

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 NOVEMBER 19, 2020

The five hundred fourth meeting of the Firefighters and Police Officers Pension Fund in the City of Pembroke Pines was called to order at 1:09 PM by Chairman Thomas Moran.

1. <u>Roll Call:</u>	<u>Fire Members</u>	<u>Police Members</u>	<u>City Members</u>
	Robert Johnson John P. Kearney* Paul Greenwell	Timothy Anderson Adam Feiner* Thomas Moran	Gary Arenson Jack McCluskey* Vicki Minnaugh*

Others Present: Kimberly Gilmour*, Roshawn Banks*, Gilmour Law; Greg McNeillie, Dahab Associates*; Jennifer Borregard*, Shelly Jones*, Plan Actuary; Robert Klausner* & Blanca Greenwood*, Pension Attorney; James Fisher, Plan Administrator; and Rachel Maldonado, Asst. Plan Administrator.

Also in attendance:

Robert Maddock*, Inverness Counsel	Adrian Sancho*, Inverness Counsel
Matt McCue*, FIN News	

**These individuals attended virtually via Zoom conferencing.*

- Dahab Associates:** Greg McNeillie of Dahab Associates discussed the overall performance of the portfolio. As of September 30, 2020, the Fund gained 5.3% for the quarter and was valued at \$730,242,183 representing an increase of \$36,654,177 from the previous quarter ending value. The Fund returned a total of 8.2% for the fiscal year ending 9/30/2020.

Mr. McNeillie expressed his desire to conduct a search for large cap growth managers to possibly replace the current product with LMCG (due to underperformance). LMCG in this asset class currently holds 6% of the portfolio at about \$43.5 million. Motion by Vicki Minnaugh, second by Robert Johnson, directing Dahab Associates to conduct a large cap growth manager search. The motion carried unanimously.

Gross & Net Rate Returns for Q/E 9/30/2020: The Board reviewed the gross and net of fees rates of return for Q/E 9/30/2020, as submitted by Dahab Consulting. Motion by Vicki Minnaugh, second by Tim Anderson, to approve the gross 5.34% and net 5.21% rates of returns for the quarter ending 9/30/2020. The motion carried unanimously.

	Equities	Equity Benchmark	Fixed Income	Fixed Inc. Benchmark	Trailing 12 Mos.
Atlanta Capital	3.1%	4.9%	---	---	(2.5)%
Bridgeway Capital	4.3%	5.6%	---	---	(9.9)%
Inverness (Equity)	13.4%	8.9%	---	---	22.6%
LMCG Midcap	5.6%	4.8%	---	---	5.2%
LMCG LargeCap	9.2%	13.2%	---	---	24.6%
SSgA Midcap Core	4.7%	4.8%	---	---	(2.1)%
SSgA Int'l Equity	6.9%	6.3%	---	---	0.5%
SSgA LargeCap Value	5.6%	5.6%	---	---	(4.9)%
SSgA LargeCap Growth	13.2%	13.2%	---	---	37.5%
Inverness (Fixed Income)	---	---	1.0%	0.7%	7.2%
Loomis Sayles	---	---	2.1%	0.6%	9.2%
Manulife	---	---	1.8%	0.6%	7.4%

	R.E.	R.E. Bench-mark	Trailing 12 Months
Am. Realty Advisors	(1.2)%	0.5%	3.2%
Black Rock	(0.5)%	0.5%	6.2%
Intercontinental	0.3%	0.5%	7.6%
Ceres	1.5%	1.0%	6.6%
Molpus Fund IV	0.0%	0.0%	0.6%
Molpus Fund V	2.2%	0.0%	---

3. **Pension Claims:** Ms. Gilmour and Ms. Banks petitioned the Board regarding the following clients: Michael Scopa, Carl Hall, Dean Soubasis, Tamara Spaulding, Glen Parker, and Jaime Bomba. Gilmour Law sent a letter to the City of Pembroke Pines, the Pension Fund, and Mr. Klausner's firm to ask that these members (whose pension benefits were adjusted on October 1, 2019 due to the individuals' marital status at the time of retirement) be awarded retroactive monies. Ms. Gilmour likened her clients' requests to the appellate court's finding for Kenneth Fritz in 2019. Motion by John Kearney, second by Gary Arenson, instructing Ms. Greenwood of KJL to draft a summary of the Board's position regarding this inquiry. The motion carried with Mr. McCluskey dissenting.

4. **Approval of Minutes for October 15, 2020:** Chairman Moran presented the minutes from the previous meeting held on October 15, 2020. Motion by Gary Arenson, second by Robert Johnson, to approve the minutes as presented. The motion carried unanimously.

5. **New DROP Retirements:** The Board reviewed benefit selections for approval.
 - P/O Victoria Lima – 10 years Certain & Life commencing 11/1/2020
 - P/O Alejandro De La Paz – Joint & 75% Contingent commencing 11/1/2020
 - F/F David Finger – Joint & 100% Contingent commencing 11/1/2020

Motion by Vicki Minnaugh, second by Gary Arenson to approve an additional benefit. The motion carried unanimously.

 - F/F Thomas Theodore – 10 Years Certain & Life commencing 7/1/2020
 - P/O Carlos Corretjer – 10 Years Certain & Life commencing 11/1/2020

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

6. **Request for DROP Account Distributions:** The following DROP distributions were presented for approval.
 - P/O Onofrio Raimondi – Lump Sum
 - P/O James Darnowski – Lump Sum
 - P/O William Bucknam – Lump Sum
 - P/O Thomas Varnadoe – Lump Sum
 - F/F Maurice Washington – Lump Sum
 - F/F Michael Hohl – Lump Sum
 - F/F Kenneth Fritz – Lump Sum
 - F/F Beneficiary Joseph DeStefano – Lump Sum
 - F/F Beneficiary Gina Caputo – Lump Sum
 - F/F Beneficiary Cristina Montopoli – Lump Sum
 - F/F Beneficiary Maria Montopoli – Lump Sum
 - F/F Beneficiary Francesco Montopoli – Lump Sum
 - F/F Steve Iannazzone - Monthly

Administrator Fisher informed the Board of an additional request.

- P/O William Maynard – Lump Sum

Motion by Gary Arenson, second by Jack McCluskey, to add the additional distribution. The motion carried unanimously. Motion by Vicki Minnaugh, second by Jack McCluskey, to approve the amended list of DROP distributions. The motion carried unanimously.

7. Request for DROP Loans: The following DROP loans were presented for approval.

- P/O Donna Carpenter
- P/O Anthony Cerino

An additional DROP loan request was submitted after the deadline.

- F/F Anthony Curtis

Motion by Jack McCluskey, second by Gary Arenson, to add the additional DROP loan. The motion carried unanimously. Motion by Vicki Minnaugh, second by Gary Arenson to approve the amended list of DROP loans. The motion carried unanimously.

8. Ratify Special Warrant #840: Chairman Moran presented Special Warrant #840 for ratification. Motion by Gary Arenson, second by Jack McCluskey, to ratify Warrant #840 in the amount of \$25,000.00. The motion carried unanimously.

Name (Pension Benefits, Services Rendered or Obligations)	Amount
Enterprise Title, Inc.: Deposit for the Purchase of Property located at 1951 NW 150 Ave., Suite 103, Pembroke Pines, FL 33028	\$25,000.00
TOTAL	\$25,000.00

9. Approval of Vendor Warrant #841: Chairman Johnson presented Vendor Warrant #841 for approval. Motion by Vicki Minnaugh, second by Jack McCluskey, to approve Warrant #841 in the amount of \$424,281.17. The motion carried unanimously.

Name (Pension Benefits, Services Rendered or Obligations)	Amount
Klausner, Kaufman, Jensen & Levinson – Monthly Retainer for November 2020	\$3,250.00
Klausner, Kaufman, Jensen & Levinson – Additional Services (Re: Johnson Disability)	\$350.00
Klausner, Kaufman, Jensen & Levinson – Additional Services (Re: Fritz)	\$125.00
Klausner, Kaufman, Jensen & Levinson – Additional Services (Re: Bryson Disability)	\$2,900.00
Dahab – Consulting Fees for Q/E 9/30/2020	\$37,172.66
Atlanta Capital – Mgmt Fees for Q/E 9/30/2020	\$129,540.00
SSGA – Mgmt Fees for International Q/E 9/30/2020	\$44,381.97
SSGA – Mgmt Fees for Midcap Q/E 9/30/2020	\$3,308.52
SSGA – Mgmt Fees for Value Q/E 9/30/2020	\$4,544.05
SSGA – Mgmt Fees for Growth Q/E 9/30/2020	\$6,234.92
KSDT – Invoice #93522	\$900.00
Inverness – Mgmt Fees for Equity Q/E 12/31/2020	\$119,024.36
Inverness – Mgmt Fees for Fixed Income Q/E 12/31/2020	\$27,100.27
GRS – October 2020	\$14,526.00
Fiduciary Trust – Custodial Fees for LMCG Midcap Q/E 9/30/2020	\$2,678.20
Fiduciary Trust – Custodial Fees for LMCG Large Cap Q/E 9/30/2020	\$4,352.72
Fiduciary Trust – Custodial Fees for R&D Q/E 9/30/2020	\$1,250.00
Fiduciary Trust – Custodial Fees for Inverness Equity Q/E 9/30/2020	\$9,030.16
Fiduciary Trust – Custodial Fees for Bridgeway Q/E 9/30/2020	\$2,534.26
CRU #6789	\$650.00
CRU #6809	\$150.00
CRU #6839	\$445.00
CRU #6842	\$115.00
CRU #6849	\$178.00
CRU #6858	\$460.00
Hampton Professional Center Condo #2, Ste 104 (Monthly Maintenance – Dec 2020)	\$407.72
Twilight Industries, LLC – (Maintenance – November 2020)	\$152.00
FP&L	\$126.50

Accelerated Business Solutions (Copier Lease)	\$233.78
SunTrust, Acct 8961	\$1,163.08
SunTrust, Acct 9334	\$868.39
Broward County	\$560.43
Steven Bornstein – Sept. Loan Fees	\$1,000.00
Joan Wall – Bookkeeping Fees 9/30/2020	\$3,303.18
IFEPB – Annual Membership	\$1,265.00
TOTAL	\$424,281.17

10. **Approval of Member Warrant #842:** Chairman Moran presented Member Warrant #842 for approval. Motion by Jack McCluskey, second by Gary Arenson, to approve Warrant #842 in the amount of **\$335,032.10**. The motion carried unanimously.

Name (Pension Benefits, Services Rendered or Obligations)	Amount
Retirement Benefits:	
P/O David Marrero – Normal Retirement commencing 12/1/20	***
DROP Distributions:	
P/O Onofrio Raimondi – Lump Sum Withdrawal less FIT	***
P/O James Darnowski – Lump Sum Withdrawal less FIT	***
P/O William Bucknam – Lump Sum Withdrawal less FIT	***
P/O Thomas Varnadoe – Lump Sum Withdrawal less FIT	***
F/F Maurice Washington – Lump Sum Withdrawal less FIT	***
F/F Michael Hohl – Lump Sum Withdrawal less FIT	***
F/F Kenneth Fritz – Lump Sum Withdrawal less FIT	***
F/F Beneficiary Joseph DeStefano – Lump Sum Withdrawal less FIT	***
F/F Beneficiary Gina Caputo – Lump Sum Withdrawal less FIT	***
F/F Beneficiary Cristina Montopoli – Lump Sum Withdrawal less FIT	***
F/F Beneficiary Maria Montopoli – Lump Sum Withdrawal less FIT	***
F/F Beneficiary Francesco Montopoli – Lump Sum Withdrawal less FIT	***
F/F Steven Iannazzone – Monthly Withdrawal Commencing 12/1/2020	***
P/O William Maynard – Lump Sum Withdrawal less FIT	***
F/F Guiseppe Montopoli – Lump Sum Withdrawal less FIT	***
U.S. Treasury – FIT – W/H (Raimondi, Darnowski, Bucknam, Varnadoe, Washington, Hohl, Fritz, DeStefano, Caputo, Montopoli x4, Maynard)	***
DROP Loans:	
P/O Donna Carpenter - DROP Loan Less Documentary Stamp	***
P/O Anthony Cerino – DROP Loan Less Documentary Stamp	***
F/F Anthony Curtis – DROP Loan Less Documentary Stamp	***
Documentary Stamp for DROP Loans:	
Florida Department of Revenue – Documentary Stamp (Carpenter)	***
Florida Department of Revenue – Documentary Stamp (Cerino)	***
Florida Department of Revenue – Documentary Stamp (Curtis)	***
TOTAL	\$335,032.10

UNFINISHED BUSINESS

11. **Update on Office Space:** The closing of the adjacent office space is scheduled for November 20, 2020. Mr. Klausner vetted the architectural firm Synalovski Romanik Saye, as they have provided a proposal and engagement letter to the Pension Board. This firm has worked with the City of Pembroke Pines on several of its municipal spaces and comes highly recommended. Motion by Gary Arenson, second by Adam Feiner, to approve the proposal by Synalovski Romanik Saye for the design of the additional office space. The motion carried unanimously. Trustee Minnaugh abstained due to a voting conflict.

NEW BUSINESS

12. **5-Year Experience Study:** Shelley Jones of GRS presented the 5-year study for the Plan. Motion by John Kearney, second by Tim Anderson, to accept the salary, retirement, termination and other assumptions as presented in the report. The motion carried unanimously.

Ms. Jones discussed continuing to reduce the assumed rate of return. From the previous 5-year study, the rate had been reduced 5 basis points every year from 8.00% to 7.75%. Ms. Jones asked the Board to consider reducing the rate 10 basis points every year for the next 5 years to reach 7.25% for FYE 9/30/2025. After discussion, motion by John Kearney, second by Gary Arenson, to reduce the assumed rate of return 10 basis points for one year only beginning with FYE 9/30/21. The motion carried unanimously. Mr. Kearney suggested revisiting the discussion of the reduction in rate next year.

13. Reports:

Actuary – Ms. Borregard will be forwarding the 415 Screener for calendar year 2021.

Attorney – Ms. Greenwood notified the Board of the need to modify its current disability procedures. The Board has scheduled all applicants in the past for 3 independent medical examinations (IMEs). In an effort to streamline the process and especially currently to accommodate Covid-19 guidelines, Ms. Greenwood encouraged the Board to consider either 1 IME or a combination of 1 IME and records reviews to reduce the amount of doctors conducting examinations in-person.

Especially where the applications are non-service incurred or if evidence is not controversial, it will expedite payment of benefits to the approved members. Motion by Jack McCluskey, second by Vicki Minnaugh, to authorize KKJL to update the Board's disability procedures. The motion carried unanimously. Ms. Greenwood will bring a draft to the December meeting and mentioned the changes would benefit two disability applications in process.

Chairman – No report at this time.

Plan Administrator – Ms. Maldonado confirmed that the annual holiday luncheon is suspended this year.


14. Input from Retirees: None.

15. Input from Active Members: None.

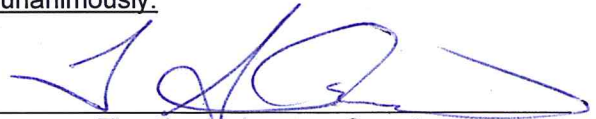
16. Input from Trustees: None.

17. Public Comment: None.

18. Adjournment: Chairman Moran announced that the next regular meeting would be held on **Thursday, Dec. 17, 2020 at 2:00 PM.** There being no further business, motion by Tim Anderson, second by Robert Johnson to adjourn the meeting at 3:12 PM. The motion carried unanimously.



Thomas Moran – Chairman



Timothy Anderson – Secretary