

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

In the City of Pembroke Pines
Fountains Executive Centre
9000 Sheridan Street - Suite #148
Pembroke Pines, FL 33024

REGULAR MONTHLY MEETING – MARCH 15, 2007

The three hundred and thirty-eighth 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 Vice Chairman Carl Heim.

1.	<u>Roll Call</u> –	<u>Fire Members</u>	<u>Police Members</u>	<u>City Members</u>
		Steve Dougherty	John Birkenheuer	Gary Arenson
		Richard Moss	Carl Heim	Vicki Minnaugh
			James Ryan	Isadore Nachimson

Vicki Minnaugh moved to excuse the absence of Anthony Napolitano, due to his being out of town. Gary Arenson seconded the motion. The motion carried unanimously.

Others Present: Larry Wilson from Gabriel, Roeder, Smith & Co.; Rene Gonzalez, City Finance Director; P/O Sgt. Neil Vaughan; F/F Carlos Deitado and Richard DeTata; Retired P/O James Fisher; Stephen H. Cypen, Esq., Attorney for the Fund; and Karen H. Warner, Plan Administrator.

2. Approval of Minutes for February 15, 2007. Vice Chairman Heim presented minutes from the meeting of February 15, 2007 for approval. Gary Arenson moved to approve. Isadore Nachimson seconded the motion. The motion carried unanimously.

3. Approval of Warrant #375. Vice Chairman Heim presented Warrant #375 in the amount of \$124,417.75 for approval and payment. Steve Dougherty moved to approve payment of Warrant #375 as presented. Isadore Nachimson seconded the motion. The motion carried unanimously, authorizing payment of:

Cypen & Cypen – Monthly Retainer for March, 2007		\$3,250.00	
Crexent, LLC – March, 2007	Office Rent	\$1,134.00	
	Telephone Equip.	110.00	
	Long Distance	<u>7.75</u>	
		\$1,251.75	\$1,251.75
Anthony Napolitano – Reimb. Inverness (Due Diligence) Exp.	Airport Parking	\$60.00	
	Taxi	76.00	
	Mileage 130 @ .485/mi	63.05	
	Per Diem 2/24-2/28/07	300.00	
	Airfare	<u>381.70</u>	
		\$880.75	\$880.75
Gary Arenson – Reimb. Inverness (Due Diligence) Expense	Hotel	\$1,332.68	
	Airport Parking	60.00	
	Taxi	153.00	
	Per Diem 2/24-2/28/07	300.00	
	Airfare	<u>508.80</u>	
		\$2,354.48	\$2,354.48
Xerox Corporation – Copier Lease Payment for March, 2007			\$200.07

Iron Mountain – March, 2007	\$100.00
Karen Warner – Mo. Allowance for March, 2007 (Med/Dental/Life)	\$375.00
Fiduciary Trust Company – Quarterly Custody Fee (Inverness) 1/2007	\$12,476.52
Fiduciary Trust Company – Quarterly Custody Fee (Atlanta) 1/2007	\$1,315.90
State Street Global Advisors – Mgmt. Fee for Q/E 12/31/2006 (US Midcap)	\$38,666.74
State Street Global Advisors – Mgmt. Fee for Q/E 12/31/2006 (International Balanced)	\$45,928.67
F/F Joseph Troccoli – Mo. Retire. Benefit commencing 4/1/2007	\$5,530.38
F/F John Caprio – Monthly Retire. Benefit commencing 4/1/2007	\$8,032.74
P/O Kristen Draughn – Refund of Contributions (Term 1/31/2007) Contributions \$1,093.65 + Interest \$32.81 Less FIT Withholding \$225.29	\$901.17
P/O Alan Mandelbloom – Refund of Contributions (Term 2/27/2007) Contributions \$2,827.04 + Interest \$101.25 Less FIT Withholding \$878.49	\$2,049.80
US Treasury – FIT Withholding (Draughn and Mandelbloom)	\$1,103.78

TOTAL

\$124,417.75

4. **Approval of DROP Benefit and Back-DROP Balance – Ordinance 1443 (Fire).** Vicki Minnaugh moved to approve the calculation of DROP Benefit and Back-DROP Balance as presented. Gary Arenson seconded the motion. The motion carried unanimously to approve:

	DROP Eff. Date	DROP Term. Date	Form of Benefit	Back-DROP Additions
F/F Edwin F. Link III	2/1/2007	1/31/2012	Life Annuity	\$0.00

5. **Request for DROP Account Distributions – P/O Pamela Dutton and F/F Douglas Mikell.** The board has received requests for DROP account distributions from P/O Dutton (\$55,000 lump sum) and F/F Mikell (\$20,000 lump sum). Since the distribution of agenda packets for this meeting, there has also been one additional request received from P/O James Fisher (\$25,000 lump sum). Gary Arenson moved to add the withdrawal request for P/O James Fisher to the agenda. James Ryan seconded the motion. The motion carried unanimously. Actuary Larry Wilson has provided the necessary letters indicating that these distributions would not pose a problem with the 415 limitation at the present time. Vicki Minnaugh moved to approve the distribution requests for Pamela Dutton, James Fisher and Douglas Mikell. Gary Arenson seconded the motion. The motion carried unanimously.

UNFINISHED BUSINESS

None.

NEW BUSINESS

6. **Presentation by BCOM Investment Adviser.** At the suggestion of Chairman Napolitano, Greg McNeillie from Dahab Associates made arrangements for BCOM to make a brief educational presentation regarding the feasibility of purchasing a building as part of the fund's real estate allocation. The Board has previously discussed options for expanding accommodations, as the current lease expires on 10/31/2007.

Denny St. Romain and Harald Stone represented BCOM at this meeting. Mr. Romain stated that a number of pension funds have chosen to invest in a building, providing occupancy space for their own operation and generating an income stream by leasing out unused space to others. The decision to purchase property and a building vs. purchasing an existing building is an individual one, based upon each plan's particular needs and goals.

Following discussion, Trustee Vicki Minnaugh stated she would provide information at the next meeting regarding properties for sale and rent in Pembroke Pines.

7. **Review / Approve – Firefighters' COLA (Effective 4/1/2007).** Agenda packets included Actuary Larry Wilson's letter and worksheet reflecting Firefighter cost-of-living increases scheduled to go into effect April 1, 2007. Vicki Minnaugh moved to approve the COLA increases as determined by Larry Wilson and authorizing the Custodian to proceed with the benefit increases. Isadore Nachimson seconded the motion. The motion carried unanimously.

8. **Review / Approve – Revised Budget for 2007.** Information was distributed that reported adjusted expenses for 2007, given the level of actual expenses for the past fiscal year. Following discussion, Vicki Minnaugh moved to approve the revised budget for 2007 as presented. Gary Arenson seconded the motion. The motion carried unanimously.

Review / Approve – Proposed Budget for 2008. Vicki Minnaugh moved to approve the proposed budget for 2008 as presented. Isadore Nachimson seconded the motion. The motion carried unanimously.

9. **Update: Part-Time Assistant Administrator.** Karen Warner reported that this position was advertised in print and online (Sun Sentinel). Plan Administrator counterparts in other South Florida cities were also provided with details of the position, in the hope that they might be aware of a qualified candidate looking for a part-time position. There were a total of three inquiries, but only two who actually provided letters of interest and resume information. Copies of those responses were provided to each member on the designated Screening Committee for their individual review. Following comments from each Screening Committee member and further discussion, Gary Arenson moved to hire Retired P/O James Fisher for the position of Assistant Administrator, with an anticipated start date of March 26, 2007. P/O Fisher will work a schedule of 20 hours per week at the rate of \$35 per hour and will be considered a part-time employee of the Board (rather than an independent contractor) and there will be no benefits associated with this position. John Birkenheuer seconded the motion. The motion carried unanimously.

10. **Reports:**

Actuary – Larry Wilson reported GRS has completed a review of Proposed Ordinance 2007-07 for Police. Mr. Wilson noted a number of specific language deficiencies that should be rectified. PBA Representative Sgt. Neal Vaughan stated he would personally insure that Mr. Wilson's comments would be communicated to the City Attorney's Office immediately.

Subsequent to the February 15th meeting, Chairman Napolitano requested a calculation of financial impact if the plan's normal form of benefit was modified to treat unmarried members as if they were married, so all members would be treated equitably. Given the Chairman's absence for this meeting, the matter will be readdressed at a future meeting.

The Pension Office has provided Mr. Wilson with a copy of P/O Andrew Smith's request for a 72(t) calculation. Mr. Wilson stated his apprehension about giving the impression of providing tax advice to any member, and he asked the Board's guidance on this matter. Attorney Cypen indicated he believed it would be alright to provide the requested information. Mr. Wilson was authorized to proceed with the calculation.

Attorney – None

Plan Administrator – Based upon previous Board action regarding the Firefighters' COLA (agenda item #7), Vicki Minnaugh moved to add Warrant #376 to the agenda. Gary Arenson seconded the motion. The motion carried unanimously. Vicki Minnaugh moved to approve payment of Warrant #376 in the amount of \$308,510.21. Gary Arenson seconded seconded the motion. The motion carried unanimously, authorizing payment of:

COST-OF-LIVING INCREASE FOR FIREFIGHTERS	
New Monthly Benefits Effective 4/1/2007:	
Morris Barnes, Jr.	\$6,719.29
Darren Bishop	2,329.65
John Caprio (new retiree eff. 4/1/2007)	8,273.72
Gino Christi	6,268.26
Todd Colligan	6,324.98
Charles Cozzati	7,758.98
Richard Crusoe	5,163.17
Anthony Curtis	5,540.47
William Dawson	5,125.76
John Deegan	9,204.88
Thomas Dent	3,105.91
Michael DeSantis	5,852.68
Ralph DeSantis	1,836.50
Joseph DeStefano	6,867.59
David Donzella	10,723.02
Linda Durkin	334.83
John Galloway	2,175.11
Lee Golditch	7,305.46
Michael Green	7,303.43
Cornelius Haksel	1,344.48
Samuel Halpert	7,057.67
J. Marvin Hart	3,945.37
Michael Hohl	8,587.06
Michael Kowalak	5,135.37
Daniel Lanzi	4,036.27
Rodrigo Larrain	3,682.31
Jose Lorenzo	6,058.78
Bradford Mayhew	4,476.59
Billy Mehaffey	7,232.30
David Messina	1,603.51
Douglas Mikell	5,293.15
Joseph Montepoli	9,390.82
Todd Nelson	6,545.30
Joseph Nickerson	4,792.90
Wrenale Owens	2,726.28
Troy Paletz	5,682.70
Norman Pariseau	3,265.22
Mark Parsons	3,937.30
Van Patterson	7,290.77

David Raines	8,869.82
Philip Rosenthal	3,139.10
Stuart Ross	3,644.89
Robert Ryan	6,365.40
Donald Rynning	7,655.64
Jimmy Sanchez	8,592.07
Jerry Scott	3,700.45
Rodney Spreitzer	6,184.28
Stephen Sumbly	7,298.30
Harlan Terry	2,588.78
George Thompson	1,740.57
Gena Tritsch	2,149.86
Joseph Troccoli (new retiree eff. 4/1/2007)	5,696.29
Joseph Ultimo	9,330.19
Robert Verrusio	5,174.17
Robert Weaver	7,469.68
Steven Weishaar	4,491.94
John White	2,875.74
Robert Young	1,245.20

TOTAL: **\$308,510.21**

The Pension Office has received a capital call letter from American Realty Advisors in the amount of \$1,000,000 to be wire transferred on April 2, 2007, and presented Warrant #377 for consideration. Gary Arenson moved to add Warrant #377 to the agenda. Vicki Minnaugh seconded the motion. The motion carried unanimously. Gary Arenson moved to approve payment of Warrant #377 in the amount of \$1,000,000.. Vicki Minnaugh seconded the motion. The motion carried unanimously, authorizing payment of:

City National Bank (per attached wiring instructions) for:

Real Estate Investment –

<u>American Stable Value Fund, LLC</u>	
<u>SVF-Account No. 1105</u>	\$1,000,000.00

TOTAL **\$1,000,000.00**

The Pension Office is in receipt of additional bills for payment and other benefit disbursements for approval. Vice Chairman Heim presented Warrant #378 for addition to the agenda and approval for payment. Gary Arenson moved to add Warrant #378 to the agenda. Vicki Minnaugh seconded the motion. The motion carried unanimously. Gary Arenson moved to approve payment of Warrant #378 in the amount of \$120,642.10. Isadore Nachimson seconded the motion. The motion carried unanimously, authorizing payment of:

F/F Douglas Mikell – DROP Withdrawal \$20,000 less FIT \$4,000	\$16,000.00
P/O Pamela Dutton – DROP Withdrawal \$55,000 less FIT \$11,000	\$44,000.00
Gabriel, Roeder, Smith & Co. – Prof. Services (2/2007)	\$8,210.00
P/O James Fisher – DROP Withdrawal \$25,000 less FIT \$5,000	\$20,000.00
SunTrust Bank (Visa, Napolitano) Hotel (Inverness Due Diligence)	\$1,332.68
Taxi (Inverness)	59.50
Airport Parking (Inverness)	<u>60.00</u>
	\$1,452.18
	\$1,452.18

SunTrust Bank (Visa, Warner)	ISP	\$24.95	
	Postage Machine	31.79	
	Public Storage	65.00	
	Sun Sentinel (classified ad)	1,215.00	
	FPPTA Registration (Moss)	400.00	
	McAfee (virus subscription)	39.99	
	Hotel (Inverness due diligence)	1,332.68	
	Bd. Mtg. / Off. Supplies	<u>133.81</u>	
		\$3,243.22	\$3,243.22
Richard Moss – Reimb. Expenses	Hotel (FPPTA)	\$768.56	
	Per Diem (FPPTA)	240.00	
	Gas (City vehicle)	<u>72.42</u>	
		\$1,080.98	\$1,080.98
Karen Warner – Reimb. Expenses	Taxi (Inverness due diligence)	\$55.00	
	Super Shuttle (Inverness)	30.00	
	Per Diem (Inverness)	<u>300.00</u>	
		\$385.00	\$385.00
Steve Dougherty – Reimb. Exp.	Hotel (Inverness due diligence)	\$1,332.68	
	Airport Parking (Inverness)	60.00	
	Taxi (Inverness)	49.00	
	Per Diem (Inverness)	300.00	
	Mileage 24 @ 48.5/mi.	11.64	
	Airfare (Inverness)	<u>308.80</u>	
		\$2,062.12	\$2,062.12
U.S. Treasury – FIT Withholding (Mikell, Dutton, Fisher)			\$20,000.00
Karen Warner – Semi-Monthly Payroll effective March 1, 2007 (Payable Commencing 3/15/2007)	Gross	\$3,541.67	
	Less Federal W/H \$508.87, Less FICA \$219.58, Less Medicare \$51.35, Less Additional Federal W/H \$100.00		\$2,661.87
U.S. Treasury – f.b.o. Karen Warner	941 Tax to be paid for each period, Commencing 3/15/2007		1,150.73
Purchase Power – Postage Meter Refill			\$396.00
TOTAL			\$120,642.10

Status of 2007 Annual Affidavits – All affidavits have been returned with the exception of two (one Firefighter, one Police). Following discussion, Vicki Minnaugh moved to interrupt benefits to these two members effective April 1, 2007 pending further Board action at the April 19th meeting. Gary Arson seconded the motion. The motion carried unanimously.

Karen Warner reported that the State Annual Report for 9/30/2006 has been completed and filed with the Division of Retirement.

Attorney Cyphen was asked to clarify the additional 10% tax applied to members who take DROP disbursements prior to age 50 (under new legislation). He stated that a member is ***not*** permitted to “grow” into the age; therefore, whether or not the tax will apply for a given individual is determined at the time he separates from employment with the City. Mr. Cyphen added that the tax can be avoided by electing periodic payments rather than a lump sum.

11. **Input from Retirees:** None.
12. **Input from Active Members:** None.

13. **Adjournment** – Vice Chairman Heim announced the next regular meeting would be held on Thursday, April 19, 2007 at 4:00 p.m.

There being no further business before the Board, James Ryan moved to adjourn the meeting at 6:00 p.m. Steve Dougherty seconded the motion. The motion carried unanimously.

Carl Heim – Vice Chairman

Richard Moss – Secretary

Anthony Napolitano – Chairman