

**MINUTES OF A JOINT EMPLOYEES' RETIREMENT BOARD  
AND POLICE RETIREMENT BOARD MEETING  
HELD IN THE CONFERENCE ROOM AT CITY HALL ON  
WEDNESDAY, MAY 23, 2012 at 1:30 PM**

**I. ROLL CALL: ..... 1:30 PM**

**A. Employees' Retirement Board:**

A meeting was called to order at 1:30 PM.

Those persons present included:

Trustees: Robert Kahant, Chair  
Steve Carr  
Alexis Copeland  
Pam Triolo

Others: Ken Harrison, Sugarman & Susskind  
Dixie Martinez, Resource Centers  
Members of Public:  
Valerie Hurley

**B. Police Retirement Board:**

A meeting was called to order at 1:30 PM.

Those persons present included:

Trustees: Lt. Davis Moss, Chair  
Steve Carr  
Pam Triolo  
Karri Casper (1:32 pm)  
Sgt. Randy Collier

Others: Ken Harrison, Sugarman & Susskind  
Dixie Martinez, Resource Centers  
Members of Public:  
Valerie Hurley

**II. ADDITIONS/ DELETIONS/ REORDERING:**

**A. Employees' Retirement Board:**

The General Employees' Pension deleted from the Agenda item. III.C.1. 20 to 30 Year Projection from GRS. Mr. Palmquist will be presenting this item at the next Pension Board meeting.

**Action:** A motion was made by Mr. Carr and seconded by Ms. Triolo to delete from the Agenda item. III.C.1. 20 to 30 Year Projection from GRS

**Vote:** Voice vote showed: AYES: Unanimous. NAYS: None

**B. Police Retirement Board:**

The Police Officers' Pension Board deleted from the Agenda item. III.C.1. 20 to 30 Year Projection from GRS. Mr. Palmquist will be presenting this item at the next Pension Board meeting.

**Action:** A motion was made by Mr. Carr and seconded by Ms. Triolo to delete from the Agenda item. III.C.1. 20 to 30 Year Projection from GRS

**Vote:** Voice vote showed: AYES: Unanimous. NAYS: None

**III. UNFINISHED BUSINESS:**

**A. Employees' Retirement Board:**

**1. Vested Deferred Benefits Commencement Date**

Mr. Harrison reported that after review of the plan his opinion is that section 16-33(b) governs Mr. Handley's situation. He explained that as he recalls Mr. Handley terminated employment prior to the changes made to the Plan and he had 10 years of credited service and wanted to retire in 2018 (at which time he would be 62) if this is correct he will be able to retire at age 62 and would receive a 50% benefit.

Ms. Martinez will include Mr. Handley's benefit into the next benefit approval for the Board's approval.

**B. Police Retirement Board:**

**C. Employees' and Police Retirement Boards:**

**1. Brenda Koonce McMullen – Disability Application**

Ms. Martinez reported that GRS's retention policy is 10 years; therefore they do not have historical payroll records for Ms. Koonce McMullen. She explained that she is waiting for the City to respond to her request for historical payroll data. Mr. Harrison reported that this item should be put on hold until records can be found.

**3. Retainer Increase Request from Sugarman & Susskind:**

Ms. Martinez reported that she had sent an e-mail to six law firms requesting a quote for hourly rates. She explained that out of the six firms only one had declined. She reported to the Board the quotes received from the law firms. The Board reviewed the information provided by Ms. Martinez. Mr. Harrison reviewed the proposed fee increase. Mr. Kahant commented that he would rather not change attorneys. He explained that Mr. Harrison, due to the many years of service to these Plans has the knowledge. Ms. Copeland reported that in her opinion the Board should maintain Sugarman & Susskind as their legal council. Mr. Carr feels that there is a certain amount of comfort in the longevity of the knowledge based on the years that goes along with retaining Sugarman & Susskind. He explained that Sugarman & Susskind's initial proposed cost per hour for the first year is still less than the quotes received.

**Action:** For the Employee Retirement Board a motion was made by Mr. Carr and seconded by Ms. Triolo to retain Sugarman & Susskind as the Plan's legal council for the next three years at the new rate.

**Vote:** Voice vote showed: AYES: Unanimous. NAYS: None

**Action:** For the Police Retirement Board a motion was made by Mr. Carr and seconded by Ms. Triolo to retain Sugarman & Susskind as the Plan's legal council for the next three years at the new rate.

**Vote:** Voice vote showed: AYES: Unanimous. NAYS: None

#### **IV. NEW BUSINESS:**

##### **A. Employees' Retirement Board:**

###### **1. Application to Enter the DROP Plan from Charles Renfrow:**

Ms. Martinez reported that Mr. Renfrow had submitted an application to enter the DROP in October of 2011 with a commencement date on November 1, 2011. At that time the General Employees Pension Plan did not have a DROP Plan. Therefore the Board was not able to accept the DROP application and had denied the request. Ms. Martinez reported that Mr. Renfrow is now requesting to enter the DROP effective November 1, 2011 which is the date of his original application. Mr. Harrison reported that the reinstatement of the DROP is as if the DROP never went away and goes back to October 1, 2010. The Board discussed this issue in detail. Mr. Carr noted that Mr. Renfrow will have to submit a 5 year resignation letter from his date of entering the DROP Plan (October 31, 2016). He will have to comply with this before the Board can accept the application. Mr. Harrison reported that Mr. Renfrow will have to comply with all provisions of the DROP Plan. He explained that there will be several administrative issues that will have to take place. He explained that a calculation as of the date of entry into the DROP Plan will have to be processed. Once this is done Mr. Renfrow's DROP account will have to be credited retroactively to the entry date. He will also have to arrange with the City as to how his employee contributions will be refunded to him. The City will have to take a credit against future contributions for the contributions that they made on his behalf. The Board discussed whether this will open the door for people to retroactively retire. Mr. Carr's thought is that since Mr. Renfrow applied back in October of 2011 this can be taken as a stand alone situation. Mr. Harrison will draft a sample termination letter to be included in the DROP package so that when members apply they will have to complete. Mr. Carr believes that the termination letter should be filed with the City's HR Department. He also believes that the member should submit it to their department head and that the department head should sign of on it.

Ms. Martinez will request letter of termination from Mr. Renfrow.

Action: A motion was made by Mr. Carr and seconded by Ms. Copeland to accept the retroactive date of entry date on Mr. Renfrow's application to enter the DROP.

Vote: Voice vote showed: AYES: Unanimous. NAYS: None.

##### **B. Police Retirement Board:**

##### **C. Employees' and Police Retirement Boards:**

##### **D. Board Attorney's Report:**

###### **1. Memorandum Re: Merrill Lynch Class Action**

Mr. Harrison reported that the court has sent out the participation documents related to the Merrill Lynch Class Action. He reported that the Police Officers' Pension Plan's unadjusted claim amount is \$204,455. He explained that there is a 12b-1 refund in the amount of \$27,481 therefore the

adjusted claim amount is \$176,974. The Plan will receive net of fees around \$75,677.

Mr. Harrison reported that for the General Employees' Pension Plan the unadjusted claim amount is \$495,488. He explained that there is a 12b-1 refund in the amount of \$104,388 therefore the adjusted claim amount is \$391,100. The Plan will receive net of fees around \$167,247.

Mr. Harrison reported how the pro rata shares are calculated. He reported that because his firm had been the plaintiff's attorney and the Lake Worth Pension Plans had been the lead plaintiffs and they had settled in what they had thought to be in the best interest of their clients there is a potential conflict on whether his firm can advise the Board if this is in their best interest. He reported that for disclosure purposes he had to inform both Boards that they have the right to seek outside advice on whether or not this settlement was in their best interest. Mr. Carr asked Mr. Harrison if his firm will be completing the documents on behalf of the Board. Mr. Harrison reported that yes his firm can complete the documents as long as the Board understands that they can seek outside advice on whether or not this settlement was in their best interest. Mr. Harrison reported that documents need to be post marked by no later than September 11, 2012. He will bring the documents that have the amounts that he reported included to the next Pension Board meeting.

#### **E. ADMINISTRATOR REPORT:**

Ms. Martinez reported that included in their meeting packets there was a memo which had been forwarded by Mr. Carr regarding House Bill 401 and its effect of divorce on designation of beneficiaries under Public Pension and Benefit Plans. Mr. Carr explained that he would like to know if there is anything that they will need to do or anything that will need to be changed in the Plan through Ordinance or through the processing of the documentation in order to comply with this Bill. Mr. Harrison reported that he will review House Bill 401 against the Ordinance and he will report back to the Board. The Board had a lengthy discussion regarding this matter. Ms. Martinez will forward Mr. Harrison a copy of the Designation of Beneficiary form that the Plans are currently using.

##### **1. Disability Review**

Ms. Martinez reported that Mr. Daniel Lynch has not responded. She explained that the certified letter had been returned as unclaimed. Also the phone number on record has been disconnected. She explained that his regular mail is not being returned to her office. She reported that a letter was sent via regular mail, but so far he has not communicated with her therefore his June 1, 2012 payment has been suspended. She reported that the Board at the last meeting had not made a motion to formally accept the disability review. They will need to do so at this meeting.

**Action:** For the Employees Retirement Board a motion was made by Mr. Carr and seconded by Ms. Triolo to accept the disability review letters.

**Vote:** Voice vote showed: AYES: Unanimous. NAYS: None.

**Action:** For the Police Retirement Board a motion was made by Mr. Carr and seconded by Ms. Triolo to accept the disability review letters with the exception of Mr. Daniel Lynch.

**Vote:** Voice vote showed: AYES: Unanimous. NAYS: None.

Ms. Martinez reported that the Police Retirement Board currently is going through the process of a Trustee Election to replace Lt. Moss whose term expires July 31, 2012 and Sgt. Collier whose term is expired. She reported that Todd Baer and Amy Thomas are running for Lt. Moss's position on the Board. Sgt. Collier is re-running for his position on the Board.

Ms. Martinez reminded Ms. Casper that her position as a Trustee to the Police Retirement Board expires July 31, 2012. If she is interested in being re-appointed she needs to see the City Clerk by no later than May 25, 2012 to complete the necessary forms.

Ms. Martinez reported that we had missed a signature on the First Southern Bank Signature Cards. Therefore the signatures have not been changed. Mr. Kahant needs to sign in one more place. She reported that the signature cards for the Police Retirement Board will be completed after the election.

Lt. Moss reminded the Board that the deadline to file Form 1 is July 1<sup>st</sup>.

Mr. Carr reported that the first reading of the Ordinance change that redefines "other than dishonorable discharge" is on the City's Commission Agenda for June 5<sup>th</sup>, 2012.

Ms. Martinez reported that the annual report is ready for the Chair to sign.

**V. CONSENT AGENDA:**

**A. Employees' Retirement Board:**

**1. Warrant for Accounts Payable**

**B. Police Retirement Board:**

**1. Warrant for Accounts Payable**

**C. Employees' and Police Retirement Boards:**

**1. Approval of Minutes: April 25, 2012 Regular Meeting**

Ms. Martinez apologized for not being able to forward the April 25, 2012 until this morning. She explained that the Board could defer the approval of the Minutes until the next Pension Board meeting. Ms. Casper reported that she was not listed as being present on the April 25, 2012 Minutes. Ms. Martinez will revise the minutes. Ms. Copeland reported that when comparing her notes to the minutes she noticed that her notes do not match the minutes in who seconded some of the motions. She will send Ms. Martinez this information via email so that Ms. Martinez can confirm by listening to the recording of the meeting. Ms. Martinez will make whatever necessary revisions to the April 25, 2012 minutes and she will bring them to the next meeting for the Boards review and approval.

**Action:** For the Employees Retirement Board a motion was made by Mr. Carr and seconded by Ms. Triolo to approve the consent agenda which included the warrant for accounts payable, and to defer the approval of the minutes of the April 25, 2012 Regular Meeting to the next Pension Board meeting.

**Vote:** Voice vote showed: AYES: Unanimous. NAYS: None

**Action:** For the Police Retirement Board a motion was made by Mr. Carr and seconded by Ms. Triolo to approve the consent agenda which included the warrant for accounts payable, and to defer the approval of the minutes of the April 25, 2012 Regular Meeting to the next Pension Board meeting.

**Vote:** Voice vote showed: AYES: Unanimous. NAYS: None

Lt. Moss asked Ms. Martinez if she could ask the investment consultant to request that the investment managers list their fees on the invoices. Ms. Martinez will make the request.

**VI. ADJOURNMENT:**

There being no other business and the next meeting having been previously scheduled for Wednesday, June 27, 2012 at 1:30 PM, the General Employees' and Police Officers' Pension Board adjourned the meeting at 2:30 p.m.

MINUTES APPROVED: June 20, 2012

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Robert Kahant, Chairman Employees' Retirement Board

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Lt. David Moss, Chairman Police Retirement Board

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Dixie Martinez, Administrator  
Employees' & Police Retirement Boards