

**POMPANO BEACH POLICE & FIREFIGHTERS' RETIREMENT SYSTEM**

**50 NE 26<sup>TH</sup> AVENUE  
SUITE 302  
POMPANO BEACH, FLORIDA**

**BOARD OF TRUSTEES MINUTES  
REGULAR MEETING  
NOVEMBER 18, 2024**

The Board of Trustees convened at the Pompano Beach Police and Firefighters' Pension Office, Pompano Beach, Florida. The Chairman called the meeting to order at 3:00 PM.

**PRESENT:** Chairman Paul O'Connell  
Vice-Chairman Jorge Rossi (via Zoom)  
Trustee Sharra Aaronian  
Trustee Daniel Christophers  
Trustee Vincent Femia  
Trustee David Hall  
Trustee Patrick Hanrahan

**ABSENT:** Trustee Richard Cupo  
Trustee Peter McGinnis

**ALSO PRESENT:** Mike Spano, Board Attorney  
Debra Tocarchick, Executive Director  
Maureen Femia, Deputy Director  
Jeff Swanson, Southeastern Advisory Services, Inc.

**AUDIENCE TO BE HEARD**

None

**CONSENT AGENDA ITEMS**

- a) Approval of Agenda of Regular Board Meeting on November 18, 2024
- b) Approval of Minutes of Regular Board Meeting on October 21, 2024
- c) Approval of Minutes of Building Committee Meeting on November 7, 2024
- d) Approval of Normal Retirement and DROP Effective February 1, 2024 for Driver Engineer Carlos Tovar and Firefighter Petra Arnieri
- e) Approval of DROP Loan Application from Fire Captain William Krebs
- f) Ratification and Approval of Warrant Log

The Chairman asked if any Trustee wished to move an item from the consent agenda to the regular agenda for separate consideration. Seeing none, the Chairman called for a motion.

**MOTION:** To ratify and approve the consent agenda items as presented. PASSED 7-0.

O'Connell				X	
Rossi				X	
Aaronian				X	
Christophers				X	
Femia				X	
Hall			X	X	
Hanrahan	X			X	

**SOUTHEASTERN ADVISORY SERVICES, INC – JEFF SWANSON**

Mr. Swanson reviewed the September 30, 2024 Performance Evaluation Report and provided an update on a diligence review conducted on two

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Board of Trustees Minutes Page Two	November 18, 2024	TRUSTEES	M	S	Y	N
<p>managers, Insight (fixed income) and Sands (large cap growth equity). It was noted that Insight passed the review; however, Sands will remain under watch due to trailing performance. At the beginning of 2023, Sands had \$11 million of the portfolio, and in late 2023, an additional \$5 million was transferred in. During 2023, Sands was up 52% and performed well and this performance should have continued into 2024 since growth is up 35%, but they trailed by a large margin. Sands is known to be a very volatile manager with uneven returns so it is questionable if they continue to be the right manager for the portfolio. Their growth strategy has been lumpy and uneven with years where they perform well and others where they miss their mark.</p> <p>The Board directed Mr. Swanson to conduct an academic large cap growth investment manager search to be discussed at the February meeting, or January if it is able to be completed earlier.</p> <p>The total Fund had a quarterly investment return of 4.66%; and was up 20.17% for the one-year. Mr. Swanson reviewed the performance of the various investment managers and asset classes. The combined changes made during the year consisting of hiring new managers and eliminating underperformers worked well for the Fund and created positive returns. Additionally, reducing international equity and increasing domestic equity was a win. The core real estate strategy continues to underperform; however, quarterly dividends are no longer being reinvested and are being returned to the Fund. The absolute return/hedge strategy, specifically Cohen &amp; Steers, was up 33.19% for the year. Ironwood continues to produce positive returns with low risk. Private equity and private credit are both performing well. Fixed income was above average for the year primarily due to the addition of Serenitas Credit Gamma and Dynamic Alpha Funds and the decrease in traditional fixed income. Emerging markets is a bit worrisome for the future; however, the international portfolios have already been reduced from 25% to 16%. The alternative asset strategies have been slow in calling capital; however, TerraCap is expected to call funds by the end of the year. Mr. Swanson commented to the Board that he is pleased with the performance considering the conservative nature of the Fund.</p> <p>The September 30, 2024 quarterly performance results showing values, returns and benchmarks by manager is attached as backup.</p>						
<p><b>MOTION:</b> To approve the September 30, 2024 Performance Evaluation Report as presented by Southeastern Advisory Services, Inc. PASSED 7-0.</p>	<p>O'Connell Rossi Aaronian Christophers Femia Hall Hanrahan</p>	<p>X</p>	<p>X</p>	<p>X X X X X X</p>	<p>X X X X X X</p>	

Board of Trustees Minutes Page Three	November 18, 2024	TRUSTEES	M	S	Y	N
<p><b>MOTION:</b> To set the net investment rate of return for the quarter ended 9/30/2024, at 4.66% for purposes of the Fund Rate DROP earnings in accordance with Southeastern Advisory Services, Inc.'s 11/07/2024 letter of certification. PASSED 7-0.</p>		O'Connell Rossi Aaronian Christophers Femia Hall Hanrahan	X	X	X X X X X X X	
<p><b>MOTION:</b> To confirm the DROP self-directed money market account earnings for the quarter ended 9/30/2024 in accordance with Southeastern Advisory Services Inc.'s 11/07/2024 letter of certification. PASSED 7-0.</p>		O'Connell Rossi Aaronian Christophers Femia Hall Hanrahan	X	X	X X X X X X X	
<p><u>GREGG ROSSMAN LEGAL REPORT</u></p>						
<p>Mr. Spano had nothing to report.</p>						
<p><u>ADMINISTRATIVE AND MISCELLANEOUS ISSUES</u></p>						
<p>The Executive Director reported the USPS is decertifying the Board's postage machine model and transitioning to a new standard. In order to have the machine replaced timely, she is asking the Board to ratify her execution of a five-year lease agreement renewal.</p>						
<p><b>MOTION:</b> To ratify the Executive Director's renewal of the FP Mailing Solutions' Lease Agreement at a cost of \$45.00 per month for a term of 60 months, as recommended by the Executive Director. PASSED 7-0.</p>		O'Connell Rossi Aaronian Christophers Femia Hall Hanrahan	X	X	X X X X X X X	
<p>The Executive Director reported an error in the September 16 Board meeting minutes with respect to a vote tally. In accordance with Robert's Rules of Order, a motion is requested to correct the error.</p>						
<p><b>MOTION:</b> To amend the minutes of the September 16, 2024 Board meeting to correct the vote to seat Trustee Hall to "Motion by Trustee Hanrahan, Second by Trustee Rossi, affirmative vote 8-0 (Trustee Hall abstained)", as recommended by Robert's Rules of Order. PASSED 7-0</p>		O'Connell Rossi Aaronian Christophers Femia Hall Hanrahan	X	X	X X X X X X X	
<p>The Trustees reviewed the 'Your Pension Matters' newsletter.</p>						
<p><u>COMMITTEE REPORTS</u></p>						
<p><i>Building Committee:</i></p>						

The Board reviewed an architectural drawing of the Suite 302 office space which showed the proposed changes to the space after a meeting with Building Committee Trustees McGinnis and O'Connell, the Executive Director and Grover Corlew representatives. During that meeting, it was expressed that we would also like new flooring and a new conference table to be included in the package.

The Board noted that it would like to see a final layout drawing for both Suite 302 and the old suite 400, along with a cost proposal. The Board would like to know what the cost of the lease will be at both locations when the current lease is up in 2029.

The Chairman advised he would meet with Mr. Corlew and request this information be provided to the Board.

**CHAIRMAN'S REPORT**

The Chairman acknowledged that he had overlooked Trustee Cupo when assigning Committees and will discuss the subject at the next meeting.

The Chairman provided an update on the Pompano Beach Police Reunion in 2025. A communication containing details approved by the Reunion Committee will be circulated to the police members by Pension staff.

**EXECUTIVE DIRECTOR'S REPORT**

- Signed notification of benefits forms for Kimberly Gandolf and Thomas Dubinski
- The Executive Director briefed the Board on a situation involving a request from Lauderdale by the Sea for a return of a portion of the 2023 Chapter 175 tax premium monies. The Executive Director communicated with DOR Bureau Chief Keith Brinkman who advised that withdrawals from plan sponsors are generally discouraged since it could adversely impact the Plan's tax-qualified status. This was communicated to the City by the Executive Director.

**ADJOURNMENT**

**MOTION:** To adjourn the November 18, 2024 Regular Board meeting at 4:00 PM. PASSED 7-0.

Respectfully submitted,



Debra Tocarchick, CEBS  
Executive Director

O'Connell				X
Rossi				X
Aaronian				X
Christophers				X
Femia				X
Hall	X			X
Hanrahan		X		X

Board of Trustees Minutes Page Five	November 18, 2024	TRUSTEES	M	S	Y	N
<p><u>DISTRIBUTION:</u></p> <p><u>DISTRIBUTION:</u>  Board of Trustees  Gregg Rossman, Esq.  Michael Spano, Esq.  Lawrence Watts, Actuary  City Manager  Mayor and City Commission  City Clerk  Assistant City Attorney  City HR Director  President IAFF Local 1549  Marcum</p>						

**REGULAR MEETING – NOVEMBER 18, 2024**

**CONSENT AGENDA - WARRANT NOS. 5913 THROUGH 5924**

**Ratified and Approved on 11/18/2024**

<b>WARRANT NO.</b>	<b>PAYABLE TO</b>	<b>DESCRIPTION</b>	<b>AMOUNT</b>
<b>5913</b>	Carlos Descalzo Florida Dept of Revenue Ascensus (Nyhart)	DROP loan net amount to Carlos Descalzo; <b>\$49,675.00</b> Documentary stamps for Carlos Descalzo; <b>\$175.00</b> Loan processing fee for Carlos Descalzo; <b>\$150.00</b>	<b>50,000.00</b>
<b>5914</b>	Allspring Salem Trust Company Insight Ascensus (Nyhart)	Inv mgmt. fee quarter ending 9/30/2024; <b>\$22,587.99</b> Custodial fees quarter ended 9/30/2024; <b>\$17,277.67</b> Inv mgmt. fee quarter ending 9/30/2024; <b>\$8,605.55</b> Inv No. 153360DB_202410, Actuarial Experience Study progress billing; <b>\$3,522.50</b>	<b>51,993.71</b>
<b>5915</b>	Jeremiah Jackson	Refund of contributions as a result of separation of employment on 5/19/2024; <b>\$4,445.22</b>	<b>4,445.22</b>
<b>5916</b>	Daniel Rosenquist	Required Minimum Distribution (RMD) from DROP account for tax year ending 12/31/2024; <b>\$8,136.73</b>	<b>8,136.73</b>
<b>5917</b>	John Tepedino	Required Minimum Distribution (RMD) from DROP account for tax year ending 12/31/2024; <b>\$1,179.59</b>	<b>1,179.59</b>
<b>5918</b>	Rossman Legal Xerox Corporation  Esquire Deposition Solutions, LLC Daniel Christophers  Greater Pompano Beach Chamber of Commerce	Inv No.679, November 2024 retainer; <b>\$7,250.00</b> Inv No. 022356548, October lease; \$136.11, excess print charges; \$53.04, <b>Total \$189.15</b> Inv No. INV2940773, Chegg litigation shade meeting court reporter services, <b>\$260.00</b> Board meeting expense reimbursement 10/21/2024; <b>\$66.00</b> Annual membership renewal 2024; <b>\$350.00</b>	<b>8,115.15</b>
<b>5919</b>	Kimberly E. Gandolf	Service Incurred Disability Retirement effective 10/21/2024; retroactive benefit 10/21/24 – 10/31/24; \$3,068.76, retroactive benefit 11/1/24 – 11/30/24; \$8,648.33, <b>Total \$11,717.09</b>	<b>11,717.09</b>
<b>5920</b>	Bank of America	Debra Tocarchick: Telephone & internet; \$444.85, Publications; \$132.93, NASRA PPCC Certification; \$125.00, Board meeting supplies; \$86.94, Courier; \$63.15, Office supplies; \$56.59, Small office equipment; \$36.69, FPPTA Fall Trustees School Credit; (\$209.00), <b>Total \$737.15</b> Paul O'Connell: Business lunch; <b>\$86.69</b> Daniel Christophers: Meeting expense reimbursement, 10/21/2024; <b>\$636.36</b>	<b>1,460.20</b>
<b>5921</b>	William R. Krebs Florida Dept of Revenue Ascensus (Nyhart)	DROP loan net amount to William Krebs; <b>\$9,815.00</b> Documentary stamps for William Krebs; <b>\$35.00</b> Loan processing fee for William Krebs; <b>\$150.00</b>	<b>10,000.00</b>

**REGULAR MEETING – NOVEMBER 18, 2024**

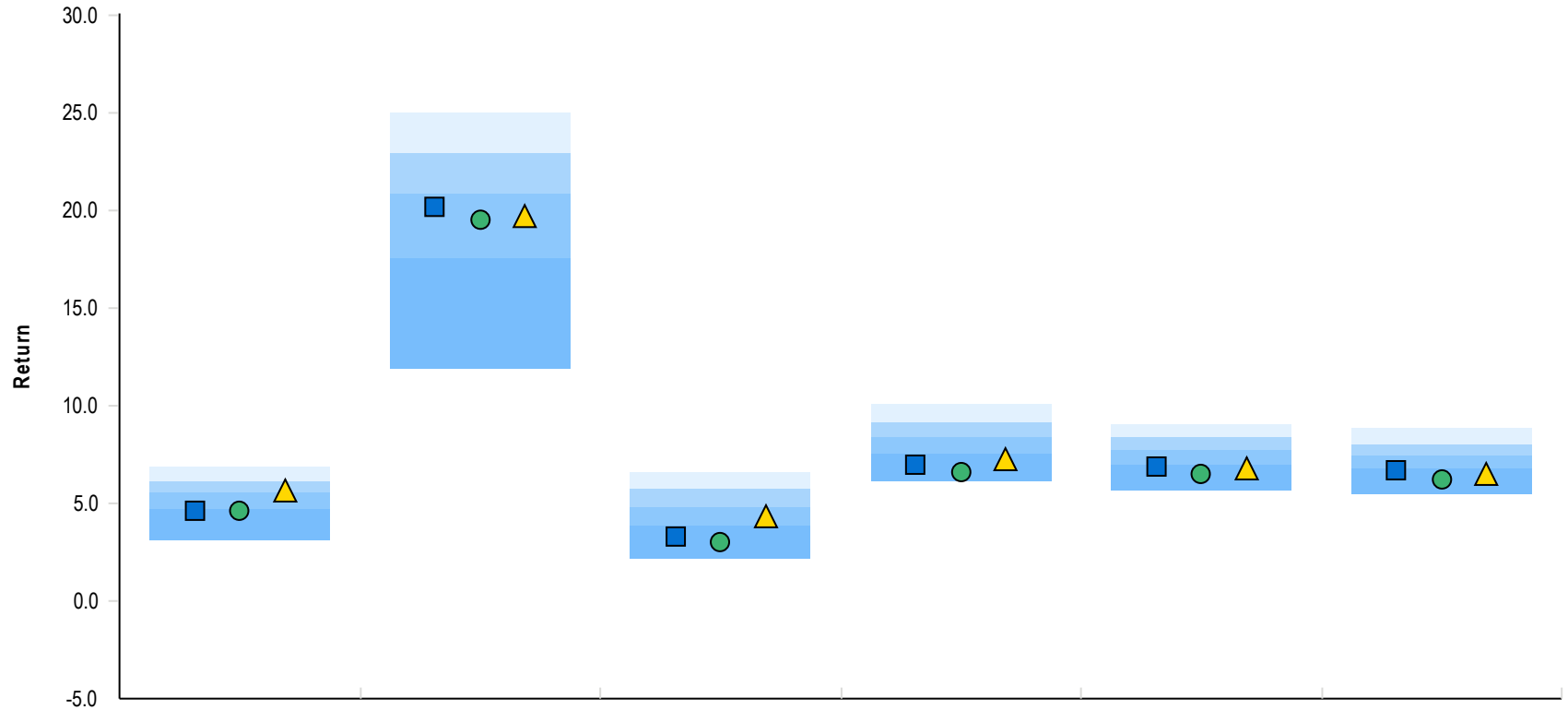
**CONSENT AGENDA - WARRANT NOS. 5913 THROUGH 5924**

**Ratified and Approved on 11/18/2024**

<b>5922</b>	Maureen Femia Economic Computers	Reimbursement of funds applied to Board's Bank of America card; <b>\$1,300.00</b> Inv No. 28424 Annual web hosting renewal; <b>\$600.00</b>	<b>1,900.00</b>
<b>5923</b>	Merrill Lynch FBO Jerome Squadrito IRA	Trustee-to-trustee transfer of 10% holdback of Fund Rate DROP account, and earnings, less fees, for quarter ended 9/30/2024; <b>\$77,596.61</b>	<b>77,596.61</b>
<b>5924</b>	Raymond James & Associates FBO Colin Keleher/IRA	Lump sum distribution of balance of Fund Rate DROP account, less 10% holdback, via trustee-to-trustee transfer to Raymond James & Associates/IRA due to separation of service on 6/30/2024; <b>\$675,503.99</b>	<b>675,503.99</b>

All Public DB Plans

Plan Sponsor Peer Group Analysis - All Public DB Plans



	1 QTR	1 Year	3 Years	5 Years	7 Years	10 Years
■ Total Fund (Gross)	4.66 (77)	20.17 (56)	3.32 (84)	6.99 (86)	6.92 (77)	6.69 (81)
● Total Fund (Net)	4.58 (79)	19.57 (59)	2.98 (89)	6.61 (92)	6.53 (85)	6.26 (87)
▲ Policy Index <sup>1</sup>	5.65 (46)	19.75 (58)	4.34 (65)	7.31 (80)	6.78 (81)	6.48 (86)
5th Percentile	6.93	24.98	6.64	10.11	9.02	8.85
1st Quartile	6.16	22.96	5.73	9.12	8.38	8.00
Median	5.53	20.86	4.84	8.44	7.73	7.49
3rd Quartile	4.72	17.57	3.90	7.50	6.94	6.81
95th Percentile	3.16	11.89	2.14	6.15	5.70	5.43
Population	284	270	258	249	241	223

The current Policy Index composition is: <sup>1</sup>Russell 1000 Index: 30.00%, Russell 2500 Index: 10.00%, MSCI EAFE (Net): 10.00%, MSCI Emerging Markets Index: 5.00%, NCREIF ODCE: 10.00%, HFRI FOF: Conservative Index: 5.00%, FTSE Gbl Core Infra 50/50 Index (Net): 5.00%, Blmbg. U.S. Aggregate Index: 20.00%, CPI + 3%: 0.00%, 90 Day U.S. Treasury Bill: 5.00%.

