

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 JULY 18, 2019

The four hundred eighty-ninth meeting of the Firefighters and Police Officers Pension Fund in the City of Pembroke Pines was called to order at 2:02 PM by Chairman Timothy Anderson.

1.	<u>Roll Call –</u>	<u>Fire Members</u>	<u>Police Members</u>	<u>City Members</u>
		Adam Cabeza John Kearney (via phone)	Timothy Anderson Adam Feiner Thomas Moran	Gary Arenson Jack McCluskey Vicki Minnaugh

Others Present: Jennifer Borregard, & Shelley Jones, Plan Actuary; Robert Klausner (via telephone) & Blanca Greenwood, Pension Attorney; and James Fisher, Plan Administrator.

2. **Approval of Minutes for June 20, 2019** – Chairman Anderson presented the minutes from the previous meeting held on June 20, 2019. Motion by Vicki Minnaugh, second by Jack McCluskey, to approve the minutes as presented. The motion carried unanimously.

3. **Approval of DROP/Retirement Benefits** – Chairman Anderson presented a list of benefits for approval. Motion by Jack McCluskey, second by Adam Feiner, to approve the list of DROP retirement benefits. The motion passed unanimously.

- F/F Chance O'Quinn 10 Yrs. Certain & Life commencing 11/1/18
- F/F Richard Lewis Normal Form commencing 5/1/19
- P/O Tina Inman Normal Form commencing 6/1/19

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

- F/F Maurice Washington – Lump Sum
- F/F Robert Vesely – Lump Sum
- F/F Richard Moravec – Lump Sum
- F/F David Moss – Lump Sum
- F/F James Sammarco – Monthly
- P/O Ruben Alvarez – Lump Sum
- P/O Britney Combs – Lump Sum
- P/O Michael Scopa – Lump Sum

Administrator Fisher noted a few additions to the list of distributions.

- P/O Carl Heim – Lump Sum
- P/O Dara Van Antwerp – Lump Sum

Motion by Jack McCluskey, second by Vicki Minnaugh, to add the additional distribution. 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 Jennifer Borregard. When appropriate, her 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 loan was presented for approval.

- P/O Kenneth Hall

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

6. **Approval of Vendor Warrant #796** – Chairman Anderson presented Vendor Warrant #796 for approval. Motion by Jack McCluskey, second by Vicki Minnaugh, to approve Warrant #796 in the amount of \$261,059.56. 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 June 2019	\$3,250.00
Klausner, Kaufman, Jensen & Levinson – Svces RE: Fritz	\$1,025.00
Klausner, Kaufman, Jensen & Levinson – Svces RE: Walsh	\$5,072.99
Hampton Professional Center Condo #2, Ste 104 (Monthly Maintenance –July 2019)	\$407.72
Twilight Industries, LLC – (Maintenance – June 2019)	\$152.00
Inverness Counsel – Mgmt Fees Equity for Q/E 9/30/19	\$103,393.83
Inverness Counsel – Mgmt Fees Fixed Income for Q/E 9/30/19	\$42,342.32
LMCG – Mgmt Fees Large Cap for Q/E 6/30/19	\$51,937.14
LMCG – Mgmt Fees MidCap for Q/E 6/30/19	\$38,331.37
GRS – June 2019	\$6,868.00
City of Pembroke Pines – Local Business fee 10/1/19 – 9/30/20	\$112.50
Joan Wall – 2/2019-7/2019	\$1,101.14
CRU, Inv #5854	\$150.00
CRU, Inv #5870	\$115.00
CRU, Inv #5872	\$89.00
CRU, Inv #5894	\$89.00
CRU, Inv #5893	\$178.00
FP&L	\$149.95
Pitney Bowes (Lease)	\$322.68
ABS – Copier Lease 6/15/19 – 7/14/19	\$238.72
James Fisher – Conference Reimburesment FPPTA	\$583.72
Rachel Maldonado – Conference Reimbursement FPPTA	\$300.00
Robert Johnson – Conference Reimbursement FPPTA	\$1,007.34
Gary Arenson – Conference Reimbursement NCPERS	\$2,415.26
Gary Arenson – Conference Reimbursement FPPTA	\$1,426.88
TOTAL	\$261,059.56

7. **Approval of Member Warrant #797**– Chairman Anderson presented Member Warrant #797 for approval. Motion by Adam Feiner, second by JP Kearney, to approve Warrant #797 in the amount of \$248,850.00. The motion carried unanimously.

Name (Pension Benefits, Services Rendered or Obligations)	Amount
DROP Distributions:	
F/F Maurice Washington – Lump Sum Withdrawal less FIT	***
F/F Robert Vesely – Lump Sum Withdrawal less FIT	***
F/F Richard Moravec – Lump Sum Withdrawal less FIT	***
F/F David Moss – Lump Sum Withdrawal less FIT	***
F/F James Sammarco – Monthly Withdrawal commencing 7/1/19	***
P/O Ruben Alvarez – Rollover Lump Sum Withdrawal	***
P/O Britney Combs – Lump Sum Withdrawal less FIT	***
P/O Michael Scopa – Lump Sum Withdrawal less FIT	***
P/O Dara Van Antwerp – Lump Sum Withdrawal less FIT	***
P/O Carl Heim – Lump Sum Withdrawal less FIT	***
U.S. Treasury – FIT – W/H (Washington, Vesely, Moravec, Moss, Combs, Scopa, Van Antwerp, Heim)	***
DROP Loans:	
P/O Kenneth Hall - DROP Loan Less Documentary Stamp	***

Documentary Stamp for DROP Loans:

Florida Department of Revenue – Documentary Stamp (Hall)

TOTAL	\$248,850.00
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Administrator Fisher asked the Board to review and approve Special Warrant #798. Motion by Vicki Minnaugh, second by Tim Anderson, to add Warrant #798 to the agenda. The motion carried unanimously. Motion by Vicki Minnaugh, second by Adam Feiner, to approve Warrant #798. The motion carried unanimously. Trustee Cabeza abstained from the vote due to a voting conflict.

Name (Pension Benefits, Services Rendered or Obligations)	Amount
John Kearney – Conference Reimbursement FPPTA	\$367.60
Adam Cabeza – Conference Reimbursement NCPERS	\$420.00
Adam Cabeza – Conference Reimbursement FPPTA	\$300.00
TOTAL	\$1,087.60

NEW BUSINESS

8. **Trustee Election Timeline** – A timeline was presented to the Board to reflect the upcoming election for the seats currently occupied by Adam Cabeza & Robert Johnson of the fire department and Tim Anderson & Adam Feiner of the Police Department. Motion by Vicki Minnaugh, second by Adam Feiner to approve the timeline as presented. The motion carried unanimously.
9. **DROP Loan Interest Rate for Q/E 9/30/2019:** Agenda packets included information that the Wall Street Journal prime rate remained 5.5%. The DROP Loan Rules provide for 1% interest to be added to the WSJ rate. Motion by Vicki Minnaugh, second by Jack McCluskey, to approve a 6.50% DROP Loan interest rate for loans approved by the Board during July, August and September of 2019. The motion carried unanimously.

UNFINISHED BUSINESS

10. **Fritz Decision** – Attorney Bob Klausner discussed with the Board the impact of the court's decision concerning retiree Kenneth Fritz. The City is subject to update its Ordinance as a result. Until such time as the City complies with the legal requirements, Mr. Klausner suggested that the Board adopt an Administrative Rule incorporating an actuarial change that assumes 100% of retirees are "married" at the time of retirement (5% more than the Plan's current assumption of 95%) and would allow calculation of equitable optional benefits for members that are not married at the time of retirement. The actuarial impact of the new assumption is approximately \$55,000 annually to the Plan sponsor.

Actuaries Jennifer Borregard and Shelley Jones reviewed the calculations for the payments owed to Mr. Fritz to update his current monthly pension benefit, retroactively credit his DROP account, and issue a one-time payment to rectify monies owed over time due to an adjusted pension benefit. At the Board's request, Ms. Borregard also talked about reviewing records to determine how many other retired members were in similar circumstances. Mr. Klausner reiterated that if the Board decided to adjust the pension benefit of any other members, they are only bound to do so prospectively.

Motion by Gary Arenson, second by Jack McCluskey, to adopt the Administrative Rule until such time as the City's Ordinance is in compliance. Motion carried unanimously.

Motion by Vicki Minnaugh, second by Gary Arenson, to approve the amounts owed to Mr. Fritz as calculated by Ms. Borregard and Ms. Jones. Motion carried unanimously.

Motion by Jack McCluskey, second by Vicki Minnaugh, to issue the payment to Mr. Fritz as soon as possible. Motion carried unanimously.

Motion by Vicki Minnaugh, second by Jack McCluskey, to approve a study of additional members affected by the decision. Motion carried unanimously.

11. **Reports:**

Attorney – No additional report at this time.

Actuary – Recently, Ms. Borregard was approached by the Board about providing online access to a retirement calculator. Ms. Borregard confirmed that GRS is able to provide an online retirement calculator and could also make available figures of DROP account balances based on the last quarter reported. Ms. Borregard will prepare a demonstration and present at the September 2019 meeting.

Chairman – No report at this time.

Plan Administrator – No report at this time.

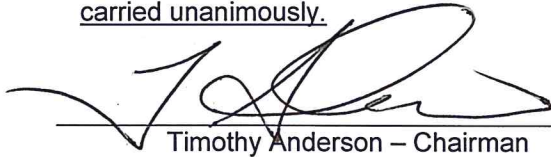
12. **Input from Retirees:** None.

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

14. **Input from Trustees:** None.

15. **Public Comment:** None.

16. **Adjournment** – Chairman Anderson announced that the next meeting included quarterly performance presentations and would be held on **Thursday, August 15, 2019 at 1:00 PM.** There being no further business, motion by Vicki Minnaugh, second by Gary Arenon to adjourn the meeting at 2:54 PM. The motion carried unanimously.



Timothy Anderson – Chairman

Thomas Moran – Secretary