

POMPANO BEACH POLICE & FIREFIGHTERS' RETIREMENT SYSTEM

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

**BOARD OF TRUSTEES MINUTES
REGULAR MEETING
APRIL 17, 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 3:02 PM.

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

ALSO PRESENT: Pedro Herrera, Esq., Board Attorney
Debra Tocarchick, Executive Director
Douglas Cason, Fire Member
Tonya Oliver, Esq., Bichler, Oliver, Longo & Fox

VISITORS: Cindy Lawrence, City Risk Manager
Beth Leahy, Esq., City W/C Representative
Michele Belmont, Esq., Friend of Douglas Cason
Steven Hudson, VP, IAFF
Andrea Levine, Police Member
Pedro Cordero, Police Member

AUDIENCE TO BE HEARD

None

APPROVAL OF AGENDA

MOTION: To approve the agenda for April 17, 2017, as presented.
PASSED 9-0.

	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	
Samolewicz			X	
Aaronian			X	
Christophers	X		X	
Drago			X	
Femia			X	
Hall		X	X	
McGinnis			X	
Rossi			X	

Board of Trustees Minutes Page Two	April 17, 2017	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 15, 2017, and to approve same as submitted. PASSED 9-0.</p>	<p>O'Connell Samolewicz Aaronian Christophers Drago Femia Hall McGinnis Rossi</p>	<p>X</p>			<p>X X X X X X X X X</p>	
<u>APPROVAL OF DROP LOAN APPLICATION</u>						
<p>MOTION: To approve the DROP loan application of fire member, Mark Callahan. PASSED 9-0.</p>	<p>O'Connell Samolewicz Aaronian Christophers Drago Femia Hall McGinnis Rossi</p>	<p>X</p>		<p>X</p>	<p>X X X X X X X X X</p>	
<u>RATIFICATION AND APPROVAL OF WARRANTS</u>						
<p>MOTION: To ratify and approve payments of benefits and expenses as set forth on Warrant Nos. 4838, \$4,000.00; No. 4839, \$6,895.45; No. 4840, \$21,706.24; No. 4841, \$50,000.00; No. 4842, \$8,280.40; No. 4843, \$33,340.45. PASSED 9-0.</p>	<p>O'Connell Samolewicz Aaronian Christophers Drago Femia Hall McGinnis Rossi</p>	<p>X</p>		<p>X</p>	<p>X X X X X X X X X</p>	
Administrative and Miscellaneous issues were taken out of order.						
<u>ADMINISTRATIVE AND MISCELLANEOUS ISSUES</u>						
<p>The Executive Director submitted an updated Summary Annual Report which is required to be updated every two years. The report was reviewed and accepted by Sugarman & Susskind.</p>						
<p>MOTION: To approve the Summary Plan Description booklet as presented and accepted by Sugarman & Susskind. PASSED 9-0.</p>	<p>O'Connell Samolewicz Aaronian Christophers Drago Femia Hall McGinnis Rossi</p>	<p>X</p>		<p>X</p>	<p>X X X X X X X X X</p>	

Board of Trustees Minutes Page Three	April 17, 2017	TRUSTEES	M	S	Y	N	
<p>The Board received as an informational item an actuarial impact statement dated April 12 that was requested by the active police members. The Executive Director reported that the statement was provided to the remaining four active police officers.</p> <p><u>CONSIDERATION TO ACCEPT FOR FURTHER PROCESSING THE SERVICE-CONNECTED DISABILITY APPLICATION OF DOUGLAS CASON</u></p> <p>Mr. Herrera briefed the Board that the matter at question regarding the acceptance and processing of Captain Cason's application for service-incurred disability is that he is currently still working for the City of Pompano Beach as a firefighter.</p> <p>Mr. Cason's legal representative, Ms. Tonya Oliver, thanked the Board for the opportunity to speak on behalf of Mr. Cason. Ms. Oliver indicated that Mr. Cason was hired as a firefighter in 1986, and during the course of his employment, has incurred numerous injuries, most significantly, to his left knee. In the past four years, he has had three surgeries and has been told by his physicians that he cannot return to service as a firefighter.</p> <p>According to Ms. Oliver, Mr. Cason is in a vicious cycle between worker's compensation, the Pension Board and City employment because worker's compensation is saying he can return to light duty. He has followed all of the worker's compensation instructions and they have released him to sedentary duty only. He has been removed from the roster as a firefighter and the City is currently seeking to fill his position. His physician has reiterated since January 18, 2017 that he is at MMI, and even while on light duty he continues to exacerbate the knee injury which ultimately will need a knee replacement. Even with a knee replacement he will not be able to return to full service as a firefighter.</p> <p>Ms. Oliver indicated that she understands that to have his application accepted he must be restricted from working as a firefighter; however, the City has chosen not to terminate him but to give him a secretarial position. Mr. Cason has performed all of the requested duties; however, those duties do not include any firefighter duties or service. The current duties he is performing do not fall into the classification of a combat firefighter's duties within his collective bargaining agreement. Ms. Oliver turned to the Board for questions of herself or Mr. Cason. Mr. Herrera stated that the Board may only rely on the facts it has before it and has no discretion or authority with respect to employment decisions. The facts here are that although he may be performing "secretarial" work as indicated by Ms. Oliver, he was still classified by the City as a firefighter and was being paid as a ranking firefighter Captain. Consequently, it was challenging to reconcile the fact that a member is applying for a disability claiming he can no longer perform useful and efficient service as a firefighter, yet he is still actually working as a firefighter.</p>							

<p>Board of Trustees Minutes Page Four</p> <p style="text-align: right;">April 17, 2017</p>	TRUSTEES	M	S	Y	N
<p>Mr. Herrera cautioned that the Board at this time is not in a position to deliberate the merits of the disability application as it is not in possession of all of the medical records or an independent medical examiner's report. The discussion should be focused on whether or not the application was complete and whether the Board should accept Mr. Cason's application for further processing.</p> <p>The Board was provided the opportunity to ask questions.</p> <p>Mr. Oliver indicated that she is in possession of a letter from worker's compensation indicating that he needed to return to work or he would not be following his job duties and responsibilities according to worker's compensation and the City. While Mr. Cason has done this, it continues to exacerbate his knee injury and he would prefer to either be terminated or placed on unpaid administrative leave.</p> <p>In response to a question regarding MMI, Ms. Oliver provided a form from Dr. Farmer, dated April 5, 2017, which indicates Mr. Cason is at MMI with a 12% permanent impairment rating, backdated to January 18, 2017.</p> <p>Ms. Leahy responded that this report was just received and the City has requested confirmation from the doctor since the form discusses surgery. From a worker's compensation standpoint, it is unusual to receive a three month old backdated form when the January report did not place the claimant at MMI. Unfortunately, Dr. Farmer is not scheduled to conference with Ms. Leahy on the matter until June. While Mr. Cason had been placed at MMI at different times in the past; he was released to full duty and returned to full duty.</p> <p>MOTION: To table the matter until such time as the Board receives all of the paperwork from the City it needs to make a decision to properly accept Mr. Cason's application for service-incurred disability for further processing, as recommended by Sugarman & Susskind. PASSED 6-3 IN A ROLL CALL VOTE.</p> <p>There was discussion as to whether the paperwork should include a letter from the City indicating that Mr. Cason is at MMI as deemed by his treating physician, and that the City no longer has a job for him since it does not have permanent light duty. This would be consistent with the documentation obtained in all of the previous firefighter DROP to disability conversions. Mr. Herrera responded in the affirmative.</p> <p>Mr. Cason and his counsel attempted to reach Dr. Farmer by telephone for clarification as to Mr. Cason's MMI status but were unsuccessful.</p>	<p>O'Connell Samolewicz Aaronian Christophers Drago Femia Hall McGinnis Rossi</p>	<p>X</p>	<p>X</p>	<p>X X X X X X X X X</p>	<p>X X X</p>

<p>Board of Trustees Minutes Page Five</p> <p style="text-align: right;">April 17, 2017</p>	TRUSTEES	M	S	Y	N
<p><u>SUGARMAN & SUSSKIND LEGAL REPORT, PA</u></p> <p>Sugarman & Susskind submitted a proposed policy on administrative hearings which would permit the Board on a case-by-case basis to utilize administrative law judges through the State of Florida Division of Administrative Hearings (DOAH) to conduct hearings on claims for disability, death and forfeiture proceedings. The DOAH ruling is not binding on the Board and it is a recommended order.</p> <p>The Board has discretion as to whether it would accept a recommended order, modify it, reject it or hold its own hearing. The Board cannot absolve itself of the final decision. It is not likely that it would be a cost savings to utilize DOAH; however, it would likely be a time saver for the Trustees. It also provides another layer of insulation for the Board.</p> <p>MOTION: To adopt the Policy on Administrative Hearings as recommended by Sugarman & Susskind. PASSED 9-0 IN A ROLL CALL VOTE.</p> <p>The Board reviewed an April 14 memorandum from Guttman, Buschner & Brooks regarding a status update on the Delaware Section 220 books and records demand to Wells Fargo authorized by the Board in October 2016. Although no claim has been filed or recommended at this time, Mr. Herrera will confirm with the firm whether it recommends that the Board reserve 10 shares of stock to maintain standing for a possible derivative action.</p> <p><u>COMMITTEE REPORTS</u></p> <p>No Committee Reports were rendered.</p> <p><u>EXECUTIVE DIRECTOR'S REPORT</u></p> <ul style="list-style-type: none"> ➤ Update Re Richard Massarelli's Service-Incurred Disability Application: Received worker's compensation doctor's report on April 12. Advised by the City that an addendum to the report is forthcoming. ➤ The State Division of Retirement (DOR) is experiencing difficulties with the reliability of the reports generated by their new on-line system. The Executive Director has notified the DOR of the discrepancies between the data input and the final report. Mr. Herrera noted that other plans are also experiencing the same problem. 	<p>O'Connell Samolewicz Aaronian Christophers Drago Femia Hall McGinnis Rossi</p>	<p>X</p>	<p>X X X X X X X X</p>	<p>X X X X X X X X</p>	

- Blackstone paid the voluntary \$1,500 Educational Symposium sponsorship fee on March 7. An additional check for \$750 was received on March 31. Upon inquiry, Blackstone requested that the March 31 check be returned along with half of the March 7 check for a net payment of \$750.

Upon discussion, the Board agreed that the annual Symposium event is a more focused and less expensive alternative to the quarterly, in person, performance reports that were required in the past.

MOTION: To return the requested funds to Blackstone, exclude them from the annual Educational Symposium, and return them to the direct quarterly performance presentations. PASSED 9-0.

The Board requested that the Executive Director relay this information to the Investment Consultant.

O'Connell			X	
Samolewicz			X	
Aaronian			X	
Christophers	X		X	
Drago			X	
Femia			X	
Hall		X	X	
McGinnis			X	
Rossi			X	

- The Deputy Director's review is normally performed in April but has been delayed due to her leave of absence. The Board requested that it be brought forward at the June meeting.
- Project status of pension administration system implementation:
 - Approved calc specs
 - Reviewing load specs
 - Reviewing valuation extract specs
 - Designing backfeed to load Comerica fiscal year payment data
 - Reviewing COLA program
 - Reviewing fire share plan program
 - Reviewing customized reports design

ADJOURNMENT

MOTION: To adjourn the April 17, 2017 meeting at 4:24 PM. PASSED 9-0.

O'Connell			X	
Samolewicz	X		X	
Aaronian			X	
Christophers			X	
Drago			X	
Femia			X	
Hall		X	X	
McGinnis			X	
Rossi			X	

Respectfully submitted,



Debra Tocarchick, CEBS
Executive Director

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 – APRIL 17, 2017

ITEM NO. 6 - WARRANT NOS. 4838 THROUGH 4843

Ratified and Approved on 04/17/2017

WARRANT NO.	PAYABLE TO	DESCRIPTION	AMOUNT
4838	Robert R. Drago	Monthly installments from Fund Rate DROP account commencing 6/1/2017; \$4,000.00	4,000.00
4839	Gregg Rossman, PA Florida UC Fund Minute Man Press Xerox Corporation	Inv No. 136, dated 3/23/2017 re Jeff Poole forfeiture hearing; \$6,466.67 Reemployment taxes quarter ended 3/31/2017; \$44.73 Inv No. 56357, dated 3/31/2017; 1,000 envelopes; \$199.09 Inv No. 088571907, March lease; \$172.94, excess print charges; \$12.02, Total \$184.96	6,895.45
4840	Travelers Morgan Stanley Smith Barney Richard Samolewicz Blackstone	Account No 2641M2202, policy no. 0106508046LB, casualty and surety crime policy 4/20/2017 – 4/20/2018; \$485.00 Investment consulting fee quarter ended 12/31/2016; \$20,332.07 FPPTA Trustees School expense reimbursement; \$139.17 Refund 50% Educational Symposium sponsorship; \$750.00	21,706.24
4841	Mark R. Callahan	DROP loan net amount to Mark R. Callahan; \$49,725.00 Documentary stamps for Mark R. Callahan's DROP loan; \$175.00 Loan processing fee for Mark R. Callahan; \$100.00	50,000.00
4842	Bank of America	Debra Tocarchick: Board meeting supplies; \$148.81, office supplies; \$138.60, website domain 1-yr renewal; \$9.98; sympathy gift; \$44.25; NCPERS registration Trustee Samolewicz; \$800.00; NCPERS registration Debra Tocarchick; \$800.00, Total \$1,941.64 Amanda Cintron: Board meeting supplies; \$4.49 Paul O'Connell: Board meeting supplies; \$34.67; business meals; \$153.30, Total \$187.97 Sharra Aaronian: OPAL Conference; \$1,132.26 Robert Drago: Copy fee; \$23.37, OPAL Conference; \$1,509.68, Total \$1,533.05 Richard Samolewicz: OPAL Conference; \$1,132.26, NCPERS CPPT NYSE Program expenses; \$2,348.73, Total \$3,480.99	8,280.40
4843	Center Coast Standish Mellon	Investment mgmt fees qtr ended 3/31/17; \$15,507.06 Investment mgmt fees qtr ended 3/31/17; \$17,833.39	33,340.45