

**MINUTES OF A SPECIAL MEETING  
OF THE  
MANAGEMENT APPOINTED TRUSTEES TO THE  
ATU LOCAL 1596 PENSION FUND**

A special meeting of the Management Appointed Trustees to the ATU Local 1596 Pension Fund (the “Trustees”) was held on June 7, 2016 at the LYNX Central Station, Conference Room 215, pursuant to notice duly given in accordance with the Florida’s Government in the Sunshine Law. The meeting commenced at 2:34 p.m. (EDT).

The following Trustees were present: Blanche Sherman, Donna Tefertiller and Tangee Mobley. Also present were Patrick T. Christiansen and James F. Goldsmith of Akerman LLP, legal counsel to the Central Florida Regional Transportation Authority, d/b/a LYNX (“LYNX”). Mr. Goldsmith was designated as acting secretary to take minutes of the meeting.

The Trustees reviewed the agenda (the “Agenda”) for the June 8, 2016 special meeting of the ATU Local 1596 Pension Fund Board of Trustees (the “Board”).

*Meeting Minutes*

As the first order of business, the Trustees discussed the fact that minutes of the most recent meeting of the Board had not been provided nor was there an agenda item in the Agenda to discuss or approve the minutes. There was a discussion of the need for copies of minutes in advance of meetings and the fact that a review of the minutes is necessary to analyze certain Agenda items.

*Briefing by Counsel*

As the next order of business, the Trustees discussed the Agenda item titled *Briefing by Counsel*. The Trustees indicated that it was not clear as to what this agenda item referred. It was suggested that the intent of this agenda item was for the attorneys at King, Blackwell to discuss the cure process, generally.

*Amendment One (Approval of Amendment Language Only)*

As the next order of business, the Trustees discussed the Agenda item titled *Amendment One (Approval of Amendment Language Only)*. The Trustees expressed confusion as to why they were being asked to sign a written amendment to the Pension Plan when they had already voted on proposed language at the last meeting. Mr. Christiansen also advised the Trustees that he had concerns about them signing a **written** amendment because it would give the appearance that they were approving something by written consent, being that the Government in the Sunshine Law does not permit boards to take action by written consent. He suggested that a more appropriate way to amend

the Pension Plan would be for all of the trustees to vote on a resolution approving an amendment and for the secretary of the Board to attest that the amendment had been duly approved. Blanche Sherman indicated that she would need to see the minutes of the previous Board meeting to see what had been approved before she would feel comfortable considering a written amendment. Further discussion ensued.

#### *Disbursements Related to Arbitrations*

As the next order of business, the Trustees discussed the Agenda item titled *Disbursements Related to Arbitrations*. The Trustees discussed the fact that invoices had not been provided for the disbursements so it was not clear what they were to consider. It was further discussed that the Trustees would like to have these sorts of backup materials at least seven days in advance of meetings so that they have time to review them.

#### *Approval of Legal Representation Budget*

As the next order of business, the Trustees discussed the Agenda item titled *Approval of Legal Representation Budget*. There was some confusion as to what the agenda item was intended to address. It was suggested that, based upon the discussion at the last Board meeting, the intent of this Agenda item was for the trustees to discuss approving the payment of legal fees for all future arbitrations. There was a discussion regarding the fact that attorneys are not required for arbitrations and that it is a waste of plan assets for the pension plan to fund attorneys for disputes regarding matters that are outside of the jurisdiction of the Board (such as the establishment of contribution rates). Several of the Trustees expressed their opinions that if there are disputes that result in arbitration and the members of the Board desire to retain attorneys, the resulting attorney fees should be funded by LYNX and the Union rather than the pension plan.

#### *Contribution Rates*

As the next order of business, the Trustees discussed the Agenda item titled *Contribution Rates*. It was suggested that the intent of this Agenda item is to prompt a discussion regarding whether the Board gets to set contribution rates. There was a discussion revolving around the fact that Bob Sugarman had previously instructed the actuary to give three options for contribution rates and advised the Board that it could pick any of the three options. There was further discussion regarding the fact that this was in direct violation of the language of the pension plan and that the individual Board members could have personal liability if they tried to set contribution rates (either setting them too high or setting them too low). Further discussion ensued.

#### *Approval Use of Plan Actuary*

As the next order of business, the Trustees discussed the Agenda item titled *Approval Use of Plan Actuary*. There was a discussion regarding who should be responsible for paying the cost of the plan actuary if the actuary performed services for either LYNX or the Union. Blanche Sherman indicated that it was her position that if

LYNX or the Union asked the actuary to perform a particular service, LYNX or the Union, as the case may be, should pay the actuary expense rather than the pension plan.

*Approval Sunshine Law Publication*

As the next order of business, the Trustees discussed the Agenda item titled *Approval Sunshine Law Publication*. It was noted that no materials had been provided along with the Agenda to clarify what this Agenda item was intended to address.

*Plan Amendments – Revised Definition of Member*

As the next order of business, the Trustees discussed the Agenda item titled *Revised Definition of Member*. It was noted that no materials had been provided along with the Agenda to indicate what revised definition is being proposed.

*Plan Amendments – Proposed Amendment Two (State Mandates)  
Proposed Amendment Three (Mortality & Equivalence)*

As the next order of business, the Trustees discussed the Agenda items titled *Proposed Amendment Two (State Mandates)* and *Proposed Amendment Three (Mortality & Equivalence)*. With respect to the former, Mr. Christiansen suggested that if the state mandates that there be something in the pension plan, then the Board does not have the discretion to vote on whether or not to include it (questioning how the Trustees could vote *no*). They simply must include it.

A further discussion of the process for approving the amendments ensued, including whether it was appropriate for all the Board to sign an amendment as opposed to the Board approving a resolution and having the secretary of the Board confirm in writing that the amendment was validly adopted.

*Additional (Operating) Disbursements November 27, 2012 to December 1, 2015*

As the next order of business, the Trustees discussed the Agenda item titled *Additional (Operating) Disbursements November 27, 2012 to December 1, 2015*. It was noted that no backup materials had been included with the Agenda related to the expenditures being considered. It was discussed that no consideration regarding expenditures should be given until the Board has been given time to consider the matter after being provided with all relevant materials.

*Additional Matters*

It was noted that the agenda for the prior cure meeting contained additional items that had not been discussed at that meeting and were not included in the Agenda.

Because there was no further business to come before the Trustees at this meeting, the meeting was adjourned at 3:24 p.m. (EDT).

Respectfully submitted as acting secretary

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JAMES F. GOLDSMITH