

**KEY BISCAYNE POLICE OFFICERS' & FIREFIGHTERS'
RETIREMENT PLAN**

Village Council Chambers
560 Crandon Blvd., Key Biscayne, Fl 33149
REGULAR MEETING OF JANUARY 23RD, 2014

1. Call to Order – Chairman Michael Haring called the meeting of the Key Biscayne Police Officers' & Firefighters' Retirement Plan to order at 5:40 P.M.

Roll Call

Present

Chairman Michael Haring
Jose L. Monteagudo
Martha F. Broucek
Ramon Rodriguez (arrived at 5:55 P.M.)

Absent

Secretary Servando Parapar

OTHERS PRESENT: Police Sgt. Jorge Alvarez, Alison S. Bieler, Esq., from Cypen & Cypen, Attorneys for the Plan and Joan L. Wall, Administrator.

2. Additions/Deletions to the Agenda. Chairman Haring requested adding as agenda item 8 a-1) Review of Revised Investment Policy Statement. Jose Monteagudo moved to add. Martha Broucek seconded the motion. The motion carried unanimously.

3. Approval of Minutes for November 20th, 2013. Chairman Haring presented the minutes from the previous meeting for approval. Martha Broucek moved to approve. Jose Monteagudo seconded the motion. The motion carried unanimously.

4. Ratify – SunTrust Buy/Sell Trade Form (#7 a) from 11/20/13 minutes). Jose Monteagudo moved to ratify the trade form that Blake Myton of SunTrust had discussed at the previous meeting. Michael Haring seconded the motion. The motion carried unanimously.

5. Approval of Invoices. Chairman Haring presented the invoices listed on the agenda for approval and payment. Martha Broucek moved to approve payment. Jose Monteagudo seconded the motion. The motion carried unanimously, authorizing payment of the following:

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| Holland & Knight, Inv #2997602, Dated 12/23/13 | \$ 2,950.00 |
| Gabriel Roeder Smith & Co., Inv #404556, Dated 12/12/13 | \$ 1,901.00 |

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| Burgess Chambers & Associates, Inv #13-286, Dated 11/18/13 | \$1,426.99 |
| Burgess Chambers & Associates, Inv #13-287, Dated 11/18/13 | \$ 323.01 |
| Burgess Chambers & Associates, Inv #13-302, Dated 11/18/13 | <u>\$3,750.00</u> |
| TOTAL | \$ 5,500.00 |

Joan L. Wall, Administrator, 11/14/13 – 1/15/14; 51 ½ hrs, plus expenses \$ 2,411.23

6. Approve Commencement of Benefits and DROP Retirement – Chairman Haring presented **George J. May’s DROP/Retirement Benefits that were effective on February 1, 2014** due to F/F May’s leaving the DROP early on January 15th, 2014. Martha Broucek moved to approve payment directly to F/F May on February 1st, 2014 in the amount of \$1,022.29 per month. Jose Monteagudo seconded the motion. The motion carried unanimously.

Chairman Haring requested the matter of F/F May’s transfer of benefits from ICMA’s SHARE and DROP Plans be placed on the May agenda.

Chairman Haring presented **Fire Caption Karl F. Simon’s DROP Retirement effective October 1, 2013**, monthly benefit of \$7,069.41 less \$10 monthly board fee for a net amount of \$7,059.41. Jose Monteagudo moved to approve. Martha Broucek seconded the motion. The motion carried unanimously.

7. UNFINISHED BUSINESS – None.

NEW BUSINESS

8. a) SunTrust Letter dated 1/10/14 regarding new rules effective 1/13/14 which may affect the fund’s investment account(s) with SunTrust Bank. Attorney Bieler advised this did not apply to our plan.

8. a-1) Review of Revised Investment Policy Statement. Attorney Bieler reported to the trustees her conversation and communications with Michael Futterman, CPA, from Marcum, the Village auditors, about the investment of \$365,000 with Frontier that originated in August of 2010. (Market value as of 12/31/13 was \$664,180.31) This investment had come to the auditors’ attention during this year’s audit as not complying with the current Investment Policy that prohibited investing in a limited partnership. Mr. Futterman advised the fact of non-compliance with the Investment Policy Statement would be addressed in their management letter to the Village as an immaterial instance of noncompliance with a report as to action taken to correct this noncompliance. Attorney Bieler had discussed the matter with Burgess Chambers. His recommendation was to adopt a Revised Investment Policy Statement that eliminated prohibiting investing in a limited partnership. Copies of this revision were distributed to the trustees. Attorney Bieler explained the board could either take the recommendation of Mr. Chambers and amend the Investment Policy Statement or elect to sell the investment. Mr. Chambers had advised the investment was liquid and cashing out the

investment could be taken care of in five days. Jose Monteagudo moved to amend the Investment Policy Statement based on the recommendation of Burgess Chambers. Martha Broucek seconded the motion. The motion carried unanimously. Chairman Haring took a signed copy, stating he would hand deliver it in the morning to the Village Clerk.

8. b) Schools & Conferences

- FPPTA, Winter Trustees' School, February 2nd through 5th, 2014 at the Hyatt Regency Riverfront in Jacksonville, Fl
- The Division of Retirement School will be held in Tallahassee from May 19th through 21st, 2014

9. Trustees' Concerns – Terms of Office. Jose Monteagudo reported he had been re-elected to serve another two year term commencing October 1, 2013. Chairman Haring reported the Fire Union still has not voted on the matter.

10. REPORTS

- **Attorney – ConvergeEx – SEC Enforcement Action.** Attorney Bieler stated the information provided with the agenda packages included a two page press release and the SEC order. She outlined the choices the board had in the matter. Review of previous commission recapture amounts reflected there had not been any commission recapture received in the past couple of years. Based on review of the information Attorney Bieler had provided, Ramon Rodriguez moved to terminate the relationship with ConvergeEx. Jose Monteagudo seconded the motion. The motion carried unanimously.

Martha Broucek was excused at 6:20 P.M. due to a prior commitment.

- **Administrator** – Status of Audit and Data to Actuary. All information has been provided to the actuary and to the auditor, with the exception of the detailed reports for the SHARE and DROP Plans the auditor had requested that can only be obtained by going on ICMA's web site and downloading each individuals data. Downloading the details is a lengthy procedure. Other plans that had self-directed DROPS and SHARE Plans received from their vendor detailed quarterly reports, which ICMA does not provide. The Annual Affidavit forms were mailed to retirees on January 21st, 2014. Jose Monteagudo moved to ask Burgess Chambers if he could bring information regarding other vendors who handled self-directed DROP Plans and SHARE Plans in addition to candidates for commission recapture. The motion was seconded by Ramon Rodriguez and carried unanimously.
- **Other** – None

11. Input from Active Members/Retired Members/Public Comments – None.

12. Next Meeting Date/Adjournment. Chairman Haring announced the next regular quarterly meeting was scheduled for Thursday, March 27th, 2014 at 5:30 P.M.

There being no further business before the board, Jose Monteagudo moved to adjourn at 6:26 P.M. Ramon Rodriguez seconded the motion. The motion carried unanimously.

Respectfully submitted,

Michael Haring, Chairman