

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 – SEPTEMBER 17, 2009

The three hundred and sixty-ninth meeting of the Firefighters and Police Officers Pension Fund in the City of Pembroke Pines was called to order at 4:05 p.m. by Chairman James Ryan.

1.	<u>Roll Call – Fire Members</u>	<u>Police Members</u>	<u>City Members</u>
	Adam Cabeza Steven Dougherty Richard Moss	Carl Heim Kevin McCluskey James Ryan	Gary Arenson Vicki Minnaugh Isadore Nachimson

Others Present: Larry Wilson from Gabriel, Roeder, Smith & Co.; Jerome Hurtak, Esq. and Joseph Frechette, Esq. (representing Disability Retiree F/F John White); Disability Retiree P/O Glen Riddick (and wife, Jacqueline); Stephen H. Cypen, Esq., Attorney for the Fund; David Farrand from Cypen & Cypen; Karen H. Warner, Plan Administrator; and James Fisher, Asst. Plan Administrator.

2. **Approval of Minutes for August 20, 2009.** Chairman Ryan presented minutes from the August 20, 2009 meeting for approval. Motion by Vicki Minnaugh, second by Isadore Nachimson, to approve as presented. The motion carried unanimously.
3. **Approval of Warrant #462.** Chairman Ryan presented Warrant #462 in the amount of \$51,722.90 for approval and payment. Motion by Vicki Minnaugh, second by Isadore Nachimson, to approve as presented. The motion carried unanimously, authorizing the payment of:

Cypen & Cypen – Monthly Retainer for September, 2009	\$3,250.00
Hampton Professional Center Condo No. 2 – Monthly Maintenance (Suite #104) for October, 2009	\$407.72
Karen Warner – Mo. Allowance for September, 2009 (Med/Dental/Life)	\$375.00
LEAF – Xerox Copier Lease for September, 2009	\$194.23
Twilight Industries, LLC – Office Maintenance for September, 2009	\$152.00
Pitney Bowes Purchase Power – Postage Meter Refill	\$400.00
FP&L – Electric Bill for the period 7/28/2009 – 8/26/2009	\$218.03
State Street Global Advisors – Mgmt. Fee for Q/E 6/30/2009 (Midcap)	\$13,973.82
State Street Global Advisors – Mgmt. Fee for Q/E 6/30/2009 (S&P Midcap Index)	\$904.11
State Street Global Advisors – Mgmt. Fee for Q/E 6/30/2009 (Int'l Balanced)	\$31,847.99
TOTAL	\$51,722.90

4. **Approval of DROP Benefit(s) – Ordinance 1480 (Police).** Motion by Vicki Minnaugh, second by Kevin McCluskey, to approve the calculation of DROP Benefit(s) as presented. The motion carried unanimously to approve:

	<u>DROP</u> Eff. Date	<u>DROP</u> Term. Date	<u>Form of Benefit</u>
P/O Chris Abbruzzese	7/01/2009	6/30/2014	10 Years Certain & Life

UNFINISHED BUSINESS

5. **Status Update: Disability Offset (Workers Comp) for F/F John White** – Jerome Hurtak, Esq. and Joseph Frechette, Esq. were in attendance representing F/F White. Agenda packets included a copy of the most recent Board action regarding this benefit offset. Mr. Hurtak distributed packets of information

that included medical records and treatments pertaining to Mr. White's cognitive and emotional problems, actual expenses for medical and prescriptions over the past twelve months, and verification of Mr. White's earnings 1/1/2009 – 8/21/2009. Based upon a life expectancy of 33.8 years, Mr. Hurtak stated all of this information demonstrates that the figures in the settlement agreement do not reflect reality. He reiterated that Mr. White's legal counsel did not recognize the Board's oversight authority regarding offsets at the time of settlement. Mr. Hurtak again requested that the Board look beyond the arbitrary settlement agreement numbers and focus on the actual facts presented at this meeting. Attorney Cypen stated it would be problematic for this Board not to exercise the offset provision of the pension ordinance (the Board does not have the authority to disregard), nor does it have the authority to interpret the terms of the settlement agreement in a manner inconsistent with its clear language. Following further discussion, motion by Vicki Minnaugh, second by Steve Dougherty, to enforce the offset commencing October 1, 2009 in order to recover the sum of \$45,500 at the rate of \$379.17 per month, without interest, for a period of ten years (120 months). The motion carried unanimously.

6. **Status Update: Division of Administrative Hearings (F/F Kenneth Fritz)** – Agenda packets included a copy of an opinion from the Division of Administrative Hearings, recommending that a final order be issued that the City did not commit an unlawful employment practice in this matter. Attorney Cypen stated that any party has fifteen days within which to file exceptions with the Florida Commission on Human Relations, at which time the Commission will consider them and then enter a final order in all circumstances. There has been no word regarding whether any exceptions were filed by the September 16th deadline.
7. **Status Update: 457 Plan for Pension Office Staff** – Karen Warner stated that ICMA's legal department has signed off on Attorney Cypen's requested change to the Service Agreement (elimination of indemnification). ICMA is now setting up the plan. Enrollment packages have been received and will be completed shortly. As per the memo dated September 8th (included in agenda packets), there is an amount of back funding for the Board's approval – to be addressed further at the next meeting.

NEW BUSINESS

8. **Review / Approve: Financial Reports for Q/E 6/30/2009.** Motion by Gary Arenson, second by Steve Dougherty, to approve the Financial Reports for Q/E 6/30/2009 as presented. The motion carried unanimously.
9. **Review / Approve – COLA increases for Police Officers (Effective 10/1/2009)**
Review / Approve – Warrant #463 in the amount of \$378,531.21

Police COLA calculations prepared by GRS were presented for approval. Karen Warner noted one change: COLA for P/O Chris Abbruzzese, who made his form-of-benefit election subsequent to these calculations (see Item #4 above). She added that Warrant #463 lists only those who are currently in pay status and does not include members currently active in the DROP. Motion by Vicki Minnaugh, second by Gary Arenson, to approve the COLA calculations for Police Officers effective 10/1/2009. The motion carried unanimously.

Motion by Vicki Minnaugh, second by Isadore Nachimson, to approve payment of Warrant #463 in the amount of \$378,531.21 as presented. The motion carried unanimously, authorizing the payment of:

MONTHLY BENEFITS FOR POLICE OFFICERS EFFECTIVE 10/1/2009 REFLECTS COLA INCREASES EFFECTIVE 10/1/2009

Andrews, Glenn L.	***
Arcuri, Anthony	***
Arzillo, Gerard M.	***
Bedell Jr., John E.	***
Belusko, David A.	***
Birkenheuer, John J.	***
Birkenheuer, Kimberly	***
Buchholz, Kevin	***

Burns, Teresa A.	***
Campolo, Richard	***
Cortese, Gregory S.	***
Crawford Jr., Fred J.	***
Demma, Joseph M.	***
Dilenge, James L.	***
Drummond, Terri Rousseau	***
Dutton, Pamela J.	***
Edwards, James D.	***
English, Russell P.	***
Ewing, Sandra	***
Falzone Sr., Vincent J.	***
Felix, William H.	***
Fidler, Charles B.	***
Fisher, James F.	***
Fiumefreddo, Robert	***
Fontana, John V.	***
Fosman, David	***
Garris, Dale A.	***
Golt, David	***
Guerra, Alfredo J.	***
Hall Jr., Carl W.	***
Hartmann, Richard J.	***
Haywood, Leslie L.	***
Hazzard, Irene S.	***
Hitchings, Gregory	***
Hones, Kevin T.	***
Ikalina, Glenn B.	***
Irlanda, Carlos	***
Jacob, William A.	***
Jomant, Michael J.	***
Jones, Robert C.	***
Knapp, Edward B.	***
Lachmiller, William E.	***
Lewis, Mark N.	***
Lombardo, John J.	***
Lynn, Patrick A.	***
McLoughlin, Warren R.	***
Maynard, William W.	***
Michaud, France R.	***
Moloney, Brianna	***
Naples, Nick	***
Nasta, John P.	***
Noonan, Leonard W.	***
Novak Jr., Joseph W.	***
O'Shea, David E.	***
Palant, Keith	***
Pazienza, Angelo	***
Primeau, Gerald A.	***
Raimondi, Onofrio A.	***
Reilly, Mary J.	***

Riddick, Glen D.	***
Rosinsky, Lisa	***
Rosinsky, Matthew P.	***
Rosinsky, Sean B.	***
Sadagursky, Thomas	***
Salazar, Andrew	***
Schelling, Carl J.	***
Schooley, Larry E.	***
Smith, Andrew J.	***
Smith, Martin B.	***
Spaulding, Tamara L.	***
Stanton, John T.	***
Tighe, John H.	***
Varley, Gregory W.	***
Vitale, Ambrose C.	***
Wagner, Kenneth R.	***
Walsh, Thomas V.	***
Webster, Leroy F.	***
Wilford, Muriel C.	***
Witte, Kenneth	***
Wright, Raymond R.	***
Yetto, Joseph M.	***
Zamora, Reynold	***

*** (See Attachment A)

\$378,531.21

10. **Discuss – Board’s Position Regarding Consultant Guidelines.** Since the August meeting, Gary Arenson has been troubled by the direction of discussion pertaining to the analysis of managers. Thus far, the Board has relied heavily on Dahab’s manager assessments. He feels it would be beneficial for the Board to formulate guidelines that would establish a policy or timeframe for a plan of action as to when a manager search should be considered. Attorney Cypen stated that it is Dahab’s job to educate the Trustees in matters such as this. It was noted that Greg McNeillie will be here for the October 15th meeting, at which time he intends to discuss several recommendations. The Pension Office will contact Mr. McNeillie so he will be prepared to address this matter at that time as well.

11. **Discuss – Records Retention Policy.** Vicki Minnaugh initiated a discussion about records retention. Jim Fisher readdressed prior discussions about the labor-intensive and expensive nature of scanning records, including quotes from outside companies to provide that service. Attorney Cypen recommended obtaining a copy of the minimum retention schedule from the City or Division of Archives. Discussion will continue at the October 15th meeting.

12. **Reports:**

Actuary – Larry Wilson reported that GRS has requested data for the 10/1/2009 actuarial valuation. He also announced that he would be a speaker at the Division of Retirement’s fall conference in Orlando.

Attorney – Attorney Cypen stated lead plaintiff status will not be sought in the Huron Consulting securities litigation. Discussion followed regarding the protocol for utilizing the services of securities monitors.

Chairman – None.

Plan Administrator – Karen Warner stated that the Pension Office received a request for DROP withdrawal from P/O Nick Naples after agenda packets were mailed out. Permission was requested to add the request for approval. Motion by Gary Arenson, second by Vicki Minnaugh, to add the DROP withdrawal request from P/O Nick Naples to the agenda. The motion carried unanimously. The following DROP account distribution request was presented for Board consideration:

- P/O Nick Naples Monthly ***

*** (See Attachment A)

As per standard procedure, Actuary Larry Wilson has provided the necessary letter indicating that this distribution would not pose a problem with the 415 limitation at the present time. Motion by Vicki Minnaugh, second by Gary Arenson, to approve the distribution request for Nick Naples as presented. The motion carried unanimously.

The Pension Office is in receipt of additional bills for payment and other benefit disbursements for approval. Chairman Ryan presented Warrant #464 for addition to the agenda and approval for payment. Motion by Gary Arenson, second by Vicki Minnaugh, to add Warrant #464 to the agenda. The motion carried unanimously. Motion by Gary Arenson, second by Vicki Minnaugh, to approve the payment of Warrant #464 as presented in the amount of \$46,856.22. The motion carried unanimously, authorizing the payment of:

F/F Kevin Esparza – Additional Refund of Contribution			
Based upon revised Payroll Report from City (9/01/2009)			***
Ultimate Security – Monthly Monitoring for 9/21/2009 – 12/21/2009			\$75.00
Holland & Knight LLP – Prof. Services for July, 2009			\$604.00
SunTrust Bank (Visa – Fisher)	Postage Machine Qtr. Lease	\$335.13	
	Bd Mtg / Ofc Supplies	196.02	
	Pest Control	35.00	
	DirecTV	90.53	
	Gasoline	35.01	
	AT&T	364.65	
	Bellsouth	407.04	
	Monthly Storage	104.00	
		<u>\$1,567.38</u>	\$1,567.38
SunTrust Bank (Visa – Warner)	Xerox (maintenance)	\$20.00	
	Bd Mtg / Ofc Supplies	205.09	
	ISP	<u>24.95</u>	
		\$250.04	\$250.04
Vantagepoint Transfer Agents/457 f.b.o. F/F Robert A. Kern –			
Reimb. of Excess Buy-Back from 457 Plan			***
P/O Nick Naples – Monthly DROP Withdrawal effective 10/1/2009			***
Gabriel, Roeder, Smith & Co. – Prof. Services for July 2009			\$12,862.00
Gabriel, Roeder, Smith & Co. – Prof. Services for August 2009			\$30,844.00

*** (See Attachment A)


TOTAL

\$46,856.22

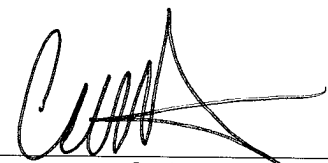
The Pension Office has received a request from Inverness Counsel for a 30-day waiver as it pertains to the international limitation in their guidelines. Copies of relevant information were distributed. Greg McNeillie indicates that he would be supportive of granting this temporary waiver request. His e-mail indicates he has discussed the matter with Inverness and intends to discuss it further with the Board at the October 15th meeting. Motion by Gary Arenson, second by Vicki Minnaugh, to approve the request for waiver from Inverness Counsel, Inc. until the October 15, 2009 meeting, at which time it will be addressed further with Dahab Associates. The motion carried unanimously.

Jim Fisher reported that a copy of the Placement Agent Fees Disclosure has been provided to each investment manager. In response to whether a manager should report any past exposure, Attorney Cypen stated they should report any instances that would have occurred during the time of the Fund's relationship with that manager. They should also provide written notice if there were no fees to disclose during the time of the Fund's relationship with that manager.

13. **Input from Retirees:** Disability Retiree P/O Glen Riddick addressed the Board regarding whether his disability pension should change to a Normal Retirement benefit (and offset be discontinued) when he attains age 55. Attorney Cypen explained that the ordinance does not include this type of conversion provision. Mr. Riddick also stated that he has been divorced for four years and is now remarried. He would like to request a recalculation of benefit using his current wife, Jacqueline, as the co-pensioner. Following a review of ordinance provisions and input from Actuary Larry Wilson, it was agreed that a recalculation could be done. It was explained that Mr. Riddick's monthly benefit will be adjusted based upon the life expectancy of the new spouse. The Pension Office was directed to obtain Mr. Riddick's written request and supporting documentation, enabling GRS to perform the recalculation.
14. **Input from Active Members:** None.
15. **Adjournment** – Chairman Ryan announced that the next regular meeting would be held on Thursday, October 15, 2009 at 4:00 pm. There being no further business to come before the Board, motion by Isadore Nachimson, second by Vicki Minnaugh, to adjourn the meeting at 5:55 pm. The motion carried unanimously.



James Ryan – Chairman



Carl Heim – Secretary