisory and non-advisory bodies who are presented with a voting conflict of interest under Section 112.3143, Florida Statutes.

Your responsibilities under the law when faced with voting on a measure in which you have a conflict of interest will vary greatly depending on whether you hold an elective or appointive position. For this reason, please pay close attention to the instructions on this form before completing and filing the form.

INSTRUCTIONS FOR COMPLIANCE WITH SECTION 112.3143, FLORIDA STATUTES

A person holding elective or appointive county, municipal, or other local public office **MUST ABSTAIN** from voting on a measure which would inure to his or her special private gain or loss. Each elected or appointed local officer also **MUST ABSTAIN** from knowingly voting on a measure which would inure to the special gain or loss of a principal (other than a government agency) by whom he or she is retained (including the parent, subsidiary, or sibling organization of a principal by which he or she is retained); to the special private gain or loss of a relative; or to the special private gain or loss of a business associate. Commissioners of community redevelopment agencies (CRAs) under Sec. 163.356 or 163.357, F.S., and officers of independent special tax districts elected on a one-acre, one-vote basis are not prohibited from voting in that capacity.

For purposes of this law, a "relative" includes only the officer's father, mother, son, daughter, husband, wife, brother, sister, father-in-law, mother-in-law, son-in-law, and daughter-in-law. A "business associate" means any person or entity engaged in or carrying on a business enterprise with the officer as a partner, joint venturer, coowner of property, or corporate shareholder (where the shares of the corporation are not listed on any national or regional stock exchange).

ELECTED OFFICERS:

In addition to abstaining from voting in the situations described above, you must disclose the conflict.

PRIOR TO THE VOTE BEING TAKEN by publicly stating to the assembly the nature of your interest in the measure on which you are abstaining from voting; *and*

WITHIN 15 DAYS AFTER THE VOTE OCCURS by completing and filing this form with the person responsible for recording the minutes of the meeting, who should incorporate the form in the minutes.

APPOINTED OFFICERS:

Although you must abstain from voting in the situations described above, you are not prohibited by Section 112.3143 from otherwise participating in these matters. However, you must disclose the nature of the conflict before making any attempt to influence the decision, whether orally or in writing and whether made by you or at your direction.

IF YOU INTEND TO MAKE ANY ATTEMPT TO INFLUENCE THE DECISION PRIOR TO THE MEETING AT WHICH THE VOTE WILL BE TAKEN:

- You must complete and file this form (before making any attempt to influence the decision) with the person responsible for recording the minutes of the meeting, who will incorporate the form in the minutes. (Continued on page 2)

APPOINTED OFFICERS (continued)

- A copy of the form must be provided immediately to the other members of the agency.
- The form must be read publicly at the next meeting after the form is filed.

IF YOU MAKE NO ATTEMPT TO INFLUENCE THE DECISION EXCEPT BY DISCUSSION AT THE MEETING:

- You must disclose orally the nature of your conflict in the measure before participating.
- You must complete the form and file it within 15 days after the vote occurs with the person responsible for recording the minutes of the meeting, who must incorporate the form in the minutes. A copy of the form must be provided immediately to the other members of the agency, and the form must be read publicly at the next meeting after the form is filed.

DISCLOSURE OF LOCAL OFFICER'S INTEREST

I, Vincent Ferris, hereby disclose that on April 16, 20 18:

(a) A measure came or will come before my agency which (check one or more)

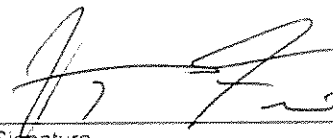
- inured to my special private gain or loss;
- inured to the special gain or loss of my business associate, _____;
- inured to the special gain or loss of my relative, Maureen Ferris (spouse);
- inured to the special gain or loss of _____, by whom I am retained; or
- inured to the special gain or loss of _____, which is the parent subsidiary, or sibling organization or subsidiary of a principal which has retained me.

(b) The measure before my agency and the nature of my conflicting interest in the measure is as follows:

If disclosure of specific information would violate confidentiality or privilege pursuant to law or rules governing attorneys, a public officer, who is also an attorney, may comply with the disclosure requirements of this section by disclosing the nature of the interest in such a way as to provide the public with notice of the conflict.

4/16/18

Date Filed



Signature

NOTICE: UNDER PROVISIONS OF FLORIDA STATUTES §112.317, A FAILURE TO MAKE ANY REQUIRED DISCLOSURE CONSTITUTES GROUNDS FOR AND MAY BE PUNISHED BY ONE OR MORE OF THE FOLLOWING: IMPEACHMENT, REMOVAL OR SUSPENSION FROM OFFICE OR EMPLOYMENT, DEMOTION, REDUCTION IN SALARY, REPRIMAND, OR A CIVIL PENALTY NOT TO EXCEED \$10,000.