

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

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

**BOARD OF TRUSTEES MINUTES  
REGULAR MEETING  
JULY 10, 2018**

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 10:00 AM.

PRESENT: Chairman Paul O'Connell  
Vice-Chairman Richard Samolewicz  
Trustee Sharra Aaronian (arrived at 10:05 AM)  
Trustee Daniel Christophers (departed at 11:23 AM)  
Trustee Robert Drago  
Trustee Vincent Femia  
Trustee Peter McGinnis (departed at 11:26 AM)  
Trustee Jorge Rossi

ABSENT: Trustee David Hall

ALSO PRESENT: Pedro Herrera, Esq., Board Attorney  
Debra Tocarchick, Executive Director  
Maureen Femia, Deputy Director

AUDIENCE TO BE HEARD

None

APPROVAL OF AGENDA

**MOTION:** To approve the July 10, 2018 agenda as presented. PASSED 7-0.

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

APPROVAL OF MINUTES

**MOTION:** To waive the reading of the minutes of the Regular Board Meeting on June 18, 2018; and to approve same as presented. PASSED 7-0.

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

			<b>V</b>	<b>V</b>
			<b>O</b>	<b>O</b>
			<b>T</b>	<b>T</b>
			<b>E</b>	<b>E</b>
			<b>D</b>	<b>D</b>
			<b>Y</b>	<b>N</b>
			<b>E</b>	<b>O</b>
			<b>S</b>	
			<b>N</b>	
			<b>O</b>	
			<b>N</b>	
			<b>O</b>	

<p><b>Board of Trustees Minutes</b> <b>Page Two</b></p> <p style="text-align: right;"><b>July 10, 2018</b></p>	<b>TRUSTEES</b>	<b>M</b>	<b>S</b>	<b>Y</b>	<b>N</b>
<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. 4990, \$5,761.29; No. 4991, \$3,977.50; No. 4992, \$13,820.83; No. 4993, \$4,524.02; No. 4994, \$1,000.00; No. 4995, \$5,476.23; No. 4996, \$9,569.98. PASSED 7-0.</p> <p>The Board continued on to Administrative and Miscellaneous issues pending Mr. Herrera's arrival.</p> <p><u>ADMINISTRATIVE AND MISCELLANEOUS ISSUES</u></p> <p>The Board reviewed Nyhart's letter dated June 27 affirming that the Plan did not meet the actuarial return necessary to pay the additional 1% COLA on October 1.</p> <p>In response to a question, the Executive Director will contact Nyhart for an explanation as to why the cumulative actuarial losses for the police group are higher than fire.</p> <p><u>COMMITTEE REPORTS</u></p> <p><i>Communications Committee:</i> Communications Chairman Rossi requested the Committee members stay to discuss the website prior to adjourning today's Board meeting. No other Committee Reports were rendered.</p> <p><u>EXECUTIVE DIRECTOR'S REPORT</u></p> <ul style="list-style-type: none"> <li>➤ RBC Global to Nuance transition completed on June 28.</li> <li>➤ All Trustees' Financial Disclosure forms were received and recorded on the state's website by the July 1 deadline.</li> <li>➤ Received City's letter regarding Mitchell Grossman's employment status on July 3. Currently following up on outstanding records from one medical provider and then a final package will be sent to Sugarman &amp; Susskind to set up an IME appointment.</li> <li>➤ In follow-up to discussion at the June Board meeting, the Executive Director verified that the Board does not carry a specific cyber-crime policy through its fiduciary liability or crime policy carriers. The Board's crime policy coverage extends only to crime committed by its employees. The Executive Director polled other plans to see if they carry a cyber-crime policy and reached out to the Board's existing carriers to obtain a price and coverage quote. She will report the results at a future meeting.</li> <li>➤ The Executive Director requested that the Board authorize the Chairman to approve her recommendation for the renewal of the fiduciary liability policy prior to the August 8 deadline.</li> </ul>	<p>O'Connell Samolewicz Christophers Drago Femia McGinnis Rossi</p>	<p>X     X</p>	<p>  X     </p>	<p>X X X X X X X</p>	

<p><b>Board of Trustees Minutes</b> <b>Page Three</b></p> <p style="text-align: right;"><b>July 10, 2018</b></p>	<b>TRUSTEES</b>	<b>M</b>	<b>S</b>	<b>Y</b>	<b>N</b>
<p><b>MOTION:</b> To authorize the Chairman to approve the renewal of the fiduciary liability insurance policy, as recommended by the Executive Director and based on a reasonable price quote from the carrier. PASSED 8-0.</p> <ul style="list-style-type: none"> <li>➤ The Board authorized the Executive Director to commence negotiation of the Marriott Hotel contract for the 2019 Educational Symposium.</li> <li>➤ Trustee Hall's reappointment is on the City's July 10 meeting agenda for consideration.</li> <li>➤ Robbins Geller is scheduled to make a presentation at the August 20 Board meeting regarding the resolution of the Las Vegas Sands' case.</li> <li>➤ The new computer equipment was delivered and work begins on July 12 to migrate to the new server.</li> </ul> <p>Trustee Drago inquired whether the actuary will be present at the August 20 Board meeting when the quarterly Investment Performance Report is presented. He indicated that the feedback from the conferences he has attended all points toward lowering the investment assumption rate, and he feels the Board should start the discussion with the investment consultant and the actuary.</p> <p>After some discussion, the Chairman proposed raising the issue with City officials during the pending meeting to discuss shortening the amortization period for unfunded liabilities. The Executive Director reported that she distributed the actuary's cost analysis to the City and is waiting for a response regarding a meeting date.</p> <p>The Board directed the Executive Director to obtain a recommendation from the investment consultant and the actuary on whether the 7.50% investment assumption rate is still acceptable or whether it should be lowered; as well as a plan of action to phase-in to a lower rate if recommended.</p> <p>The Board directed the Executive Director to invite the actuary to the August 20 Board meeting for discussion on the issue.</p> <p><u>SUGARMAN &amp; SUSSKIND, PA LEGAL REPORT</u></p> <p>Mr. Herrera reviewed a proposed "Policy Statement Re Supplemental "Share Plan" Retirement Benefit for Police Officers" which was drafted based on the discussion at the June 18 Board meeting.</p> <p>It was recommended to edit paragraph 6B into separate paragraphs to add clarity for the reader.</p>	<p>O'Connell Samolewicz Aaronian Christophers Drago Femia McGinnis Rossi</p>	<p>X</p>	<p>X</p>	<p>X X X X X X</p>	

Board of Trustees Minutes Page Four	July 10, 2018	TRUSTEES	M	S	Y	N
<p>Chairman O’Connell raised a concern whether the fifth paragraph under the Enactment heading should be stricken because the Policy Statement was inconsistent with IUPA’s e-mail of January 5, 2017. The second paragraph of the referenced e-mail discussed an initial allocation to Plan participants that were presently full-time Broward Sheriff’s Office employees, rather than all Plan participants.</p> <p>During discussion, Mr. Herrera advised that the Ordinance provides to the Board of Trustees the authority to determine who, what, when, where, how; under the umbrella of state law that has certain eligibility requirements. State law requires mutual consent, and the language in the police share plan ordinance specifically requires that a majority of the eligible police officer members and the Division of Retirement approve it.</p> <p>Mr. Herrera recommended that the Board reach out to IUPA and request that it provide a written statement indicating that it has reviewed the Policy Statement as designed by the Board of Trustees and the Policy Statement is endorsed by the Union. Once this written acceptance is received, the Policy Statement will be modified to insert the Union’s acceptance into paragraph five under the Enactment heading.</p> <p>Mr. Herrera will make the minor edits required and provide to Trustee Christophers who will communicate the Board’s request to IUPA.</p> <p><b>MOTION:</b> To conditionally adopt a ‘Policy Statement Re Supplemental “Share Plan” Retirement Benefit for Police Officers’, subject to the IUPA union’s approval thereof which will be reflected in paragraph five under the Enactment heading. PASSED 8-0.</p> <p>The Executive Director distributed a packet of forms and a Q&amp;A Letter that she proposed to provide to the police members when the Policy Statement was finalized. The forms are for the six remaining members who are in active and DROP contributing status only. Mr. Herrera advised the Board that he had reviewed the forms and found them acceptable.</p> <p><b>MOTION:</b> To adopt the Police Share Plan forms for: 1)Police Share Plan Member’s Designation of Beneficiary, 2) Application for Distribution of Police Share Plan with Agreement of Receiving Trustee, and 3) Share Plan Investment Election Form, as recommended by Sugarman &amp; Suskind. PASSED 7-0 (Trustee McGinnis was out of the room).</p> <p>During discussion, the Executive Director commented that the once annual distribution to the retirees is not an eligible rollover distribution. This distribution will occur annually on December 1 and is subject to ordinary taxes. Mr. Herrera tentatively agreed but would check on the regulations to verify.</p>	<p>O’Connell Samolewicz Aaronian Christophers Drago Femia McGinnis Rossi</p> <p>O’Connell Samolewicz Aaronian Christophers Drago Femia 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</p>	<p>X X X X X X X</p> <p>X X X X X X</p>	

The Executive Director recommended adopting the same money market fund that is used in the firefighters' share plan.

**MOTION:** To adopt the US Government Money Market Fund – RBC Institutional Share Classes, Class 1 TUGXX, as the money market fund for the Police Officer's share plan. PASSED 8-0.

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

At 11:02 AM, the Board transitioned into a discussion with the Communications Committee regarding the existing website. The Trustees reviewed the existing website together and some recommendations were:

- A hit counter for feedback on what people are looking at
- Change the picture on the home page
- More vibrant colors on hyper-links
- A glossary of terminology
- Video streaming of meetings and/or educational symposiums
- Make the site more user-friendly; i.e. something that draws members to the website.
- Better directional navigation within the site; i.e. if you want this, than go here, etc.
- Financial calculators
- Member portal

The Board directed the Executive Director to consult with its website host on creative design and an estimated cost to update the website for the above-mentioned suggestions and bring it back to the Committee.

ADJOURNMENT

**MOTION:** To adjourn the July 10, 2018 meeting at 11:31 AM. PASSED 6-0.

O'Connell				X
Samolewicz				X
Aaronian				X
Drago	X			X
Femia		X		X
Rossi				X

Respectfully submitted,



Debra Tocarchick, CEBS  
Executive Director

DISTRIBUTION:

- |                           |                           |
|---------------------------|---------------------------|
| Board of Trustees         | City Clerk                |
| Robert A. Sugarman, Esq.  | Assistant City Attorney   |
| Pedro Herrera, Esq.       | City HR Director          |
| Tayt Odom, Actuary        | President IAFF Local 1549 |
| City Manager              | Marcum                    |
| Mayor and City Commission |                           |

**REGULAR MEETING – JULY 10, 2018**

**ITEM NO. 5 - WARRANT NOS. 4990 THROUGH 4996**

**Ratified and Approved on 07/10/2018**

<b>WARRANT NO.</b>	<b>PAYABLE TO</b>	<b>DESCRIPTION</b>	<b>AMOUNT</b>
<b>4990</b>	Debra Tocarchick	5% salary increase effective 7/1/2018, less 10% 401(a) employee contribution, less 457 deferred compensation, \$4,463.79; 401(a) employee and employer contribution, \$1,047.50; 457 employee contribution; \$250.00, <b>Total \$5,761.29</b>	<b>5,761.29</b>
<b>4991</b>	Economic Computers	Invoice No. 4217, 6/4/2018, on-site labor to install new server and computers; <b>\$3,997.50</b>	<b>3,997.50</b>
<b>4992</b>	US HealthWorks Florida U.C. Fund Xerox Corporation RBC Global	Inv. No. 0481438-FL, (15) pre-employment physicals @ \$280.00 each; <b>\$4,200.00</b> Reemployment taxes quarter ending 6/30/2018; <b>\$50.74</b> Invoice No. 093660342, June lease, \$172.94; excess print charges, \$22.32; <b>Total \$195.26</b> Inv. No. 20180620-189-A, investment management fee through 6/20/2018 - final; <b>\$9,374.83</b>	<b>13,820.83</b>
<b>4993</b>	Antoine Daley	Refund of contributions as a result of separation of employment on 6/25/2018; <b>\$4,524.02</b>	<b>4,524.02</b>
<b>4994</b>	William Knowles	Change in monthly installments from DROP account commencing 8/1/2018; <b>\$1,000.00</b>	<b>1,000.00</b>
<b>4995</b>	Richard L. Brito	Normal Retirement benefit commencing 9/1/2018 as a result of reaching end of DROP period on 8/31/2018; <b>\$5,476.23</b>	<b>5,476.23</b>
<b>4996</b>	Bank of America	Debra Tocarchick: Board meeting supplies; \$136.54, Office supplies; \$169.49, Telephone & internet; \$295.06, (2) Optiplex 5050 desktop computers; \$1,572.08, <b>Total \$2,173.17</b> Maureen Femia: Medical records (Mitchell Grossman); <b>\$260.27</b> Paul O'Connell: PowerEdge T640 server; <b>\$7,136.54</b>	<b>9,569.98</b>