

POMPANO BEACH POLICE & FIREFIGHTERS' RETIREMENT SYSTEM

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

**BOARD OF TRUSTEES MINUTES
REGULAR MEETING
APRIL 20, 2015**

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 3:04 PM.

PRESENT: Chairman Paul O'Connell
Vice-Chairman Richard Samolewicz
Trustee Sharra Aaronian
Trustee Vincent Femia
Trustee Patrick Fletcher
Trustee David Hall
Trustee Jorge Rossi

ABSENT: Trustee Daniel Christophers
Trustee Peter McGinnis

ALSO PRESENT: Pedro Herrera, Esq., Board Attorney
Glenda Rowley, Executive Director
Debra Tocarchick, Deputy Director
Gary Morton, Police Retiree Liaison
Richard Avallone, Fire Retiree Liaison
Adam Burns, Police member
Debbie Burns, Spouse
Andrea Wolfson, Esq., Wolfson & Konigsburg
(via telephone)

VISITORS: Andrea Levine, Police member
Pedro Cordero, Police member
Michael Scanzera, Fire member
Brandon Beaudreau, Fire member

AUDIENCE TO BE HEARD

None

APPROVAL OF AGENDA

MOTION: To approve the agenda for April 20, 2015, as presented.
PASSED 7-0.

O'Connell
Samolewicz
Aaronian
Femia
Fletcher
Hall
Rossi

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
X		X X X X X X X	
	X	X X X	

Board of Trustees Minutes Page Two	April 20, 2015	TRUSTEES	M	S	Y	N	
<u>APPROVAL OF MINUTES</u>							
<p>MOTION: To waive the reading of the minutes of the Regular Board meeting on March 16, 2015 and to approve same as submitted. PASSED 7-0.</p>	<p>O'Connell Samolewicz Aaronian Femia Fletcher Hall Rossi</p>	<p>X</p>	<p>X</p>	<p>X X X X X X</p>	<p>X X X X X X</p>		
<u>RATIFICATION AND APPROVAL OF WARRANTS</u>							
<p>MOTION: To ratify and approve payment of benefits and expenses as set forth on Warrants No. 4594, \$2,260.71; No. 4595, \$3,290.23; No. 4596, \$559.71; No. 4597, \$89,184.42. PASSED 7-0.</p>	<p>O'Connell Samolewicz Aaronian Femia Fletcher Hall Rossi</p>	<p>X</p>	<p>X</p>	<p>X X X X X X</p>	<p>X X X X X X</p>		
<u>SUGARMAN & SUSSKIND PA LEGAL REPORT</u>							
<p>At the Board's request, securities monitoring firm Spector Roseman Kodroff & Willis reviewed RBC Global's new proxy voting guidelines and reported that the Board's existing guidelines are stricter than those proposed by RBC. Mr. Herrera advised the Board that it is a business judgment as to whether the Board wants to permit RBC to use their proposed guidelines. The authority to vote proxies is delegated to the investment managers according to either the Board's adopted proxy policy or a manager's third-party Taft-Hartley based policy. After discussion, the Board agreed to table the matter to the Educational Symposium and discuss it with RBC representatives at the time of their presentation.</p> <p>Both Sugarman & Susskind and Graystone Consulting agreed that Wells Capital's request to engage plan assets under the ERISA exemptive relief for IPO participation was acceptable.</p>							
<p>MOTION: To authorize the Chairman to execute Wells Capital Management's request to engage Plan assets as specified pursuant to the exemptive authority granted to Wells Capital by the Department of Labor as outlined in the March 5, 2015 Wells Capital correspondence as approved by Sugarman & Susskind and Graystone Consulting. PASSED 7-0.</p>	<p>O'Connell Samolewicz Aaronian Femia Fletcher Hall 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>Sugarman & Susskind reviewed and accepted a proposed Signatory Resolution that is intended to be used for all entities that require a list of authorized signatories. It will be updated annually following election of officers. Although Graystone Consulting had submitted its own form for review, they agreed to accept this proposed format.</p>							

Board of Trustees Minutes Page Three	April 20, 2015	TRUSTEES	M	S	Y	N
<p>MOTION: To approve the PBPFRS Signatory Resolution as presented and to authorize the Chairman to execute same. PASSED 7-0.</p> <p>Sugarman & Susskind reported that attorney fees paid to Motley Rice by the defendants in the Google derivative case totaled \$166,666.66, of which Sugarman & Susskind as co-counsel received \$15,716.39. Attorney fees paid to Robbins Geller Rudman and Dowd by the defendants in the Morgan Stanley MBS case totaled \$15.98 million, of which Sugarman & Susskind as co-counsel received \$121,000. These fees were not paid by the Retirement System or any plaintiffs in these matters. Closing statements were requested but not yet received.</p> <p>In light of the income that Sugarman & Susskind generated due to the Retirement System's participation in the securities litigation matters, they offered to lower fees for legal services from \$7,000 per month to \$5,000 for the balance of 2015 and revert to \$7,000 on January 1, 2016 until the expiration of the retainer agreement on December 31, 2017.</p>					X X X X X X X	
<p>MOTION: To approve Sugarman & Susskind's proposed revised fee agreement for legal services effective May 1, 2015, and to authorize the Chairman to execute same. MOTION AMENDED</p> <p>Trustee Samolewicz remarked that the offer was admirable but proposed that the fees be revised to \$6,000 for the 2016 calendar year and \$7,000 for the 2017 calendar year. Mr. Herrera agreed on behalf of the firm. The motion was amended by the maker.</p>	Samolewicz Fletcher	X	X			
<p>AMENDED MOTION: To approve the revised retainer agreement for legal services at the following monthly rates: \$5,000 effective May 1, 2015, \$6,000 effective January 1, 2016 and \$7,000 effective January 1, 2017, and to authorize Chairman to execute same. PASSED 7-0.</p>	O'Connell Samolewicz Aaronian Femia Fletcher Hall Rossi	X	X		X X X X X X X	
<p>MOTION: To approve Warrant 4598 for monthly recurring payments to Sugarman & Susskind effective May 1, 2015 in the amount of \$5,000. PASSED 7-0.</p>	O'Connell Samolewicz Aaronian Femia Fletcher Hall Rossi	X	X		X X X X X X X	

Board of Trustees Minutes Page Four	April 20, 2015	TRUSTEES	M	S	Y	N
<u>ADMINISTRATIVE AND MISCELLANEOUS ISSES</u>						
The Executive Director presented a draft of the Summary Plan Description that is required to be updated every two years and which has been reviewed by Sugarman & Susskind.						
<p>MOTION: To approve the Summary Plan Description booklet as presented and accepted by Sugarman & Susskind. PASSED 7-0.</p>	<p>O'Connell Samolewicz Aaronian Femia Fletcher Hall Rossi</p>	<p>X</p>	<p>X</p>	<p>X</p>	<p>X</p>	
Trustee Hall revisited the previous month's discussion of whether to continue recording the Board meetings based on information conveyed to him during an educational session at FPPTA.						
<p>MOTION: To cease recording of the Board meetings. MOTION WITHDRAWN</p>	<p>Samolewicz Hall</p>	<p>X</p>	<p>X</p>			
Discussion ensued by which the Executive Director and the Deputy Director indicated for the record that they were opposed to the motion. From an administrative standpoint, the recordings are extremely helpful and the liability level is very low. Should the Board decide to cease the recordings, it will greatly slow down the meetings due to the necessity of more detailed note taking and asking for more exact clarification of motions. Mr. Herrera indicated that approximately half of his clients record meetings. The motion was withdrawn by the maker.						
The Executive Director advised that Butters Management formerly had authority to file the Florida annual report on-line on behalf of Pompano Beach Investors, LLC. This function will now need to be performed by PBPFERS staff.						
<p>MOTION: To authorize the Executive and Deputy Directors to perform the annual online filing, on behalf of the Chairman, for the Florida Annual Report for Pompano Beach Investors, LLC (PBI). PASSED 7-0.</p>	<p>O'Connell Samolewicz Aaronian Femia Fletcher Hall Rossi</p>	<p>X</p>	<p>X</p>	<p>X</p>	<p>X</p>	
The Executive Director reported that the insurance agent did not feel that it was necessary to continue to carry liability insurance for PBI now that the building has been sold. The Board agreed by consensus to cancel the policy.						
It will also be necessary to authorize PBPFERS staff to transfer funds, such as the monthly Grover Corlew interest payments, from the PBI account to Comerica Bank.						

Board of Trustees Minutes Page Five	April 20, 2015	TRUSTEES	M	S	Y	N
<p>MOTION: To authorize the Executive Director and the Deputy Director to have online access to the Bank of America account for Pompano Beach Investors, LLC for purposes of transferring funds to Comerica Bank. PASSED 7-0.</p> <p>The Board reviewed information on Ambassador Business Travel Accident Insurance. The Trustees expressed concerns whether they would be adequately covered in the event of injury or death while away from their jobs and traveling on Retirement System business. The Board agreed that further research needed to be done by way of contacting other pension boards to see what type of coverage they may have. Trustee Hall volunteered to meet with the insurance agent, Bateman Gordon Sands, to discuss further.</p> <p>The Chairman requested that the Board approve his attendance at the Harvard Kennedy School's Senior Executives in State and Local Government program. The Chairman advised the Board that while the three-week course is expensive (\$12,400) it relates directly to what the Board does.</p>	<p>O'Connell Samolewicz Aaronian Femia Fletcher Hall 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></p>
<p>MOTION: To approve the Chairman to attend the Senior Executives in State and Local Government program. PASSED 6-1.</p>	<p>O'Connell Samolewicz Aaronian Femia Fletcher Hall Rossi</p>	<p>X</p>	<p>X</p>	<p>X X X X X X</p>	<p>X</p>	<p></p>
<p><u>CONTINUATION OF INFORMAL SERVICE-INCURRED DISABILITY HEARING FOR MEMBER ADAM BURNS</u></p>						
<p>Mr. Burns and his wife were present and his attorney, Andrea Wolfson, joined the meeting via conference call. The City Ordinance requires an affirmative vote by five trustees to approve any actions. The Chairman advised Ms. Wolfson of a new development in that there are now only seven of the nine Trustees present, which reduced the probability of five affirmative votes. Mr. Herrera advised Ms. Wolfson that her client can either waive his right to a full Board or postpone the continuation of his informal disability hearing to a later date.</p>						
<p>Ms. Wolfson requested an opportunity to discuss the issue with her client privately via cell phone. She expressed concerns regarding the hardship to her client with regard to the amount of time that has elapsed in the process and inquired as to whether they could bypass the informal hearing process and proceed directly to a formal hearing at another date.</p>						

Board of Trustees Minutes Page Six	April 20, 2015	TRUSTEES	M	S	Y	N	
<p>Based on past experience, the Chairman asked Ms. Wolfson to give consideration to the fact that the informal process is less expensive for both the Board and her client.</p> <p>Mr. Herrera clarified that it was not required to have an informal hearing; however, if they proceeded to a formal hearing, the Board would likely need to hire special counsel since he could not take and defend a deposition or advise the judge and the hearing officers on points of law. The informal hearing is performed as a matter of convenience to everyone involved. If the applicant is approved at the informal hearing, there will be no need to proceed to a formal hearing.</p> <p>Mr. Burns and his wife exited the meeting and Ms. Wolfson put her call on hold so they could confer privately as to how to proceed. The Board went on to other reports while they were gone. Upon their return, Ms. Wolfson indicated their desire to reschedule this hearing to a later date when the full Board could be present.</p> <p>MOTION: To have the Executive Director schedule a special Board meeting on the first available date when all interested parties agreed to be available at 9:00 am. PASSED 7-0.</p>		O'Connell Samolewicz Aaronian Femia Fletcher Hall Rossi	X X X	X	X X X X X X	X X X X X X	
<p><u>COMMITTEE REPORTS</u></p>							
<p>There were no committee reports but Vice-Chairman Samolewicz noted that he would not be available to attend the June meeting.</p>							
<p><u>EXECUTIVE DIRECTOR'S REPORT</u></p>							
<ul style="list-style-type: none"> ➤ The Annual Report to the Division of Retirement was accepted with only a few minor edits requested. ➤ The 10/1/14 actuarial report was presented to and approved by the City on April 14. ➤ The new StorageCraft backup system was installed. The 1TB disk cartridges were purchased for \$217.50 each. 							
<p>The Chairman suggested that the Frontline Video, "The Retirement Gamble", be provided to the City Commissioners as an educational tool.</p>							
<p>The Executive Director advised the Board that it is her understanding that the City and BSO are currently conducting contract negotiations that may affect the assignment of the remaining nine active BSO employees in the pension plan. To this end, the Pension Office has received numerous telephone calls and information requests from members. The members are</p>							

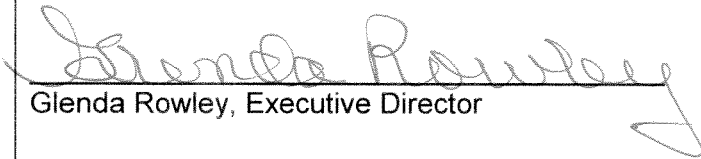
being advised that the Pension Office will not be involved other than to provide information regarding their own pension benefits. The Chairman reiterated that the Board is not involved in any negotiations or decisions made between the City and BSO.

ADJOURNMENT

MOTION: To adjourn the April 20, 2015 meeting at 4:32 PM. PASSED 7-0.

O'Connell			X	
Samolewicz			X	
Aaronian			X	
Femia			X	
Fletcher		X	X	
Hall	X		X	
Rossi			X	

Respectfully submitted,


Glenda Rowley, 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
- Webmaster

REGULAR MEETING – APRIL 20, 2015

ITEM NO. 5 - WARRANT NOS. 4594 THROUGH 4598

Ratified and Approved on 04/20/2015

WARRANT NO.	PAYABLE TO	DESCRIPTION	AMOUNT
4594	AB Fire Equipment Xerox Corporation Florida UC Fund Economic Computers	Inv no. 166868, dated 3/17/15, annual fire extinguishers inspection; \$65.00 Inv no. 078813781, March lease, \$159.46; excess print charges, \$53.96; Total \$213.42 Reemployment taxes quarter ended 3/31/15; \$1,073.51 Inv no. 1540, dated 4/6/15, purchase of StorageCraft ShadowProtect for Small Business Server backup software, \$549.00; installation on 4/10/15, \$199.88; work remaining to finalize installation, \$159.90; Total \$908.78	2,260.71
4595	Bank of America	Glenda Rowley: Courier, \$19.57; FPPTA hotel deposit, \$165.00; Total \$184.57 Debra Tocarchick: Meeting supplies, \$26.60; telephone and internet, \$517.70; website domain renewal, \$9.98; FPPTA hotel deposit, \$165.00; (3) hard disk cartridges RD 1000, 1TB, \$652.50; Total \$1,371.78 Paul O'Connell: Educational Symposium, \$403.88 Sharra Aaronian: FPPTA Conference (registration/hotel deposit), \$665.00 David Hall: FPPTA conference (registration/hotel deposit), \$665.00	3,290.23
4596	US HealthWorks Medical Group FL, Inc. Nestle Pure Life Direct	Pre-employment physicals, 2 @ \$270.00 ea (Galgano, Rudy); \$540.00 Inv No 05D0009941337, 4/10/15, water; \$19.71	559.71
4597	Standish Mellon Cornerstone Sands Capital	Investment mgmt fees qtr ended 3/31/15; \$19,370.87 Investment mgmt fees qtr ended 3/31/15; \$33,165.00 Investment mgmt fees qtr ended 3/31/15; \$36,648.55	89,184.42
4598	Sugarman & Susskind	Recurring monthly retainer for legal services revised effective 5/1/15; \$5,000.00	5,000.00