

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 – APRIL 21, 2016

The four hundred fifty-first meeting of the Firefighters and Police Officers Pension Fund in the City of Pembroke Pines was called to order at 2:09 PM by Chairman Adam Cabeza.

1. <u>Roll Call</u> –	<u>Fire Members</u>	<u>Police Members</u>	<u>City Members</u>
	Adam Cabeza Frank Musumeci	Adam Feiner Kevin Venema	Gary Arenson Jack McCluskey Vicki Minnaugh

Others Present: Larry Wilson, Actuary for the Fund; Steve Cypen, Attorney for the Fund; James Fisher, Plan Administrator and Rachel Maldonado, Asst. Plan Administrator.

Motion by Gary Arenson, second by Jack McCluskey, to excuse the absences of Trustees Anderson and Johnson. The motion carried unanimously.

Also in attendance:

Lee Golditch, Retiree of Pines Fire Dept.	Ruben Troncoso, Pines Fire Dept.
Jim White, Retiree of Pines Fire Dept.	John Kearney, Pines Fire Dept.
Rod Dennett, Pines Fire Dept.	Danny Hamilton, Pines Fire Dept.

2. **Approval of Minutes for March 16, 2016** – Chairman Cabeza presented minutes from the March 16, 2016 meeting for approval. Motion by Jack McCluskey, second by Kevin Venema, to approve the minutes as presented. The motion carried unanimously

3. **Approval of DROP Benefits** – The following DROP benefits were presented for approval.

- | | |
|-------------------------|---|
| ▪ P/O Edward Barry | 10 Years Certain commencing 3/1/16 |
| ▪ P/O Carlos Perez | Normal Form commencing 2/1/16 |
| ▪ F/F Paul Vega | Normal Form commencing 3/1/16 |
| ▪ F/F Tom Dougherty | 10 Years Certain commencing 3/1/16 |
| ▪ F/F Jorge Hernandez | Normal Form commencing 3/1/16 |
| ▪ F/F Charles Hernandez | Joint & 100% Contingent commencing 3/1/16 |
| ▪ F/F William Kemp | Joint & 75% Contingent commencing 3/1/16 |

Motion by Jack McCluskey, second by Vicki Minnaugh to approve the list of DROP benefits. The motion carried unanimously.

4. **Approval of DROP Loans** – The following DROP loans were presented for approval.

- P/O William Bucknam
- P/O Steve Wetterer
- F/F Bradley Masters

Motion by Vicki Minnaugh, second by Jack McCluskey to approve the list of DROP loans. The motion carried unanimously.

5. **Approval of DROP Distributions** – The following DROP distributions were presented for approval.

- F/F Vincent Garcia – Lump Sum ***

- F/F Johnny Mullin – Lump Sum ***
- F/F Bradley Masters – Lump Sum ***
- F/F Gino Christi – Lump Sum ***
- P/O Kim Diaz – Monthly ***
- P/O Donna Velazquez – Monthly ***
- P/O Robert Scopa – Lump Sum ***
- P/O Kevin King – Lump Sum ***
- P/O George Soubasis – Lump Sum ***
- P/O Michael Scopa – Lump Sum ***
- P/O James Dilenge – Lump Sum ***
- P/O Kenneth Hall – Lump Sum ***

Motion by Vicki Minnaugh, second by Jack McCluskey, to approve the list of DROP distributions. The motion carried unanimously.

*** Schedule A is available upon request. Please contact the Pension Office if you wish to view it.

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.

6. **Request for Refund of Contributions** – The following refunds of resigned members were presented for approval.

- F/F Josh Petit-Jeune
- F/F Luis Bailly
- P/O Kris Gulliver

Motion by Jack McCluskey, second by Kevin Venema, to approve the refunds as presented. The motion carried unanimously.

7. **Approval of Vendor Warrant #675** – Chairman Cabeza presented Vendor Warrant #675 for approval. Motion by Jack McCluskey, second by Kevin Venema, to approve Warrant #675 in the amount of \$404,751.50. The motion carried unanimously.

Name (Pension Benefits, Services Rendered or Obligations)	Amount
Cypen & Cypen – Monthly Retainer for April 2016	\$3,250.00
Hampton Professional Center Condo #2, Ste 104 (Monthly Maintenance – May. 2016)	\$407.72
Twilight Industries, LLC – (Maintenance – April 2016)	\$152.00
SunTrust Visa – J. Fisher	\$2,033.15
SunTrust Visa – R. Maldonado	\$3,870.21
H&K, Inv #3307540	\$825.00
H&K, Inv #3321455	\$775.00
Inverness, Equity Mgmt Fee for Q/E 6/30/16	\$118,437.68
Inverness, Fixed Income Mgmt Fee for Q/E 6/30/16	\$70,592.26
CRU – Annual License Renewal, Inv #3825	\$293.75
GSK, Inv #20418587	\$1,600.00
LMCG, Large Cap Mgmt Fee for Q/E 3/31/16	\$36,942.58
LMCG, Mid Cap Mgmt Fee for Q/E 3/31/16	\$37,872.76
Marco Consulting, Fee for Q/E 3/31/16	\$2,000.00
ProShred, Shredding Services on 3/30/16	\$56.38
Joan Wall, Bookkeeping Services from 12/14/15 through 3/14/16	\$1,436.96
SSGA, Value Index Mgmt Fee for Q/E 12/31/15	\$4,791.91
SSGA, International Mgmt Fee for Q/E 12/31/15	\$68,530.17
SSGA, Midcap Index Mgmt Fee for Q/E 12/31/15	\$3,548.08
Herndon Capital, Mgmt Fee for Q/E 3/31/16	\$32,098.89
FP&L	\$175.65
CRU – Tablet Project	\$14,360.35
Platridge (Fidelity Bond)	701.00
TOTAL	\$404,751.50

8. **Approval of Member Warrant #676** – Chairman Cabeza presented Member Warrant #676 for approval. Motion by Kevin Venema, second by Vicki Minnaugh, to approve Warrant #676 in the amount of **\$521,638.73**. The motion carried unanimously.

Name (Pension Benefits, Services Rendered or Obligations)	Amount
Plan Benefits:	
P/O Donna Velazquez - Normal Retirement Benefit Commencing 5/1/2016	***
F/F Vincent Garcia – Normal Retirement Benefit Commencing 5/1/2016	***
DROP Distributions:	
F/F Vincent Garcia – Lump Withdrawal less FIT	***
F/F Johnny Mullin – Lump Sum Withdrawal less FIT	***
F/F Bradley Masters – Lump Sum Withdrawal less FIT	***
F/F Gino Christi – Lump Sum Withdrawal less FIT	***
P/O Kim Diaz – Monthly Withdrawal commencing 5/1/2016	***
P/O Donna Velazquez – Monthly Withdrawal commencing 5/1/2016	***
P/O Robert Scopa – Lump Sum Withdrawal less FIT	***
P/O Kevin King – Lump Sum Withdrawal less FIT	***
P/O George Soubasis – Lump Sum Withdrawal less FIT	***
P/O Michael Scopa – Lump Sum Withdrawal less FIT	***
P/O James Dilenge – Lump Sum Withdrawal less FIT	***
P/O Kenneth Hall – Lump Sum Rollover	***
U.S. Treasury – FIT – W/H (Garcia, Mullin, Masters, Christi, Scopa, King, Soubasis, Scopa, Dilenge)	***
DROP Loans:	
P/O William Bucknam - DROP Loan Less Documentary Stamp	***
P/O Steve Wetterer – DROP Loan Less Documentary Stamp	***
F/F Bradley Masters – DROP Loan Less Documentary Stamp	***
Documentary Stamp for DROP Loans:	
Florida Department of Revenue – Documentary Stamp (Bucknam)	***
Florida Department of Revenue – Documentary Stamp (Wetterer)	***
Florida Department of Revenue – Documentary Stamp (Masters)	***
Refund of Contributions:	
F/F Luis Bailly – Rollover	***
P/O Kris Gulliver – Refund less FIT	***
P/O Kris Gulliver – Rollover	***
U.S. Treasury – FIT – W/H (Gulliver)	***
TOTAL	\$521,638.73

*** Schedule A is available upon request. Please contact the Pension Office if you wish to view it.

Asst. Administrator Maldonado presented two additional warrants for approval. Motion by Jack McCluskey, second by Frank Musumeci, to add Warrants #677 and #678 to the agenda. The motion carried unanimously. Motion by Vicki Minnaugh, second by Adam Feiner to approve Warrant #677 in the amount of \$957.18. The motion carried unanimously.

Name (Pension Benefits, Services Rendered or Obligations)	Amount
Timothy Anderson – FPPTA Conference Reimbursement	\$265.00
SunTrust Visa (T. Anderson) February Charges	\$692.18
TOTAL	\$957.18

Motion by Kevin Venema, second by Gary Arenson, to approve Warrant #678 in the amount of \$1,121.54. The motion carried unanimously. Adam Cabeza abstained from the vote due to a voting conflict.

Name (Pension Benefits, Services Rendered or Obligations)	Amount
SunTrust Visa (A. Cabeza) March Charges	\$450.00
Adam Cabeza – Intercontinental Conference Reimbursement	\$207.54
Adam Cabeza – FPPTA Conference Reimbursement	\$240.00

NEW BUSINESS

9. **2016 Budget** – Asst. Administrator Maldonado presented the budget for FY 9/30/17. Motion by Gary Arenson, second by Frank Musumeci, to approve the budget for FY 9/30/17. The motion carried unanimously.
10. **DROP Loan Interest Rate for Q/E 6/30/2016:** Agenda packets included information that the Wall Street Journal prime rate for the quarter ending 3/31/16 remained 3.50%. It was noted that the DROP Loan Rules provide for 1% interest to be added to the WSJ rate. Motion by Frank Musumeci, second by Jack McCluskey, to approve a 4.50% DROP Loan interest rate for loans approved by the Board during April, May, and June of 2016. The motion carried unanimously.
11. **Annual Staff Evaluations:** The Board discussed the annual evaluations for the Administrator and Assistant Administrator. Both are guaranteed a step increase under contract assuming satisfactory performance. All trustees agreed that this was the case.

Administrator Fisher requested a COLA increase for the office staff effective with their new employment year beginning May 1, 2016 and contingent upon the active membership having received a COLA effective 10/1/15. The office staff does not receive COLAs and would only request it in the future if the membership had benefitted in the same manner. Motion by Kevin Venema, second by Frank Musumeci, to grant a 2% COLA effective May 1, 2016 for Mr. Fisher and Ms. Maldonado. The motion carried unanimously.

UNFINISHED BUSINESS

12. **Fire Trustee Mid-Term Election:** With two candidates, ballots are due on Wednesday, April 27 and will be counted the next day to determine the winner of the election.
13. **Status of "Are You Alive?" Affidavits:** The Asst. Administrator informed the Board that all affidavits were received prior to the meeting. No benefits were interrupted this year.

14. **Reports:**

Actuary – Larry Wilson discussed the implications of upcoming regulatory requirements on the Board's reporting, projections and assumptions.

Attorney – No additional report at this time.

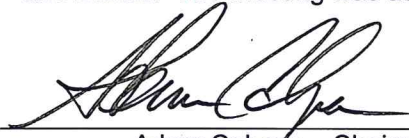
Chairman – Chairman Cabeza discussed the proposal Herndon made to lower its fees. The Board rejected the performance-based aspect of the offer and voted to have the basis points lowered in good faith during the March 2016 meeting. Due to the "most favored nation" principle, Herndon could not comply with the Board's request to remove the performance-based aspect of the fee reduction for the Plan so the contracted fee remains in place.

Plan Administrator – Administrator Fisher discussed altering the "Are You Alive?" process to eliminate the need for the members to sign paperwork every year. Attorney Steve Cypen said a social security check is not sufficient to capture every event. However, he suggested looking into some firms that provide SSN check as well as verification of other personal records and statements to certify the status of the Plan's members. The staff will look into it and report back to the Board.

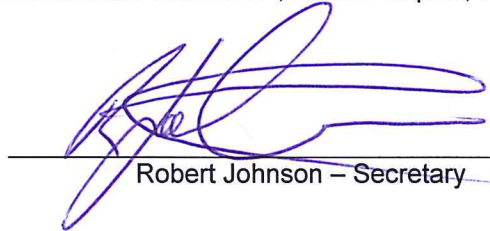
Asst. Administrator Maldonado reported the delivery of the tablets and that software is being loaded onto them by Computers R Us. The Board asked for CRU to provide a training session prior to the start of the June meeting. Ms. Maldonado will work to schedule it and it will be noticed with the June 2016 meeting.

Ms. Maldonado also confirmed that there are two disability applications that have been submitted and the first steps are being taken to get them processed.

15. **Input from Retirees:** None.
16. **Input from Active Members:** None.
17. **Input from Trustees:** Trustee Musumeci asked the staff to request the payroll record for recently separated F/F Austin Joseph in order to calculate his refund.
18. **Public Comment:** None.
19. **Adjournment** – Chairman Cabeza announced that the next regular meeting would be held on **Tuesday, May 24, 2016 at 1:00 PM.** Quarterly presentations are scheduled with SSGA, Atlanta Capital, Herndon, and Dahab. The meeting was adjourned at 2:54 PM.



Adam Cabeza – Chairman



Robert Johnson – Secretary