

**ATU LOCAL 1596 PENSION FUND
MINUTES OF MEETING HELD
MARCH 30, 2016**

Board Members Present:

Tom Lapins– Chairman, Union Appointee
Blanche Sherman – Secretary, LYNX Appointee
Frank Luna - Union Appointee
Donna Tefertiller - LYNX Appointee
Ronald Morgan – Union Appointee
Tangee Mobley - LYNX Appointee

Others Present:

Nick Schiess - Plan Administrator
Robert Sugarman – Plan Attorney
Frank Wan - Investment Consultant
Brian Anderson - Liaison
Ismael Rivera – ATU Local 1596
Robert Doane – Retiree
Eric Lindstrom – Egan Lev & Siwicka
Fritz Wermuth & Thomas Zehnder- Prospective Legal Counsel
Pat Christiansen & Jim Goldsmith, Legal Counsel LYNX

Agenda Item	Discussion	Decision	Status	Follow-up
1.	The meeting was called to order at 9:11 A.M. in the Second Floor Board Room, Lynx Central Station, 455 N. Garland Ave., Orlando, FL 32801.			
2.	<p>Chairman Tom Lapins opened the floor for public comment. Robert Doane expressed concerns over closure of the Plan to new entrants and lack of cooperation from LYNX in posting agendas back when he was a Trustee. Ismael Rivera expressed concerns over identifying the breakdown that occurred resulting in improperly posting meeting agendas. Frank Luna also expressed concerns over the past practice of agenda postings. Ron Morgan addressed the situation that was discovered at the last meeting on February 23, 2016, specifically that a communication breakdown inadvertently resulted in the failure to properly post agendas for Board meetings. It was noted that meeting discontinued because it was not properly posted.</p> <p>The Board discussed the facts and circumstances of the failure to properly post meeting agendas in great detail. Brian Anderson discussed the prior agenda posting process. He explained that his office discontinued</p>		Open	All

	forwarding agendas to the office within LYNX responsible for posting when bulletin boards were purchased and it was his understanding that posting had been taken over by the Union Trustees. It was noted that the last properly posted meeting notice was the meeting held on November 27, 2012. A question arose whether any new facts had been uncovered since February 23, 2016 and there were none. Bob Sugarman reconfirmed his prior advice that under State Statutes any prior decisions made by the Board during non-properly posted meetings are considered invalid. He discussed the remedy process to cure the matter.			
3.	It was noted that the first order of business was to elect Board officers, which must be completed every two years as specified within the Plan Document. It was noted that the prior election of officers was deemed invalid because it occurred during an improperly posted meeting.	Frank Luna made a motion to appoint Ronald Morgan as Chairman. Tom Lapins seconded the motion, approved by the Trustees 6-0. Donna Tefertiller made a motion to appoint Blanche Sherman as Secretary. Tangee Mobley seconded the motion, approved by the Trustees 6-0.	Closed	None
4. & 7.	<p>The Board discussed the process of curing the improperly posted meetings and engagement of special counsel to handle curing the Sunshine Law considerations.</p> <p>A lengthy discussion arose regarding liability and Mr. Sugarman was requested to provide an opinion on the liability for the Trustees for the Sunshine Law violations. Mr. Sugarman expressed that the facts unequivocally support that the violations occurred unknowingly and unintentionally. He discussed the potential ramifications, noting that the greatest exposure existed for legal fees of those aggrieved by the process.</p> <p>Pat Christiansen challenged the legitimacy of Bob Sugarman's engagement as Board attorney. Mr. Sugarman reviewed his original proposal and engagement letter, noting that both had occurred well before the failure to properly post meetings. He further explained that only the fee structure was re-determined during the suspect period and therefore only it was deemed invalid. Mr. Sugarman added that he had never been formally discharged by the Board either. Chairman</p>	<p>Chairman Ron Morgan agreed that Mr. Sugarman remained the Board attorney and no other Trustees expressed opposition. The Trustees noted that the Board had a valid retainer agreement the period of improperly noticed meetings. The matter therefore required no further action on the part of the Trustees to continue to retain Sugarman Susskind as counsel to the Board.</p>	Closed	None

	<p>Ron Morgan agreed that Mr. Sugarman remained the Board attorney and no other Trustees expressed opposition.</p> <p>Mr. Sugarman discussed in even greater detail the process to remedy or “cure” the situation by revisiting every action taken during the period of improperly posted agendas. Mr. Sugarman expressed support for the engagement of outside counsel to represent the interests of the individual Trustees while he continued to serve the interests of the Board itself.</p> <p>Thomas Zehnder and Fritz Wermuth appeared before the Board on behalf of King, Blackwell, Zehnder & Wermuth to provide a proposal for special legal counsel. Mr. Zehnder discussed the firm’s qualifications and experience, noting the firm had considerable experience in Sunshine law matters and cure proceedings. A lengthy discussion ensued regarding the role and benefits of special counsel to represent the Trustees individually. A discussion then arose regarding the hiring process and it was noted that formally requesting proposals was not required. It was clarified that the firm did not represent LYNX in this matter. Blanche Sherman recommended engagement of the firm to represent the Trustees individually.</p> <p>Bob Sugarman expressed great concern over the length of time that has elapsed since many of the violations occurred. He recommended proceeding with the immediate cure of investment related items such as the newly engaged investment managers and custodian as well as benefit payments to retirees.</p>	<p>Tom Lapins made a motion to engage King, Blackwell, Zehnder & Wermuth to advise the Trustees individually on legal liability for Sunshine law violations and recommend remedial action and assist in doing so subject to an engagement agreement approved by Bob Sugarman and fee negotiated by Tom Lapins and Blanche Sherman (in a publicly noticed setting) acting on behalf of the Board. Blanche Sherman seconded the motion, approved by the Trustees 4-2 with Frank Luna and Ronald Morgan dissenting.</p>	<p>Open</p>	<p>All</p>
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5.	The Board reconsidered all benefit approvals previously approved during improperly posted meetings in date order.			
	The Board reviewed the Application for Disability Benefits received from Suzanne Bellner, noting that she had been awarded disability benefits from the Social Security Administration and her disability was incurred before the effective date of Amendment One.	Blanche Sherman made a motion to approve disability benefits for Suzanne Bellner. Tom Lapins seconded the motion, approved by the Trustees 6-0.	Closed	None
	The Board reviewed the list of benefit approvals dated November 27, 2012, which had been tabled during that meeting.	Blanche Sherman made a motion to approve the list of benefit approvals dated November 27, 2012. Tangee Mobley seconded the motion, approved by the Trustees 6-0.	Closed	None
	The Board reviewed the list of benefit approvals dated May 14, 2013, including the death benefit to Herbert Harp, beneficiary of deceased member Felicia Harp.	Blanche Sherman made a motion to approve the list of benefit approvals dated May 14, 2013. Tangee Mobley seconded the motion, approved by the Trustees 6-0.	Closed	None
	The Board reviewed the Application for Disability Benefits received from Mary Robles, noting that she had been awarded disability benefits from the Social Security Administration and her disability was incurred before the effective date of Amendment One.	Tom Lapins made a motion to approve disability benefits for Mary Robles. Frank Luna seconded the motion, approved by the Trustees 6-0.	Closed	None
	The Board reviewed the Application for Disability Benefits received from Victor Quinones, noting that he had been awarded disability benefits from the Social Security Administration and his disability was incurred before the effective date of Amendment One.	Donna Tefertiller made a motion to approve disability benefits for Victor Quinones. Tom Lapins seconded the motion, approved by the Trustees 6-0.	Closed	None
	The Board reviewed the list of benefit approvals dated August 20, 2013.	Blanche Sherman made a motion to approve the list of benefit approvals dated August 20, 2013. Frank Luna seconded the motion, approved by the Trustees 6-0.	Closed	None
	The Board reviewed the list of benefit approvals dated November 19, 2013.	Blanche Sherman made a motion to approve the list of benefit approvals dated November 19, 2013. Frank Luna seconded the motion, approved by the Trustees 6-0.	Closed	None

	The Board reviewed the list of benefit approvals dated February 18, 2014.	Trustees 6-0. Blanche Sherman made a motion to approve the list of benefit approvals dated February 18, 2014. Tangee Mobley seconded the motion, approved by the Trustees 6-0.	Closed	None
	The Board reviewed the list of benefit approvals dated May 20, 2014.	Blanche Sherman made a motion to approve the list of benefit approvals dated May 20, 2014. Donna Tefertiller seconded the motion, approved by the Trustees 6-0.	Closed	None
	The Board reviewed the list of benefit approvals dated August 20, 2014. A discussion arose regarding the commencement of disability benefits for Aldaberto Ruiz, who was determined as eligible for post Amendment One disability benefits. It was noted that the adoption of Amendment One occurred during an improperly posted meeting and would be revisited during the cure process as well as disability benefits for Mr. Ruiz.	Blanche Sherman made a motion to approve the list of benefit approvals dated August 20, 2014 excluding commencement of disability benefits for Aldaberto Ruiz. Tom Lapins seconded the motion, approved by the Trustees 6-0.	Open	All
	The Board reviewed the list of benefit approvals dated December 3, 2014.	Blanche Sherman made a motion to approve the list of benefit approvals dated December 3, 2014. Tom Lapins seconded the motion, approved by the Trustees 6-0.	Closed	None
	The Board reviewed the Application for Disability Benefits received from Victor Viera, noting that he had been awarded disability benefits from the Social Security Administration and his disability was incurred before the effective date of Amendment One.	Blanche Sherman made a motion to approve disability benefits for Victor Viera. Frank Luna seconded the motion, approved by the Trustees 6-0.	Closed	None
	The Board reviewed the list of benefit approvals dated February 17, 2015.	Blanche Sherman made a motion to approve the list of benefit approvals dated February 17, 2015. Donna Tefertiller seconded the motion, approved by the Trustees 6-0.	Closed	None
	The Board reviewed the list of benefit approvals dated June 23, 2015.	Blanche Sherman made a motion to approve the list of benefit approvals dated June 23, 2015. Donna Tefertiller seconded the motion, approved by the Trustees 6-0.	Closed	None

	<p>The Board reviewed the list of benefit approvals dated September 15, 2015.</p> <p>The Board reviewed the list of benefit approvals dated December 1, 2015.</p>	<p>Blanche Sherman made a motion to approve the list of benefit approvals dated September 15, 2015. Frank Luna seconded the motion, approved by the Trustees 6-0.</p> <p>Blanche Sherman made a motion to approve the list of benefit approvals dated December 1, 2015. Tangee Mobley seconded the motion, approved by the Trustees 6-0.</p>	<p>Closed</p> <p>Closed</p>	<p>None</p> <p>None</p>
6.	<p>Frank Wan reviewed action items previously considered by the Board during the improperly posted meetings.</p> <p>Mr. Wan reviewed recommended changes to the Investment Policy Statement dated May 14, 2013 necessitated by recent addition of new investment managers.</p> <p>Mr. Wan reviewed the results of a search for custodial services in great detail, which was necessitated by a significant fee increase by the incumbent custodian.</p> <p>Mr. Wan reviewed the results of a search for an investment manager for a Master Limited Partnership allocation.</p> <p>Mr. Wan reviewed recommended changes to the Investment Policy Statement dated August 19, 2014 necessitated by recent addition of the new Master Limited Partnership allocation.</p> <p>Mr. Wan reviewed Addendums to the Investment Policy Statement dated August 19, 2014 with changes requested by Master Limited Partnership managers</p>	<p>Donna Tefertiller made a motion based upon the recommendation of the investment consultant to adopt the revised Investment Policy Statement dated May 14, 2013. Tom Lapins seconded the motion, approved by the Trustees 6-0.</p> <p>Blanche Sherman made a motion to engage the custodial services of Amalgamated Bank effective September 30, 2013. Frank Luna seconded the motion, approved by the Trustees 6-0.</p> <p>Blanche Sherman made a motion to split a 5% overall allocation between Master Limited Partnership managers Salient Partners and Miller Howard effective August 19, 2014. Tom Lapins seconded the motion, approved by the Trustees 6-0.</p> <p>Blanche Sherman made a motion based upon the recommendation of the investment consultant to adopt the revised Investment Policy Statement dated August 19, 2014. Frank Luna seconded the motion, approved by the Trustees 6-0.</p> <p>Blanche Sherman made a motion based upon the recommendation of the investment consultant to approve Addendums to the Investment Policy</p>	<p>Closed</p> <p>Closed</p> <p>Closed</p> <p>Closed</p> <p>Closed</p>	<p>None</p> <p>None</p> <p>None</p> <p>None</p> <p>None</p>

	<p>Salient Partners and Miller Howard.</p> <p>Mr. Wan reviewed the quarterly investment performance reports for December 31, 2012, March 31, 2013, June 30, 2013, September 30, 2013, December 31, 2013, March 31, 2014, June 30, 2014, September 30, 2014, December 31, 2014, March 31, 2015, June 30, 2015, September 30, 2015 and December 31, 2015.</p> <p>Mr. Wan reminded the Board that he had been questioned regarding lessening the overall risk of the portfolio. He reviewed the asset allocation, noting that increasing the allocation to the private real estate allocation would lessen risk and volatility because of its low correlation to equities. A lengthy discussion ensued regarding the allocation and funding source and it was noted that a queue existed for an additional commitment with the JP Morgan real estate fund.</p>	<p>Statement dated August 19, 2014 with changes specifically for and requested by Master Limited Partnership managers Salient Partners and Miller Howard. Frank Luna seconded the motion, approved by the Trustees 6-0.</p> <p>Blanche Sherman made a motion to enter the queue for a \$3.4M contribution to the JP Morgan commingled real estate fund to be funded from the domestic small and mid-cap equity allocations effective retroactively back to December 1, 2016. Frank Luna seconded the motion, approved by the Trustees 6-0.</p>	Open	PRC
	The meeting adjourned at 5:30 P.M.			

Respectfully submitted,

Secretary