

# September, 2008



## POLICE & FIREFIGHTERS' PENSION BOARD REGULAR MEETING

Pursuant to authority of Ordinance C-00-34, Article II, this regular meeting of the Police & Firefighters' Pension Board convened at 12:30 P.M., **Wednesday, September 3, 2008** in the Pension Board Conference Room, 888 S. Andrews Avenue, Suite 202, Ft. Lauderdale, Florida 33316.

**PRESENT:** Michael Dew, Chairman  
 Mark Burnam, Vice Chairman  
 Romney Rogers, Secretary  
 John San Angelo, Trustee  
     Dennis Hole, Trustee  
     Ken Rudominer, Trustee  
 Richard Fortunato, Trustee  
 Steve Cypen, Board Attorney  
     Lynn Wenguer, Administrator  
     Rachel Maldonado, Assistant Pension Administrator  
 Laurie DeZayas, Pension Secretary

**ALSO PRESENT:** Jack Lokeinsky, FOP  
 Alan Eichenbaum, Attorney  
 Todd Peney, Police Officer  
 Joel Peney  
 Don Moody, Retirees' Assoc.  
 Barbara Stafford, Retirees' Assoc.  
 Fuzzy Larkin, Retirees' Assoc.  
 Bill Paton, Retirees' Assoc.  
 Linda Soloman-Duffey, Retirees' Assoc.  
 Gregg Gurdak, President of Retirees' Assoc.

**ASSET VALUE** as of September 1, 2008: **\$445,700,641**

Chairman Dew called the meeting to order at 12:35 p.m.

---

**MINUTES:** Regular Meeting, August 13, 2008. Mr. San Angelo made a motion to waive the reading of and approve the minutes, with Mr. Rogers seconding the motion.

Mr. Hole asked that the discussion on page 2 of the minutes concerning retirement incentives be clarified (found under the heading "INPUT FROM ACTIVE AND RETIRED MEMBERS".)

Mr. Larkin restated his original question from the meeting on August 13, 2008. He asked if the bonus incentive received at retirement remains a percent of a retiree's pension. Mr. Cypen acknowledged that he may have misunderstood the question at the previous meeting. However, he reiterated and affirmed that the answer in the minutes is accurate. The incentive to retire remains a part of a retiree's total benefit received and could exclude them from future benefits awarded, like Me Too II, if he/she is outside of the upper limits of the target range for such an award.

Other corrections were highlighted as follows:

Page 5 – GE Prior: typographical error in the paragraph and discussion of policy.

Page 6 –Mr. Hole asked to please include his comments on the Investment Policy book. The book, distributed by Mr. Jackson on 8/13, excluded the amendment that addresses Trustee Education. Also, there

was a mistake on Lee Munder's fees and possibly Northpointe. Finally, there were inconsistencies with the large cap min/max.

Page 1 –Mr. Rudominer's name was omitted as one of the Trustees present on 1/13.

With changes noted and no further discussion, the Board approved the motion **UNANIMOUSLY**.

**PENEY PENSION OVERPAYMENT:** Mr. Alan Eichenbaum, attorney for Joel Peney, addressed himself to the Board. Mr. Eichenbaum felt that, based on his numerous experiences with ERISA-governed plans, there was no rule that made the application of interest mandatory for this kind of payback.

Mr. Fortunato made a motion to accept the payment schedule outlined by the Peney family with no interest applied. Mr. Hole seconded the motion.

Mr. Dew added that he was sure something like this would not occur again because there have been measures put in place by the Pension Office and the City to track expiring dates of benefit payments. Therefore Mr. Dew agreed with waiving the interest fee. Mr. Eichenbaum also brought to the Board's attention that the payment due by the end of 2009 should be \$10,000 not \$12,000, since the Peney family made a \$2,000 payment in August of 2008. After amending the payment schedule and with no further discussion, the Board approved the motion **UNANIMOUSLY**.

#### **BENEFITS REVIEW:**

<b>FIRE DEPARTMENT</b>	<b>BENEFIT TYPE</b>	<b>RETIREMENT DATE</b>	<b>TERMINATION DATE</b>	<b>FORM OF BENEFIT</b>
<b>Lois Bowman</b>	DROP	September 13, 2008	September 13, 2013	Life Annuity
<b>Sylvester Staten</b>	DROP	August 29, 2008	August 29, 2013	Life Annuity
<b>Yancey Jones</b>	Vesting	March 16, 2018	August 24, 2008	Standard

Mr. Rogers made a motion to waive the reading of and approve the benefits. Mr. San Angelo seconded the motion. The Board approved the motion **UNANIMOUSLY**.

**BILLS:** **Lee Munder** submitted a bill for professional services rendered through the period ending 6/30/08 in the amount of \$44,937.47.

**Prudential** submitted a bill for professional services through the period ending 6/30/08 in the amount of \$18,459.22.

**Cypen & Cypen** submitted a bill for professional services from 6/1/08 ending 7/31/08 in the amount of \$427.94.

**Atkinson, Diner, et al** submitted a bill for legal services in the amount of \$257.75. Mr. San Angelo made a motion to waive the reading of and approve the benefits. Mr. Fortunato seconded the motion. Mr. Hole asked if Randall Stanley's bill situation had been rectified. The Administrator stated that Stanley Holcombe was paid the amount discussed on August 13 (about \$23,000) and she was waiting to work through the remaining balance with Mr. Stanley. With no further discussions, the Board approved the motion **UNANIMOUSLY**.

#### **INPUT FROM ACTIVE & RETIRED POLICE OFFICERS AND FIREFIGHTERS:**

Association President Gregg Gurdak thanked the Board for the card that was sent to the Gurdak family.

Mr. Gurdak also asked about the timeframe for the disbursement of Me Too II monies. The Administrator thought it would be in the upcoming weeks. The Administrator will call Randall Stanley by 9/5/08 to get an expected date of completion.

Mr. Gurdak also asked about the status of the COLA Sunset being discussed at the September City Commission meeting. The Chairman said that based on his research, and because the COLA may not be fully appreciated by the parties involved, he thought it would be best to postpone the discussion. In the interim, he is meeting with each Commissioner one-on-one to educate them on the importance of the COLA and what it means for the retirees and the Board. He worked with the Administrator to put together packets. The Chairman hopes that his meetings with

the Commissioners and the mayor will ensure the success in repealing the sunset of the COLA, or even changing the ordinance so that it will no longer sunset.

Mr. Gurdak informed the Board and other attendees that the Retiree Association is hosting a barbecue on 10/5/08 from 1:00 p.m. to 4:00 p.m. The cost will be \$5 at the door for a number of family-friendly activities.

Ms. Barbara Stafford came to speak for a small group of retirees who do not have a 3 3/8 multiplier in their calculations (also nicknamed the "Everybody But Me" group.) They were expecting, after the Me Too II case was settled, to hear of preparations for a benefit for them as well. Mr. Cypen felt that, based on the original Me Too and Me Too II proceedings, this third group does not fall within parameters that resulted in the first two groups being awarded benefits. Therefore, he thought that the group would not be successful if they decided to proceed in petitioning for a "Me Too III".

The Administrator is to compile a list as soon as possible with the names of all parties who are vested and working who have not received 3 3/8.

## **ADMINISTRATOR'S REPORT:**

**Auditor Selection:** Mr. Hole made a motion to bring back the tabled motion selecting Rachlin Cohen from the August 13<sup>th</sup> meeting. The Administrator went over her original comparison and presented a summary of minutes from 2001 when the Board switched from Rachlin Cohen to Koch Reiss. There being no real issue presented, the Board voted **UNANIMOUSLY** to select Rachlin Cohen as the new auditor for the Plan.

**Office Lease:** The Administrator presented discussion notes between Thomas Coon, Jr. and the office staff. Mr. Hole suggested that the improvements to which Mr. Coon agreed should be in writing from his office. Mr. Hole made a motion to accept the lease extension, incorporating the agreed improvements. Mr. Rogers suggested that the Administrator request option from the landlord. The Board then approved the motion **UNANIMOUSLY**.

**Retirement Planning Seminar:** The Administrator reported that the Public Information Office had not yet sent the citywide e-mail, even though it has been ready to go since Friday. All the speakers have been confirmed. The flyer has gone out with the customer service surveys to all the retirees and active members. Attendance will be at the supervisors' discretion.

Mr. Hole asked that Ms. Wenguer have someone address IRS 72T and PPA, the \$3000 credit for health insurance, QDRO's, and Income Deductions at the seminar.

**Customer Service Surveys:** All of the surveys will be fully distributed by the end of the week; seventy-five percent have already gone out.

**Nominations for Board Seats:** Ms. Wenguer said she would send out notice about the 7<sup>th</sup> Seat to the retirees, unions, and City Manager; nominations for the seat are due Monday, September 29. The Administrator will also post notice on October 1<sup>st</sup> for the Police & Fire Trustee seats that are expiring at the end of this year as well. Richard Fortunato and Ken Rudominer currently occupy these seats, respectively. These nominations would be due October 31<sup>st</sup>.

**Administrator's Evaluation:** The Chairman reported that there is still no progress in this area.

**Board Investment Workshop:** Ms. Wenguer reported that Mr. Pulos is finalizing the items for the agenda and he has notified all the managers about the November workshop. She explained that the money managers usually divide the costs of the coffee breaks, dinner, meeting room rates, and possibly a lunch, as well. Chairman Dew asked that the venue be determined by the week of September 8<sup>th</sup>, and the agenda finalized by October 1<sup>st</sup>. Mr. Burnam agreed to work with the Administrator and Mr. Pulos on the details of the workshop.

**Task Calendar:** The Administrator pointed out that there was an error on the name of the form listed for the Financial Disclosure. The calendar reads, "Form 1B", and it should be "Form 1."

Chairman Dew also asked about the Board Calendar. The group agreed that the calendar should be added to the Trustee Binders that are located in the Board meeting room. Beginning October 1<sup>st</sup>, the Trustees will keep their

binders with them and will add any updates at the monthly meetings. The Assistant Administrator will add a "Calendar" tab to the binders and have them updated for the October meeting.

**Web Contract:** The Administrator confirmed that the contract is over at the end of September. The charges will now be by the hour and a check will be sent to update Web hosting. The contract will be extended.

**175/185 Monies:** Chairman Dew reported the monies received from Chapter 175/185. The Police Trust Fund was credited \$1,882,275.58, while the Firefighter Trust increased by \$2,829,697.68.

**Budget Revisited:** The update on the budget is not yet completed.

**Custodian:** The Administrator will download the list of claims on the Web. She confirmed receiving reports from Bernstein and Saxena White.

**City Database:** Mr. Hole inquired about the status of the Administrator gaining access to the City database. In addition, he inquired again about the timeframe the City uses to include new construction. Ms. Wenguer said that she is working with Joanne Rizi on this area.

**NEW BUSINESS: Notice of Seminar on Web Site:** Mr. Burnam noted that the Retirement Planning Seminar was not yet listed on the P&F Pension Web site.

**Conference Leave:** After some trustees reported having trouble getting time to attend educational conferences, Mr. Dew asked the Board attorney if he could assist in any way. Mr. Cypen asked that a copy of Chapter 112.661 be given to the Trustees to assist them in building an argument that might overturn the decision.

**Retirement System Updates for Members:** The Chairman reported that Mr. Rudominer took the initiative to formulate a summary for firefighters on the "goings-on" of the Pension Board and Plan. Mr. Dew thought that it would be helpful if Mr. Rudominer submit all writings first to the Administrator. Then, because he was impressed with the summary, it could be used to communicate with all active and retired members.

Assuming that the report does not precede the minutes approved each month, Mr. Rudominer may be asked to take up the responsibility of keeping members informed. The matter was deferred until all of the Trustees were able to review the summary. The Administrator agreed to email it to the rest of the Board.

**Simcox Case:** Mr. Cypen reported on the Simcox case in the 4<sup>th</sup> District that involved an officer, in his city's DROP program, who committed a crime. The Court determined that retirement, for forfeiture purposes, is when a person actually leaves his/her employment; it is not the technical part of retirement status while participating in a DROP program.

**There being no further business brought before the Board, Mr. Burnam made a motion to adjourn the meeting at 2:20 P.M. Mr. San Angelo seconded the motion. The Board approved the motion UNANIMOUSLY.**

[Close Window](#)