

BOARD OF TRUSTEES OF THE CITY PENSION FUND FOR FIREFIGHTERS & POLICE OFFICERS

In the City of Pembroke Pines
Hampton Professional Center
1951 NW 150th Avenue – Suite #104
Pembroke Pines, FL 33028

REGULAR MONTHLY MEETING MARCH 21, 2019

The four hundred eighty-fifth meeting of the Firefighters and Police Officers Pension Fund in the City of Pembroke Pines was called to order at 2:01 PM by Chairman Timothy Anderson.

| 1. | <u>Roll Call –</u> | <u>Fire Members</u> | <u>Police Members</u> | <u>City Members</u> |
|----|--------------------|--------------------------------|---|--|
| | | Robert Johnson John Kearney | Timothy Anderson Adam Feiner Thomas Moran | Gary Arenson Jack McCluskey Vicki Minnaugh |

Others Present: Roxana Talaie & Jennifer Pafiti, Pomerantz; Larry Wilson, Plan Actuary; Blanca Greenwood, Pension Attorney; James Fisher, Plan Administrator; and Rachel Maldonado, Asst. Plan Administrator.

Motion by Gary Arenson, second by Robert Johnson, to excuse the absence of Trustee Cabeza. The motion carried unanimously.

2. **Approval of Minutes for February 21, 2019** – Chairman Anderson presented the minutes from the previous meeting held on February 21, 2019. Motion by Vicki Minnaugh, second by Robert Johnson, to approve the minutes. The motion carried unanimously.

3. **Approval of DROP/Retirement Benefit(s)** – The following DROP benefits were presented for approval.

- F/F Michael Peros – Joint & 75% Contingent commencing 12/1/18
- P/O John Black – Normal Form commencing 2/1/19

Motion by Robert Johnson, second by Jack McCluskey, to approve the list of new DROP benefits. The motion carried unanimously.

4. **Request for DROP Account Distributions** – The following DROP distributions were presented for approval.

- F/F Richard Moravec – Lump Sum
- F/F Ross Kuruc – Lump Sum
- F/F Ricardo Torres – Lump Sum
- F/F James White – Lump Sum
- F/F James Fuchs – Lump Sum
- F/F Richard Nelson – Lump Sum
- F/F Kenneth Fritz – Lump Sum
- F/F Judy Hernandez – Lump Sum & Monthly
- P/O Michael Pazienza – Lump Sum
- P/O Michael Scopa – Lump Sum
- P/O George Soubasis – Lump Sum
- P/O Leonard Noonan – Lump Sum
- P/O William Bucknam – Lump Sum
- P/O James Gort – Lump Sum
- P/O Dara Van Antwerp – Lump Sum
- P/O Steven Wetterer – Lump Sum & Monthly

Administrator Fisher asked the Board to include an additional distribution.

- F/F Vincent Garcia– Lump Sum

Motion by Robert Johnson, second by JP Kearney, to add the additional distributions. The motion carried unanimously. Motion by Vicki Minnaugh, second by Gary Arenson, to approve the amended list of DROP distributions. The motion carried unanimously.

The IRC 415 screening tool results were provided to Actuary Larry Wilson. When appropriate, his office will provide the necessary letters to members indicating distributions will not pose a problem with the IRC 415 limitation at the present time.

5. **Request for DROP Loan(s)** – The following DROP loans were presented for approval.

- F/F James Fuchs
- P/O Carlos Bermudez
- P/O France Michaud
- P/O Erik Forseth

Administrator Fisher asked the Board to include an additional loan.

- F/F David Cunningham

Motion by Robert Johnson, second by Gary Arenson, to add the additional loan. The motion carried unanimously. Motion by Vicki Minnaugh, second by Gary Arenson, to approve the amended list of DROP loans. The motion carried unanimously.

6. **Ratify Special Warrantws #785** - Chairman Anderson presented special warrants #785 for ratification. Motion by Vicki Minnaugh, second by Jack McCluskey, to ratify Warrant #785. The motion carried unanimously.

| Name (Pension Benefits, Services Rendered or Obligations) | Amount |
|--|---------------|
| Richard Moravec– DROP distribution – Federal Income Tax | *** |
| Federal Withholding for Richard Moravec | *** |
| TOTAL | *** |

7. **Approval of Vendor Warrant #786** – Chairman Anderson presented Vendor Warrant #786 for approval. Motion by Vicki Minnaugh, second by Adam Feiner, to approve Warrant #786 in the amount of \$148,155.27. The motion carried unanimously. Trustee Arenson abstained due to a voting conflict.

| Name (Pension Benefits, Services Rendered or Obligations) | Amount |
|--|---------------|
| Klausner, Kaufman, Jensen & Levinson – Monthly Retainer for March 2019 | \$3,250.00 |
| Hampton Professional Center Condo #2, Ste 104 (Monthly Maintenance – Apr 2019) | \$407.72 |
| Twilight Industries, LLC – (Maintenance – March 2019) | \$152.00 |
| CRU #5634 | \$308.35 |
| CRU #5681 | \$150.00 |
| CRU #5671 | \$445.00 |
| CRU #5675 | \$344.95 |
| Holland & Knight | \$2,872.50 |
| GRS – February 2019 | \$10,749.00 |
| Ultimate Security – 3 mos monitoring beginning 3/21/19 | \$75.00 |
| SSGA – Mgmt Fees, Growth Index Q/E 12/31/18 | \$4,551.12 |
| SSGA – Mgmt Fees, Value Index Q/E 12/31/18 | \$4,285.64 |
| SSGA – Mgmt Fees, International Q/E 12/31/18 | \$84,805.39 |
| SSGA – Mgmt Fees, Midcap Index Q/E 12/31/18 | \$3,044.27 |
| KSDT –Final Bill on 9/30/18 Audit | \$2,000.00 |
| Steven Bornstein – February 2019 DROP Loans | \$400.00 |
| Fiduciary Trust – Custodial Fee for Inverness Q/E 1/31/19 | \$9,206.34 |
| Fiduciary Trust – Custodial Fee for Atlanta Cap Q/E 1/31/19 | \$6,766.24 |
| FP&L | \$109.81 |
| SunTrust Visa Acct Ending 8870 | \$1,911.98 |

| | |
|--|---------------------|
| SunTrust Visa Acct Ending 8961 | \$2,154.97 |
| SunTrust Visa Acct Ending 9274 | \$747.40 |
| SunTrust Visa Acct Ending 9977 | \$21.78 |
| SunTrust Visa Acct Ending 9878 | \$560.55 |
| SunTrust Visa Acct Ending 9324 | \$833.80 |
| ProShred Shredding Service | \$56.38 |
| Plastrige – Insurance Policy effective 3/21/19 | \$647.00 |
| Dr. Richard Reines – Walsh IME | \$1,500.00 |
| Gary Arenson – FPPTA Reimbursement | \$653.52 |
| Joan Wall – Bookkeeping services through 9/30/18 | \$2,209.46 |
| Joan Wall – Bookkeeping services 10/1/18 – 1/31/19 | \$2,935.10 |
| TOTAL | \$148,155.27 |

8. **Approval of Member Warrant #787**– Chairman Anderson presented Member Warrant #787 for approval. Motion by Vicki Minnaugh, second by Jack McCluskey, to approve Warrant #787 in the amount of **\$683,348.28**. The motion carried unanimously.

| Name (Pension Benefits, Services Rendered or Obligations) | Amount |
|--|---------------------|
| DROP Distributions: | |
| F/F Judy Hernandez – Normal Retirement Commencing 4/1/19 | *** |
| DROP Distributions: | |
| F/F Judy Hernandez – Monthly Withdrawal Commencing 4/1/19 | *** |
| F/F Judy Hernandez – Lump Sum Withdrawal less FIT | *** |
| F/F Ross Kuruc – Lump Sum Withdrawal less FIT | *** |
| F/F Ricardo Torres – Lump Sum Withdrawal less FIT | *** |
| F/F James White – Lump Sum Withdrawal less FIT | *** |
| F/F James Fuchs – Lump Sum Withdrawal less FIT | *** |
| F/F Richard Troy Nelson – Lump Sum Withdrawal less FIT | *** |
| F/F Kenneth Fritz – Lump Sum Withdrawal less FIT | *** |
| P/O Michael Pazienza – Lump Sum Withdrawal less FIT | *** |
| P/O Michael Scopa – Lump Sum Withdrawal less FIT | *** |
| P/O George Soubasis – Lump Sum Withdrawal less FIT | *** |
| P/O Leonard Noonan – Lump Sum Withdrawal less FIT | *** |
| P/O William Bucknam – Lump Sum Withdrawal less FIT | *** |
| P/O James Gort – Lump Sum Withdrawal less FIT | *** |
| P/O Dara Van Antwerp – Lump Sum Withdrawal less FIT | *** |
| P/O Steven Wetterer – Lump Sum Withdrawal less FIT | *** |
| P/O Steven Wetterer – Monthly Withdrawal Commencing 4/1/19 | *** |
| F/F Vincent Garcia – Lump Sum Withdrawal less FIT | *** |
| U.S. Treasury – FIT – W/H (Hernandez, Kuruc, Torres, White, Fuchs, Nelson, Fritz, Pazienza, Scopa, Soubasis, Noonan, Bucknam, Gort, Van Antwerp, Wetterer, Garcia) | *** |
| DROP Loans: | |
| F/F James Fuchs - DROP Loan Less Documentary Stamp | *** |
| P/O Carlos Bermudez - DROP Loan Less Documentary Stamp | *** |
| P/O France Michaud - DROP Loan Less Documentary Stamp | *** |
| P/O Erik Forseth - DROP Loan Less Documentary Stamp | *** |
| F/F David Cunningham - DROP Loan Less Documentary Stamp | *** |
| Documentary Stamp for DROP Loans: | |
| Florida Department of Revenue – Documentary Stamp (Fuchs) | *** |
| Florida Department of Revenue – Documentary Stamp (Bermudez) | *** |
| Florida Department of Revenue – Documentary Stamp (Michaud) | *** |
| Florida Department of Revenue – Documentary Stamp (Forseth) | *** |
| Florida Department of Revenue – Documentary Stamp (Cunningham) | *** |
| TOTAL | \$683,348.28 |

NEW BUSINESS

9. **Portfolio Monitoring Presentation** – Roxana Talaie and Jennifer Pafiti of Pomerantz discussed portfolio monitoring with the Board and the services offered by their firm. The Board uses six firms currently for this

service. Pension Attorney Blanca Greenwood assured the Board that the firm was vetted and is used successfully by other similar plans. Motion by Gary Arenson, second by Vicki Minnaugh, to hire Pomerantz. The motion carried unanimously. A proposed contract will be sent to Mr. Klausner for his review before the Chairman signs the agreement.

10. **10/1/2018 Actuarial Valuation Results** – Larry Wilson of Gabriel Roeder Smith submitted the annual Actuarial Valuation for the Plan effective 10/1/18. With the report complete, Mr. Wilson reminded the Board that the valuation determines the required City and State contribution for the fiscal year ending 9/30/2020 as well as other necessary accounting information. Below are some highlights from the report.

- Contribution requirements:
Member: \$ 2,576,143
State: \$ 2,485,909
City: \$ 27,806,954
Total: \$ 32,869,006
- Last year City contribution: \$26,710,046
- Last year Actuarial loss of \$2,156,725
- Last year Market value return of 11.30%,
- Last year Smoothed value return at 8.65% which was more than the Fund's assumed investment return of 7.85%

Motion by Vicki Minnaugh, second by Gary Arenson, to accept the 2018 Actuarial Valuation as presented by Mr. Wilson. The motion carried unanimously.

11. **F/F COLA effective 4/1/2019:** Chairman Anderson presented the list of COLAs for eligible retired firefighters and beneficiaries effective with the 4/1/2019 benefit payments. Motion by Adam Feiner, second by Thomas Moran, to approve Firefighters' COLAs effective 4/1/19. The motion carried unanimously.

UNFINISHED BUSINESS

12. **Update on Disability Application:** Regarding the current disability application, at the January 2019 meeting the Board denied the request by the applicant's attorney to pay an additional fee in order to allow the applicant to have a court stenographer at one of his IMEs. Upon hearing of the Board's decision, the applicant's attorney asked if the Board would consider splitting the cost so that it would only pay half. The Board clarified that their opposition is not about paying a nominal fee but about setting precedent for future disability applicants. Motion by Gary Arenson, second by Vicki Minnaugh, to deny the request to split the cost of the stenographer with the applicant's attorney. The motion carried, with Trustees McCluskey and Kearney dissenting.

13. **Reports:**

Actuary – After the approval of the annual valuation, Larry Wilson reminded the Board that he will upload the mandated reports within the 60 days required by the State.

Attorney – Attorney Greenwood was covering for the regular pension attorney, Robert Klausner. She reported HB 857 is still in Committee. The bill, if passed, would create a cancer presumption for firefighters that has direct impact on employer healthcare and disability benefits. She also discussed progress of the Patterson case and a tax memo the firm recently distributed to its plans. Ms. Greenwood also notified the Board that KKJL is having its annual pension conference this June.

When Mr. Klausner returns next month, there will be a full update on the status of the Fritz litigation.

Chairman – No report at this time.

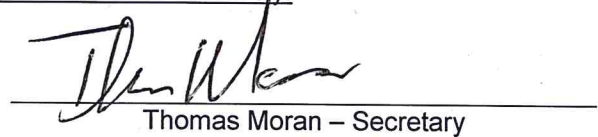
Plan Administrator – Asst. Administrator Maldonado updated the Board on the status of the annual affidavits. After numerous attempts to contact members whose affidavits had not been returned since the March 1st deadline, the Board instructed the Administrators to suspend April 1 benefit payments. Motion by Gary Arenson, second by Vicki Minnaugh, to hold benefit payments beginning April 1 for any member who had not returned their affidavit. The motion carried unanimously. For any member whose benefit is

interrupted, it will be immediately reinstated when the affidavit is submitted.

14. **Input from Retirees:** None.
15. **Input from Active Members:** None.
16. **Input from Trustees:** None.
17. **Public Comment:** None.
18. **Adjournment** – Chairman Anderson announced that the next regular meeting would be held on **Thursday, April 18, 2019 at 2:00 PM.** There being no further business, motion by Vicki Minnaugh, second by John Kearney to adjourn the meeting at 3:49 PM. The motion carried unanimously.



Timothy Anderson – Chairman



Thomas Moran – Secretary