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, 2011

The three hundred and eighty-eighth meeting of the Firefighters and Police Officers Pension Fund in the City of Pembroke Pines was called to order at 4:00 p.m. by Chairman James Ryan.

1. **Roll Call –**

	Fire Members	Police Members	City Members
	Adam Cabeza	Carl Heim *(arr. 4:10 pm)*	Gary Arenson
	Steve Dougherty	Kevin McCluskey	Vicki Minnaugh
	Frank Musumeci	James Ryan	

Isadore Nachimson is out of town and has requested an excused absence. Motion by Vicki Minnaugh, second by Gary Arenson, to excuse Isadore Nachimson for this meeting. The motion carried unanimously.

Others Present: Larry Wilson from Gabriel, Roeder, Smith & Co.; Stephen H. Cypen, Esq., Attorney for the Fund; Karen H. Warner, Plan Administrator; and James Fisher, Asst. Plan Administrator.

2. **Approval of Minutes for March 17, 2011.** Chairman Ryan presented minutes from the March 17, 2011 meeting for approval. Motion by Vicki Minnaugh, second by Steve Dougherty, to approve as presented. The motion carried unanimously.

3. **Ratification of Warrant #512.** Chairman Ryan presented Warrant #512 for ratification. It was noted that the required signatures were obtained on March 24, 2011 following Board action taken at the meeting of March 17, 2011 (agenda item 7) authorizing the disposition of a deceased member's DROP account balance. Motion by Vicki Minnaugh, second by Gary Arenson, to ratify Warrant #512 as presented. The motion carried unanimously, authorizing the payment of:

Franklin Templeton Bank & Trust f.b.o. Debbie D. Crusoe – Total Rollover of DROP Account	***
*** (See Attachment A) **TOTAL**	***

4. **Approval of Warrant #513.** Chairman Ryan presented Warrant #513 in the amount of $237,099.57 for approval and payment. Motion by Vicki Minnaugh, second by Gary Arenson, to approve as presented. The motion carried unanimously, authorizing the payment of:

Cypen & Cypen – Monthly Retainer for April, 2011	$3,250.00
Hampton Professional Center Condo No. 2 – Mo. Maintenance (Suite #104) for May, 2011	$407.72
Karen Warner – Mo. Allowance for April, 2011 (Med/Dental/Life)	$375.00
James Fisher – Mo. Allowance for April, 2011, 2010 (Med/Dental/Life)	$308.00
LEAF – Xerox Copier Lease for April, 2011	$194.23
Twilight Industries, LLC – Office Maintenance for April, 2011	$152.00
Fiduciary Trust Company Intl. – Custody Fee Q/E 3/31/2011 (Buckhead)	$1,560.58
Fiduciary Trust Company Intl. – Custody Fee Q/E 3/31/2011 (Lee Munder)	$3,313.97
FP&L – Service Dates 2/25/2011-3/29/2011	$139.45
Computers R Us – Remote Service – 3/28/2011 (Antivirus Software & Support)	$138.00
Holland & Knight LLP – Prof. Services for February, 2011 (Compliance)	$75.00
Ultimate Security – Monitoring System Service Call	$50.00
Lee Munder Capital Group, LLC – Mgmt. Fee for Q/E 3/31/2011	$44,149.28
Inverness Counsel, LLC – Mgmt. Fee for Q/E 6/30/2011	$162,174.28
Buckhead Capital Management, LLC – Mgmt. Fee for Q/E 3/31/2011	$20,812.06
TOTAL	**$237,099.57**

5. **Approval of Buy-Back Calculation(s)** – Agenda packets included a Buy-Back request from P/O Bryan Dietrich. Actuary Larry Wilson has determined the actuarial cost relative to the purchase of one (1) month of prior military service. Motion by Vicki Minnaugh, second by Gary Arenson, to approve the buy-back calculation for Bryan Dietrich as presented. The motion carried unanimously.

Because the second matter before the Board at this time directly inures to the benefit of F/F Frank Musumeci, he will abstain from discussion and voting. Commission on Ethics Form 8B (Voting Conflict for Public Officers) has been completed and will be attached and made a part of the official minutes for this meeting.

Agenda packets included a Buy-Back request from F/F Frank Musumeci. Actuary Larry Wilson has determined the actuarial cost relative to the purchase of one (1) month of prior military service. Motion by Vicki Minnaugh, second by Gary Arenson, to approve the buy-back calculation for Frank Musumeci as presented. The motion carried on a roll call vote of 6 in favor, none opposed, and one abstention (Musumeci).

6. **Request for DROP Account Distribution(s)** –The following DROP account distribution requests were presented for Board consideration:

- F/F Michael DeSantis Monthly ***
- P/O James DiLenge Lump Sum ***
- F/F Lee Golditch Monthly ***
- P/O France Michaud Lump Sum ***
- F/F Leslie Ortagus Lump Sum ***
- P/O Angelo Pazienza Lump Sum ***
- P/O Onofrio Raimondi Lump Sum ***
- F/F Ricardo Torres Lump Sum ***
- F/F Ariel Villarreal Lump Sum ***

*** (See Attachment A)

Actuary Larry Wilson has provided the necessary letters indicating these distributions 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 requests for Michael DeSantis, James DiLenge, Lee Golditch, France Michaud, Leslie Ortagus, Angelo Pazienza, Onofrio Raimondi, Ricardo Torres and Ariel Villarreal as presented. The motion carried unanimously.

UNFINISHED BUSINESS

7. **DROP Administrative Rules.** It was announced that Attorney Alison Bieler requested this matter be postponed to the May meeting. Motion by Gary Arenson, second by Vicki Minnaugh, to table discussion on this matter to the May 19th meeting. The motion carried unanimously.

8. **Continuing Discussion – Buckhead Capital Management.** Greg McNeillie is believed to be in the process of gathering information as part of their search for an alternative Large Cap Value manager. It is anticipated that preliminary results may be presented at the May 19th meeting. Discussion followed regarding the importance of carefully considering the performance of all managers, rather than limiting the review solely to Buckhead. Trustee Arenson explained that Dahab's grading system had come about as a result of his request – he was looking for a way to easily assess each manager's performance. It is his feeling that *trends* are much more valuable information on which to rely.

Managers presenting at the May 19th meeting will be asked to limit their reports to 15 minutes each. This will allow as much time as possible for Dahab to address the Board's questions.

NEW BUSINESS

9. **Discussion – Investment Consultant Search.** Trustee Minnaugh expressed concern over Dahab's sense of urgency as it relates to Buckhead following a relatively short period of under-performance. In retrospect, Dahab has not taken the same position with other specific managers, instead allowing their retention to continue for years. Mr. McNeillie may be aware of information that has not yet been shared with the Trustees, or there may be an underlying reason for Dahab's current position regarding Buckhead. It was suggested that each of the Trustees provide questions and concerns via email to the Pension Office. They will be forwarded to Mr. McNeillie for his detailed response at the May 19th meeting.

10. **Reports:**

Actuary – Continuing a discussion from March 17th, Actuary Larry Wilson stated that the Board recently approved the issuance of annual DROP statements, effective 10/1/2010, as a cost-saving measure. GRS recommends that they do quarterly *financial updates* only, in order to provide the bookkeeper with current information. The quarterly allocation of earnings would continue internally. Fees for financial updates only are estimated to be $3,000 per quarter. Motion by Gary Arenson, second by Vicki Minnaugh, authorizing GRS to perform quarterly DROP updates for bookkeeping purposes only (effective 10/1/2010) at a cost not to exceed an additional $3,000 per quarter The motion carried unanimously.

Mr. Wilson reported that the City contacted GRS to do an actuarial study for a proposed early retirement incentive and briefly summarized the City's eligibility criteria. Discussion followed regarding an acceptable protocol for handling requests of this nature, with a determination affirmed that email notification to all Trustees and prior Board (or chairman) approval must be obtained.

Attorney – Attorney Cypen reported that defense in the Fritz litigation has been accepted by Travelers Insurance. Updates will be provided as there are new developments.

Mr. Cypen reported that it appears a compromise has been reached on SB1128 / HB7241. Following a brief summary of main provisions, he noted that more detailed information will be forthcoming.

Chairman – None.

Plan Administrator – Since agenda packets were mailed out, the Pension Office has received the form of benefit election from P/O Richard LeBoeuf. Karen Warner asked that the Board consider adding his election to the agenda if meeting with their approval. Motion by Gary Arenson, second by Vicki Minnaugh, to add the election of P/O Richard LeBoeuf to the agenda. The motion carried unanimously.

Approval of DROP Benefit(s) – Ordinance 1669 (Police). Motion by Gary Arenson, second by Vicki Minnaugh, to approve the calculation of DROP Benefit(s) as presented. The motion carried unanimously to approve:

	DROP Eff. Date	DROP Term. Date	Form of Benefit
P/O Richard LeBoeuf	4/01/2011	3/31/2016	Joint & 100% Contingent

The Pension Office is in receipt of additional bills for payment and other disbursements for approval. Chairman Ryan presented Warrant #514 for addition to the agenda and approval for payment. Motion by Vicki Minnaugh, second by Gary Arenson, to add Warrant #514 to the agenda. The motion carried unanimously. Motion by Gary Arenson, second by Vicki Minnaugh, to approve the payment of Warrant #514 as presented in the amount of $164,414.59. The motion carried unanimously, authorizing the payment of:

P/O Michael Banks – Normal Retirement Benefit Commencing 5/1/2011	***
P/O Steven Faby – Normal Retirement Benefit Commencing 5/1/2011	***
F/F Michelle Ericson – Normal Retirement Benefit Commencing 5/1/2011	***
F/F Michael DeSantis – ***Additional*** Monthly DROP Withdrawal Commencing 4/1/2011	***
P/O James DiLenge – Lump Sum DROP Withdrawal	***
F/F Lee Golditch – Monthly DROP Withdrawal Commencing 4/1/2011	***
P/O France Michaud – Lump Sum DROP Withdrawal	***
F/F Leslie Ortagus – Lump Sum DROP Withdrawal	***
P/O Angelo Pazienza – Lump Sum DROP Withdrawal	***
P/O Onofrio Raimondi – Lump Sum DROP Withdrawal	***
F/F Ricardo Torres – Lump Sum DROP Withdrawal	***
F/F Ariel Villarreal – Lump Sum DROP Withdrawal	***
U.S. Treasury – FIT Withholding (DiLenge-Michaud-Ortagus-Pazienza-Raimondi-Torres-Villarreal)	***
Purchase Power – Postage Meter Refill	$400.00
Florida U.C. Fund – Form UCT-6 (Q/E 3/31/2011)	$144.20
Gabriel, Roeder, Smith & Co. – Prof. Services for March, 2011	$14,186.00

Adam Cabeza – Reimb. Conf. Expense (FPPTA Wall Street)			
	Airport Parking	$47.97	
	Taxi	58.00	
	Per Diem (4 days)	240.00	
	Mileage 56 @ .50/mi	28.00	
	Baggage Fees	50.00	
	Airfare	224.40	
		$648.37	$648.37
Steve Dougherty – Reimb. Conf. Expense (NCPERS/Harvard)			
	Hotel	$471.78	
	Airport Parking	108.00	
	Taxi / Subway	36.00	
	Per Diem (3 days)	180.00	
	Airfare	564.40	
		$1,360.18	$1,360.18
SunTrust Bank (Visa – Fisher)	Bd Mtg / Ofc Supplies	$167.26	
	Gasoline	40.00	
	Postage Machine (quarterly lease)	324.00	
	DirecTV	98.45	
	Cbeyond (phones & internet)	435.25	
	Pest Control	35.00	
	Conference Exp (Hotel – Cabeza/FPPTA)	1,156.92	
	Monthly Storage	104.00	
		$2,360.88	$2,360.88
SunTrust Bank (Visa – Warner)	Xerox (mo. Maintenance + qtr copies)	$159.46	
	Bd Mtg / Ofc Supplies	41.45	
	ISP (2 months)	49.90	
		$250.81	$250.81
*** (See Attachment A)		**TOTAL**	**$164,414.59**

Upcoming conferences and educational opportunities include:

- May 16 – 18 Division of Retirement (Tallahassee)
- May 21 – 26 NCPERS Annual Conference (Miami)
- June 26 – 29 FPPTA Annual Conference (Orlando)
- July 25 – 27 NCPERS / Harvard Law School (Cambridge, MA)

Jim Fisher reported on the following:

- All retirees have now returned their 2011 "Are You Alive" Affidavits.
- A LOD disability application is currently in process for P/O Melody Barry. It is hoped that the informal hearing can be scheduled for the June meeting.

11. **Input from Retirees:** None.

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

13. **Adjournment** – Chairman Ryan announced that the next regular meeting would be held on Thursday, May 19, 2011 at 2:00 pm. The Board will hear investment presentations from Dahab Associates, American Realty, BlackRock and Inverness Counsel, followed by the regular order of business at approximately 4:00 pm. There being no further business to come before the Board, motion by Vicki Minnaugh, second by Gary Arenson, to adjourn at 5:15 pm. The motion carried unanimously.

James Ryan – Chairman

Frank Musumeci – Secretary