

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

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

**BOARD OF TRUSTEES MINUTES  
REGULAR MEETING  
APRIL 27, 2020**

Due to the state of emergency created by COVID-19, the Board did not meet in person. Rather, the Board conducted an audio/ video conference, pursuant to Governor DeSantis' Executive Order Number 20-69, issued on March 20, 2020.

Members of the public who wished to participate in the meeting remotely and speak on any item on the agenda utilized a remote public participation option. This option promotes social distancing, while still offering interested parties the opportunity to participate in matters coming before the Board of Trustees.

The Board of Trustees convened via an audio/video meeting on the Zoom platform. The Chairman called the meeting to order at 2:05 PM.

PRESENT: Chairman Paul O'Connell  
Vice-Chairman Richard Samolewicz  
Trustee Sharra Aaronian (joined at 2:13 PM)  
Trustee Daniel Christophers  
Trustee Vincent Femia  
Trustee David Hall  
Trustee Patrick Hanrahan  
Trustee Jorge Rossi

ABSENT: Trustee Peter McGinnis (attempted to participate but experienced technical difficulties)

ALSO PRESENT: Robert Sugarman, Board Attorney  
Debra Tocarchick, Executive Director  
Maureen Femia, Deputy Director  
Scott Owens, Graystone Consulting  
Andy McIlvaine, Graystone Consulting  
Ed Wolff, Retired Police Member  
Thomas Johnston, Johnston & Metevia  
Mark Baker, Firefighter  
Jason Leutzinger, Firefighter  
Carmen Marchione, Firefighter  
Matthew McCue, FIN News

ELECTRONIC MEETING PROCEDURES

Mr. Sugarman advised the Board of Trustees that a virtual meeting is acceptable in accordance with the Governor's Executive Order 20-69.

Mr. Sugarman discussed the additional procedures that Trustees should adhere to while participating in virtual meetings, which include 1) stating one's name prior to speaking so all in attendance may know who is commenting; and 2) not using a private chat feature or privately texting or emailing each other while business is being discussed as it is prohibited. The Executive Director disabled the chat feature.

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
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Board of Trustees Minutes Page Two	April 27, 2020	TRUSTEES	M	S	Y	N
<u>PUBLIC COMMENT</u>						
None						
<u>APPROVAL OF AGENDA</u>						
<b>MOTION:</b> To approve the April 27, 2020 agenda as presented. PASSED 7-0.	O'Connell Samolewicz Christophers Femia Hall Hanrahan Rossi	X			X X X X X X X	
<u>APPROVAL OF MINUTES</u>						
<b>MOTION:</b> To waive the reading of the minutes of the Regular Board Meeting on February 18, 2020, and to approve same as presented. PASSED 7-0.	O'Connell Samolewicz Christophers Femia Hall Hanrahan Rossi	X		X X X X X X X	X X X X X X X	
<u>APPROVAL OF DROP APPLICATIONS</u>						
The Board of Trustees retroactively approved the April 1 DROP application.						
<b>MOTION:</b> To approve the application for Normal Retirement and DROP Entry effective 4/1/2020 from Firefighter Robert Olsen. PASSED 7-0.	O'Connell Samolewicz Christophers Femia Hall Hanrahan Rossi	X		X X X X X X X	X X X X X X X	
<b>MOTION:</b> To approve the application for Normal Retirement and DROP Entry effective 5/1/2020 from Firefighter Victor D'Acunti. PASSED 7-0.	O'Connell Samolewicz Christophers Femia Hall Hanrahan Rossi	X		X X X X X X X	X X X X X X X	
<u>APPROVAL OF SURVIVOR BENEFITS</u>						
<b>MOTION:</b> To approve the application for survivor benefits form Marian Northrop, beneficiary of Mark Northrop who deceased on 2/6/2020. PASSED 7-0.	O'Connell Samolewicz Christophers Femia Hall Hanrahan Rossi	X		X X X X X X X	X X X X X X X	

Board of Trustees Minutes Page Three	April 27, 2020	TRUSTEES	M	S	Y	N
<u>RATIFICATION AND APPROVAL OF WARRANTS</u>						
Scanned versions of all warrants and invoices were circulated electronically for review.						
<p><b>MOTION:</b> To ratify and approve payment of benefits and expense as set forth on Warrant Nos. 5217, \$25,662.78; No. 5218, \$3,306.90; No. 5219, \$1,038.28; No. 5220, \$2,319.55; No. 5221, \$6,262.69; No. 5222, \$ 803.84; No. 5223, \$75,532.01; No. 5224, \$12,801.04. PASSED 8-0.</p>		O'Connell Samolewicz Aaronian Christophers Femia Hall Hanrahan Rossi			X X X X X X X	X X X X X X X
<u>SUGARMAN &amp; SUSSKIND, PA LEGAL REPORT</u>						
Mr. Ed Wolff was present via audio/video communication along with his attorney, Mr. Thomas Johnston of Johnston and Metevia.						
<p>Mr. Sugarman advised the Board of Trustees that a service-incurred disability retirement application was submitted by retired police member, Ed Wolff, in connection with the recently adopted ordinance amendment 2020-48. This ordinance amendment permits a member who becomes disabled as a direct result of duty related service at the 9/11 ground zero site to convert his or her normal retirement into a service-incurred disability.</p>						
<p>Such disability claims are to be treated in the same manner as other disabilities with the exception of a preliminary step as stated in the ordinance where an applicant must show he was a recognized participant in the World Trade Center disaster response, and a recipient of compensation from the World Trade Center Federal Victim Compensation Fund (VCF) for at least two years prior to application.</p>						
<p>Based upon review of Mr. Wolff's application materials, Mr. Sugarman expressed his opinion that it appears Mr. Wolff meets the stated additional disability requirements. However, in light of the fact that the documents were compiled by Mr. Wolff rather than sent directly from the VCF, it is the decision of the Board to determine if the criteria is satisfied or if the Board will require certified copies of record.</p>						
<p>Mr. Sugarman commented to the Board that Mr. Johnston is a reputable attorney and the documents appear to be genuine. In addition, under Florida law, if someone tries to defraud a pension fund by providing inaccurate or forged documents, the pension may be forfeited and the individual subject to criminal prosecution.</p>						
<p>Mr. Johnston confirmed that Mr. Wolff has been a member of the WTC Victim Compensation Fund for over 12 years receiving monetary payments for surgeries he has had as a result of diseases from Ground Zero exposure. Mr. Johnston assured the Board that the documents are genuine, and that Mr. Wolff is fully qualified to make application under the 911 disability provision.</p>		X		X		

<p><b>Board of Trustees Minutes</b> <b>Page Four</b></p> <p style="text-align: right;"><b>April 27, 2020</b></p>	<b>TRUSTEES</b>	<b>M</b>	<b>S</b>	<b>Y</b>	<b>N</b>
<p><b>MOTION:</b> To accept the Victim Compensation Fund (VCF) records submitted by Ed Wolff in connection with his application for service-incurred disability as genuine; and to determine that Mr. Wolff did participate in the WTC recovery effort and received compensation from the VCF within the required timeframe required by the ordinance; and to continue with the remainder of the disability steps as recommended by Sugarman &amp; Susskind. PASSED 8-0.</p>	<p>O'Connell Samolewicz Aaronian Christophers Femia Hall Hanrahan Rossi</p>	<p>X</p>	<p>X</p>	<p>X X X X X X X</p>	
<p>Mr. Sugarman noted that the next step is for staff to obtain the medical records which can be a lengthy process. Also, they are exploring whether the physician where Mr. Wolff lives and who performed the medical examination for the employer is qualified and willing to conduct an independent medical examination for the Board.</p>					
<p>Mr. Wolff thanked the Board for considering his claim.</p>					
<p>Mr. Sugarman discussed the Satisfaction of Mortgage document for the holding company's mortgage and loan on the Bank of America building which is a public record that indicates payment has been made in full. The document was reviewed and approved by Mr. Herrera and Mr. Leopold, the Board's real estate attorney.</p>					
<p><b>MOTION:</b> To ratify the Chairman's execution of the Satisfaction of Mortgage for the property at 2335 E. Atlantic Boulevard, as recommended and filed by Norman Leopold of Leopold Korn, PA. PASSED 8-0.</p>	<p>O'Connell Samolewicz Aaronian Christophers Femia Hall Hanrahan Rossi</p>	<p>X</p>	<p>X</p>	<p>X X X X X X X</p>	
<p>Mr. Sugarman reviewed the relevant points of recently passed legislation for relief during the COVID-19 crisis as it pertains to the Plan.</p>					
<p>Under the CARES Act, required minimum distributions (RMD) for defined contributions plans are suspended for 2020. This suspension does not apply to the DROP plan as it is not a defined contribution plan, but rather a component of a defined benefit plan.</p>					
<p>Further, the CARES Act provides for a new type of distribution, referred to as a "Coronavirus-related distribution". Plans may now permit participants to receive coronavirus-related distributions of up to \$100,000 without incurring a 10% penalty permitted certain criteria are satisfied. In the case of a DROP or Share plan that does not permit in-service distributions, the plan would require amendment for an active employee to seek a coronavirus-related distribution.</p>					
<p>Mr. Sugarman noted that the deadline to file the financial disclosure form has not been extended. Form 1 must be filed by July 1 to avoid penalty.</p>					

Board of Trustees Minutes Page Five	April 27, 2020	TRUSTEES	M	S	Y	N
<u>ADMINISTRATIVE AND MISCELLANEOUS ISSUES</u>						
<p>Mr. Owens from Graystone Consulting discussed his prior recommendation to hold the Pine Grove redemption and the office building note proceeds in cash while the market was in freefall. At the time, there was too much uncertainty driving prices.</p>						
<p>Recently, the City inquired regarding the Plan's liquidity position for the near-term and whether the Fund would need to sell off assets at a loss to generate liquidity. Mr. Owens responded that the Plan has sufficient liquidity for approximately 6-9 months, including asset classes such as fixed income that could be sold without a loss if additional funds were needed.</p>						
<p>At this time, Graystone recommends maintaining at least three months of liquidity in cash reserves to pay out the monthly pension distributions and transfer the remaining cash balance of \$3 million into the liquid alternatives that were approved by the Board on February 18. These investments are highly liquid and can be used for liquidity if needed.</p>						
<p><b>MOTION:</b> To concur with Graystone's recommendation to hold three months of liquidity in cash reserves and invest \$3 million dollars into two liquid alternative investments; 50% in Blackrock global long/short credit fund and 50% in Blackstone alternative multi-strategy fund. PASSED 8-0.</p>		O'Connell Samolewicz Aaronian Christophers Femia Hall Hanrahan Rossi	X	X X X X X X X	X X X X X X X	X X X X X X X
<p>The Board agreed to postpone the infrastructure manager Interviews until face to face interviews can be conducted with the manager candidates.</p>						
<p>The Board tasked the Investment Committee to convene a virtual meeting to review and short-list the responses to the RFP for custodian bank and conduct interviews at a future date when normal operations resume.</p>						
<p>Similarly, the Board tasked the Professional Advisors Review Committee to convene a virtual meeting to review and short-list the responses to the RFP for audit services and conduct interviews at a future date when normal operations resume.</p>						
<p>The Board agreed to target November 5 -7, 2020 as the date to reschedule the annual educational symposium. The 2021 Symposium dates of April/May will remain as usual with the flexibility to extend out a month if preferable.</p>						
<p>The Executive Director requested that the Board of Trustees ratify her election regarding the CARES Act provisions for the staff's retirement plan.</p>						

Board of Trustees Minutes Page Six	April 27, 2020	TRUSTEES	M	S	Y	N
<p><b>MOTION:</b> To ratify the Executive Directors' action to elect ICMA's default election regarding implementing provisions of the CARES Act to the staff 401(a) and 457 plans, as recommended by the Executive Director. PASSED 8-0.</p>					X	
<p><u>COMMITTEE REPORTS</u></p>						
<p><i>Professional Advisors Review Committee:</i></p>						
<p>The Executive Director will coordinate a date and time to convene a virtual meeting to review the responses to the RFP for audit services.</p>						
<p><i>Investment Committee:</i></p>						
<p>The Executive Director will coordinate a date and time to convene a virtual meeting to review the responses to the RFP for custodian bank services.</p>				X		
<p>No other Committee Reports were rendered.</p>						
<p><u>EXECUTIVE DIRECTOR'S REPORT</u></p>						
<ul style="list-style-type: none"> <li>➤ Signed Notification of Benefits Form for Robert Olsen.</li> <li>➤ Received Pine Grove proceeds of \$6.8 million – the funds remain in cash reserves in accordance with Graystone's recommendation. Sugarman and Susskind approved as to form and content the account documents for the liquid alternative funds; however, they remain on hold pending Graystone's recommendation to proceed with funding.</li> <li>➤ Madoff Victim Fund preparing for fifth payment to victims of Madoff fraud in Spring 2020. Losses have been re-certified</li> <li>➤ Executed contract with penetration testing to occur in April. This item is on hold now due to public health crisis constraints.</li> <li>➤ Annual Report filed with Division of Retirement.</li> <li>➤ Received final interest and principal payoff on the holding company's mortgage on the Bank of America building – the funds remain in cash reserves in accordance with Graystone's recommendation.</li> <li>➤ Purchased and installed new computer work-station to replace the spare computer which was antiquated and could not be updated to a supported version of Windows.</li> </ul>						

Board of Trustees Minutes Page Seven	April 27, 2020	TRUSTEES	M	S	Y	N
<ul style="list-style-type: none"> <li>➤ Replaced the Ubiquiti access point router with a new Fortinet compatible router which creates better wi-fi security. This was done by Economic Computers at no cost.</li> <li>➤ Comerica Bank corrected the Y-T-D information on the April 1 police retiree monthly statements.</li> <li>➤ The presentation of the Actuarial Valuation to the City has been postponed by the City until further notice.</li> </ul> <p>The Board of Trustees directed staff to prepare for another virtual board meeting in May due to the current state of uncertainty.</p> <p><u>PUBLIC COMMENT</u></p> <p>None</p> <p><u>ADJOURNMENT</u></p> <p><b>MOTION:</b> To adjourn the April 27, 2020 Board meeting at 2:59 PM. PASSED 8-0.</p> <p>Respectfully submitted,</p>  <hr/> <p>Debra Tocarchick, CEBS Executive Director</p> <p><u>DISTRIBUTION:</u> 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</p>	<p>O'Connell Samolewicz Aaronian Christophers Femia Hall Hanrahan 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>X X X X X X X X</p>

**REGULAR MEETING – April 27, 2020**

**ITEM NO. 7 - WARRANT NOS. 5217 THROUGH 5224**

**Ratified and Approved on April 27, 2020**

<b>5217</b>	Nyhart  Morgan Stanley  Xerox Corporation  Leopold Korn, PA	Inv No. 0157284, 10/1/2019 Actuarial valuation final billing; \$1,250.00, 10/1/2019 mortality table update; \$3,920.00, <b>Total \$5,170.00</b> Investment consulting fee quarter ended 12/31/2019; <b>\$16,250.00</b> Inv No. 099599590, February lease; \$150.59, excess print charges; \$92.19, <b>Total \$242.78</b> Legal services re satisfaction of mortgage for 2335 E. Atlantic Blvd; <b>\$4,000.00</b>	<b>25,662.78</b>
<b>5218</b>	Marian A. Northrop	Survivor benefits commencing 3/1/2020 under 100% joint & survivor option to designated beneficiary of recipient Mark Northrop who died 2/6/2020; <b>\$3,306.90</b>	<b>3,306.90</b>
<b>5219</b>	Bank of America	Debra Tocarchick: Educational Symposium expenses; \$469.26, Telephone & internet; \$303.58, Mail courier; \$64.26, Board meeting supplies; \$9.99, FPPTA Winter Trustees School credit; (\$82.95) <b>Total \$764.14</b> Maureen Femia: Chamber of Commerce, State of the City; \$125.00, Board meeting supplies; \$71.01, <b>Total \$196.01</b> Paul O'Connell: Business lunch; <b>\$78.13</b>	<b>1,038.28</b>
<b>5220</b>	Florida UC Fund Nyhart  Travelers  Xerox Corporation	Reemployment taxes quarter ended 3/31/2020; <b>\$54.89</b> Inv No. 158642, DROP processing fees 12/31/2019; <b>\$1,500.00</b> Crime policy; policy period 4/20/2020 – 4/20/2021; <b>\$485.00</b> Inv No. 099876832, March lease; \$150.59, excess print charges; \$129.07, <b>Total \$279.66</b>	<b>2,319.55</b>
<b>5221</b>	Diego Oliveira	Refund of contributions as a result of separation of employment on 1/13/2020; <b>\$6,262.69</b>	<b>6,262.69</b>
<b>5222</b>	Bank of America	Debra Tocarchick: Telephone & internet; \$303.58, Educational Symposium expenses; \$300.00, Computer Back-Up Battery; \$147.99, Mail courier; \$32.30, Board meeting supplies; \$9.99, Website Domain 1-Year Renewal; \$9.98, <b>Total \$803.84</b>	<b>803.84</b>
<b>5223</b>	Mellon Sawgrass Sands Renaissance	Inv Mgmt. fee quarter ended 3/31/2020; <b>\$16,138.30</b> Inv Mgmt. fee quarter ended 3/31/2020; <b>\$17,472.93</b> Inv Mgmt. fee quarter ended 3/31/2020; <b>\$21,317.81</b> Inv Mgmt. fee quarter ended 3/31/2020; <b>\$20,602.97</b>	<b>75,532.01</b>
<b>5224</b>	Frederick Catena	Refund of contributions as a result of separation of employment on 4/8/2020; <b>\$12,801.04</b>	<b>12,801.04</b>