

POMPANO BEACH POLICE & FIREFIGHTERS' RETIREMENT SYSTEM

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

**BOARD OF TRUSTEES MINUTES
REGULAR MEETING
DECEMBER 17, 2019**

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 3:00 PM.

PRESENT: Chairman Paul O'Connell
Vice-Chairman Richard Samolewicz
Trustee Sharra Aaronian
Trustee Daniel Christophers
Trustee Vincent Femia
Trustee David Hall (Arrive 3:13 PM)
Trustee Patrick Hanrahan
Trustee Peter McGinnis (Arrive 3:03, Depart 3:13 PM)
Trustee Jorge Rossi

ALSO PRESENT: Robert Sugarman, Board Attorney
Debra Tocarchick, Executive Director
Maureen Femia, Deputy Director

AUDIENCE TO BE HEARD

None

APPROVAL OF AGENDA

MOTION: To approve the December 17, 2019 agenda as presented. PASSED 7-0.

O'Connell				X	
Samolewicz	X			X	
Aaronian				X	
Christophers				X	
Femia				X	
Hanrahan				X	
Rossi			X	X	

APPROVAL OF MINUTES

MOTION: To waive the reading of the minutes of the Investment Committee Meeting and Regular Board Meeting on November 18, 2019, and to approve same as presented. PASSED 7-0.

O'Connell				X	
Samolewicz				X	
Aaronian				X	
Christophers			X	X	
Femia				X	
Hanrahan	X			X	
Rossi				X	

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				T	T
				E	E
				D	D
				Y	N
				E	O
				S	
				N	
				O	
				N	

<p>Board of Trustees Minutes Page Two</p> <p style="text-align: right;">December 17, 2019</p>	TRUSTEES	M	S	Y	N
<p><u>APPROVAL OF DROP LOAN APPLICATION</u></p> <p>MOTION: To approve the DROP loan application from police member, Christopher J. Mulligan. PASSED 7-0.</p>	<p>O'Connell Samolewicz Aaronian Christophers Femia Hanrahan 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><u>RATIFICATION AND APPROVAL OF WARRANTS</u></p> <p>MOTION: To ratify and approve payment of benefits and expense as set forth on Warrant Nos. 5186, \$19,028.84; No. 5187, \$38,390.91; No. 5188, \$5,746.44; No. 5189, \$5,783.60; No. 5190, \$1,375.83; No. 5191, \$50,000.00; No. 5192, \$12,366.61. PASSED 7-0.</p>	<p>O'Connell Samolewicz Aaronian Christophers Femia Hanrahan 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><u>SUGARMAN & SUSSKIND, PA LEGAL REPORT</u></p> <p>Mr. Sugarman reported the contract for penetration testing with 1st Secure IT remains in negotiation.</p>					
<p><u>ADMINISTRATIVE AND MISCELLANEOUS ISSUES</u></p> <p>The Executive Director recommended adopting rates of return for the firefighter share plan account allocations on January 1, 2020.</p>					
<p>MOTION: To adopt the net rate of return as 3.98% as the Pension Plan Fund Rate as reported on the 9/30/2019 Breakdown of Returns submitted by Graystone Consulting, and the 9/30/2019 Money Market Rate of 2.19% based on the RBC US Government Money Market Fund, for the purpose of crediting earnings to the firefighters' share plan accounts on 1/1/2020. PASSED 8-0.</p>	<p>O'Connell Samolewicz Aaronian Christophers Femia Hanrahan McGinnis Rossi</p>	<p>X</p>	<p>X</p>	<p>X X X X X X X X</p>	<p>X X X X X X X X</p>
<p>The Board reviewed the semi-annual staff sick and vacation accruals.</p>					
<p><u>COMMITTEE REPORTS</u></p> <p>No Committee Reports were rendered.</p>					
<p><u>EXECUTIVE DIRECTOR'S REPORT</u></p> <p>The Executive Director reported the following:</p>					
<ul style="list-style-type: none"> ➤ Received actuarial impact statement and provided to Ed Wolff and his attorney on December 4. 					
<ul style="list-style-type: none"> ➤ Ordinance amendment for firefighters' cancer bill adopted on December 10. 					
<ul style="list-style-type: none"> ➤ Received Lending Club securities litigation proceeds of \$18,420.37 on October 31. 					

Board of Trustees Minutes Page Three	December 17, 2019	TRUSTEES	M	S	Y	N
<ul style="list-style-type: none"> ➤ Tayt Odom departing Nyhart for another business opportunity in an unrelated field. ➤ Indianapolis-based Nyhart has been acquired by Ascensus, a Pennsylvania-based retirement, education, and healthcare technology company. Nyhart will be a wholly-owned subsidiary of Ascensus with no change to the client terms or account servicers. <p>Trustee Christophers inquired on the dollar amount of proceeds the Fund recovered from The Lending Club class action. The Executive Director will consult with one of the monitoring firms to gain further insight as to why the amount was so sizable.</p> <p>The Board authorized staff to close the office at 2:00 PM on Monday, December 23 and Monday, December 30. Staff follows the City's holiday schedule and will be closed on Christmas Eve and Christmas Day and New Year's Eve and New Year's Day.</p> <p>Vice-Chairman Samolewicz expressed his gratitude to those who donated to the 9463 Foundation for the Christmas toy drive.</p> <p>Chairman O'Connell reminded the trustees of the Scott Winters Park Rededication on Sunday, January 12.</p>						
<p>RECESS</p> <p>MOTION: To recess the December 17, 2019 meeting at 3:13 PM. The meeting will reconvene at 6:30 PM at Abe & Louie's in Boca Raton for the Year End Educational Review and will adjourn following dinner. PASSED 9-0.</p>	<p>O'Connell Samolewicz Aaronian Christophers Femia Hanrahan Hall McGinnis Rossi</p>	<p>X</p>			<p>X X X X X X X X X</p>	
<p>The Board of Trustees reconvened for dinner with the investment consultants and managers at 6:30 PM. Chairman O'Connell invited Mr. Scott Owens of Graystone to commence his presentation on infrastructure.</p> <p>PRESENTATION BY SCOTT OWENS, GRAYSTONE CONSULTING</p> <p>Mr. Owens discussed the existence and importance of infrastructure in our economy. Politicians are cognizant of the fact that populations continue to grow worldwide yet infrastructure remains consistent. Many governments don't want to spend the money on infrastructure because it will increase taxes/debt and reduce money budgeted for other expenditures.</p> <p>As an alternative, there are various investment outlets such as investing in companies that invest in infrastructure, and in turn, demand extended contracts to recoup the expenses advanced; or investing in companies</p>			<p>X</p>			

that service the infrastructure that is generated.

Mr. Owens recommended considering this asset classes for the portfolio for reasons that it has some of the same characteristics of bonds with the growth of stocks. The up-capture is approximately 70% and provides a consistent return. The down-capture is approximately 50% so it has a much lower volatility than stocks with returns in the 5-10% range. This would be a way to add additional diversity to the portfolio without increasing risk.

MOTION: To authorize Graystone Consulting to conduct a manager search for Infrastructure asset(s). PASSED 8-0.

The investment consultant and attending investment managers contributed their market commentary to the discussion.

ADJOURNMENT

The meeting adjourned at approximately 9:30 PM.

Respectfully submitted,



Debra Tocarchick, CEBS
Executive Director

O'Connell			X	
Samolewicz			X	
Aaronian			X	
Christophers	X		X	
Femia			X	
Hall			X	
Hanrahan			X	
Rossi		X	X	

DISTRIBUTION:

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

REGULAR MEETING – DECEMBER 17, 2019

ITEM NO. 6 - WARRANT NOS. 5186 THROUGH 5192

Ratified and Approved on 12/17/2019

WARRANT NO.	PAYABLE TO	DESCRIPTION	AMOUNT
5186	IFEBP NCPERS Comerica Bank US Postal Service	2020 Annual Membership Dues; \$1,465.00 2020 Annual Membership Dues; \$260.00 Inv No. 454793; custodial fee for quarter ended 9/30/2019; \$17,103.84 Postage; \$200.00	19,028.84
5187	Vantagepoint Transfer Agents/457 FBO Daron Davis	Trustee-to-trustee transfer of balance of Fund Rate DROP account holdback and earnings less fees for quarter ended 9/30/2019; \$38,390.91	38,390.91
5188	Mitchell Grossman	Service-incurred disability benefit adjusted on 1/1/2020 for final recoupment of overpayment due to worker's compensation income impairment benefits; \$5,746.44	5,746.44
5189	Mitchell Grossman	Service-incurred disability benefit restored on 2/1/2020 as a result of full recoupment of overpayment; \$5,783.60	5,783.60
5190	Bank of America	Debra Tocarchick: Telephone & internet; \$301.27, Office supplies; \$56.97, Board meeting supplies; \$9.99, Total \$368.23 Maureen Femia: FPPTA 2020 dues; \$620.00, Board meeting supplies; \$104.94, FPPTA Fall Trustees School hotel credit; (\$44.01), Total \$680.93 Paul O'Connell: Deposit for year-end educational meeting; \$250.00, Business lunch; \$76.67, Total \$326.67	1,375.83
5191	Christopher J. Mulligan Florida Department of Revenue Nyhart	DROP loan net amount to Christopher J. Mulligan; \$49,675.00 Documentary stamps for Christopher J. Mulligan DROP loan; \$175.00 Loan processing fee for Christopher J. Mulligan; \$150.00	50,000.00
5192	Xerox Corporation Marcum, LLP Nyhart Travelers Insurance	Inv No. 098774055, November lease; \$150.59, excess print charges; \$70.02, Total \$220.61 Inv No. 101357241; Progress audit billing for 9/30/2019; \$5,150.00 Inv No. 0155454, 10/1/2019 actuarial valuation, interim billing; \$6,225.00 Account No. 8958VA069, Policy No. UB-8J39075-6-18, Renewal of Workers Compensation 1/1/2020 to 1/1/2021; \$771.00	12,366.61