



Second Floor Conference Room  
3650 NE 12 Avenue  
Oakland Park, Florida 33334

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CITY OF OAKLAND PARK GENERAL EMPLOYEES' PENSION PLAN  
AGENDA  
MONDAY, MARCH 17, 2010 AT 4:00PM

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**CALL TO ORDER**

**ROLL CALL** (Steven Carr, Robin Greco, William Leonard, Tim Lonergan, Darrell Purchase, Mark Voight)

1. Minutes of meeting held March 1, 2010
2. Review of Actuarial Valuation by Mr. Chuck Carr
3. Administrative Report
  - a. Discussion of SPD
  - b. Request of Zandra Garland for ceasing participation in plan
4. Attorney Report
5. Other Business
6. Next Meeting Scheduled: June 1 at 6:00 p.m.

**ADJOURN**

This meeting facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to the meeting. Please contact the City Clerk's Office by telephone: 954.630.4300, or via Fax: 954.630.4302 for information or assistance.

If a person decides to appeal any decision made by the City Commission with respect to any matter considered at this meeting, the person will need a record of the proceedings, and that, for such purpose, the person may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based.

I, the undersigned authority, certify the above Notice of Meeting of the Oakland Park GEPP is a true copy of the Notice posted on the outdoor bulletin board at the main entrance of City Hall, a place convenient and readily accessible to the general public at all times.

Posted: \_\_\_\_\_ By: \_\_\_\_\_



City Hall Commission Chambers  
3650 NE 12 Avenue  
Oakland Park, Florida 33334

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MINUTES  
CITY OF OAKLAND PARK GENERAL EMPLOYEES' PENSION PLAN  
March 1, 2010, 6:00 P.M.

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The regular meeting of the General Employees' Pension Plan Board of the City of Oakland Park, Florida was called to order at 6:02 P.M. by Chairperson Purchase.

**ROLL CALL**

**Present:**

Steven Carr  
Robin Greco  
William Leonard  
Tim Lonergan  
Darrell Purchase  
Mark Voight

**Also Present:**

Paul Shamoun, FMPTF  
Frederick Heidgerd, Attorney  
Steven Gordon, C.P.A.

<b>MINUTES</b>
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Mr. Heidgerd requested that on page 3 of the minutes from November 16, 2009, the words 'as required by law' replace "to the former spouse" in the sentence "Chairperson Purchase allowed for Mr. Heidgerd to go back to require the pension be settled appropriately to allow for distribution to the former spouse." Chairperson Purchase corrected a typo in the first sentence of the administrative report.

Board member Leonard moved to approve the minutes with above corrections made for the November 16, 2009 meeting. Board Member Carr seconded the motion, which prevailed by the following vote:

YES: (Carr, Greco, Leonard, Lonergan, Purchase, Voight)

NO:

<b>1. ADMINISTRATIVE REPORT</b>
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Chairperson Purchase welcomed Steven Gordon, C.P.A., the auditor for the Fund.

Mr. Gordon gave a clean audit opinion. There were no significant problems. As of

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September 30, 2009, there was \$19,914,148 in total assets held for the Plan. The relationship between the actuarial valuation and the audit can be shown on the schedule of funding progress. As of 10/1/08, the Fund was 55.8% funded, which is on the low side of the funding needs. Mr. Gordon suggested speaking to the actuary to determine whether the funding percentage was a concern.

A discussion of the 4% employee contribution developed. Mr. Shamoun stated that the 4% employee contribution will directly offset the required contribution from the City.

Board member Carr moved to accept the audit as prepared, subject to historical changes on page 17. Board member Voight seconded the motion, which prevailed by the following vote:

YES: (Carr, Greco, Leonard, Lonergan, Purchase, Voight)  
NO:

Board member Lonergan asked a follow-up question regarding the minimum contributions from the City. Discussions arose regarding the long term impacts of the Fund being continually underfunded and the trend towards becoming significantly underfunded. Board member Lonergan suggested working with the City to contribute more to the Fund in order to increase the funding ratio. Mr. Heidgerd suggested waiting until the Board is able to speak with the actuary to continue the conversation.

A meeting was scheduled to discuss the results of the actuarial valuation on March 17, 2010 at 4:00pm in the second floor conference room.

Mr. Shamoun discussed the Errors & Omissions insurance requirements placed on FMPTF from the Pension Fund. E&O insurance is typically provided to cover the value of a firm, not the value of assets managed by that firm. Mr. Shamoun stated the \$25 million was more than what is needed considering no one portfolio for the Fund had more than \$6 million in assets.

Board member Lonergan moved to amend the administrative services agreement to require \$10 million in Errors & Omissions insurance and authorize Mr. Heidgerd to create a memo on why the amount is being reduced. Board member Carr seconded the motion, which prevailed by the following vote:

YES: (Carr, Greco, Leonard, Lonergan, Purchase, Voight)  
NO:

Mr. Shamoun reviewed the quarterly report. The Fund began the quarter at \$19,909,413.14 and ended the quarter at \$22,538,665.93. The 10-year equity returns are slightly negative. Bond returns for the 10-year period are slightly above a 6% return. Given those returns, it is prudent to review the interest rate assumption to examine the chances of reaching that return given the current asset allocation mix. Currently, the Oakland Park General Employee Pension Plan has an 8% investment assumption. The state is now stepping up its review of these assumptions and has indicated that it may no longer accept assumptions as high as 8%.

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<b>2. ATTORNEY REPORT</b>
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Mr. Heidgerd discussed the Rose Booth case. Until June 1, 1988, part time employees were covered under the Plan. After that time, it was required that employees work at least 40 hours a week. Cathy Ann Romany became a part time employee May 4, 1987. Vesting was granted in the Plan after 7 years of service, so at the time of this Ordinance change on June 1, 1988, Ms. Romany was not vested. There is a provision in the Ordinance, section 9-31p, which says continuous service is credited to the employee, subject to vesting. Mr. Heidgerd stated that Ms. Romany would not be entitled to service while she was a part time employee, because she was not vested at the time of the Ordinance change.

Procedurally, the participant should be notified of the opinion, after which the participant would appeal to the Board, where the participant could state their case. The participant will have 30 days from receipt of the notice to issue a written appeal to the Board.

Board member Greco moved to accept Mr. Heidgerd's opinion, deny inclusion of part-time service in Ms. Romany's credited service, and instruct the attorney to give 30 days from receipt to have an appeal process. Board member Carr seconded the motion, which prevailed by the following vote:

YES: (Carr, Greco, Leonard, Lonergan, Purchase, Voight)

NO:

Chairman Purchase asked that the Board move forward to the Les Walker opinion created by Mr. Heidgerd. Mr. Walker was an employee of the Oakland Park Police Department before it was transferred to Broward Sheriff's Office (BSO). Mr. Walker remains an active participant in the Plan and active employee of Broward Sheriff's Office, and wishes to begin receiving benefits from the Plan.

Mr. Heidgerd stated that the contract with the BSO designated participants that are contracted with the BSO as employees. By designation as employees, these participants that work with BSO may not receive benefits from the Plan until separation of service.

From the audience, Mr. Leslie Walker asked to speak and explain his point of view.

Board member Lonergan moved to deny payment to Mr. Walker at this time, considering there has been no qualifying event to allow collection of payments from the Fund. Board member Voight seconded the motion, which prevailed by the following vote:

YES: (Carr, Greco, Leonard, Lonergan, Purchase, Voight)

NO:

Mr. Heidgerd gave a brief update on the Johnson hearing, in regards to his marital agreement being setup as alimony. The Plan cannot make the payment as alimony, and must be structured differently.

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<b>3. RATIFICATION OF DISBURSEMENTS</b>
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Board member Lonergan moved to ratify all payments presented (as shown below).  
Board member Carr seconded the motion which prevailed by the following vote:

YES: (Carr, Greco, Leonard, Lonergan, Purchase, Voight)  
NO:

- Recurring monthly payment for Donald Kas of \$4,711.96 beginning February 1, 2010, with a retroactive payment for January. (5 years Life & Certain under the 50% Joint and Contingent)
- Return of employee contributions to Poririo Ramos in the amount of \$569.66.

Board member Lonergan moved to ratify all disbursements presented (as shown below).  
Board member Voight seconded the motion which prevailed by the following vote:

YES: (Carr, Greco, Leonard, Lonergan, Purchase, Voight)  
NO:

- \$375 for FMPTF invoice I-2010-11-00033 for individual benefit calc for Richard Bitonti
- \$375 for FMPTF invoice I-2010-11-00034 for individual benefit calc for Nina Crim
- \$525 for FMPTF invoice I-2010-11-00035 for individual benefit calc for Al Coleman
- \$450.00 for November invoices 14844 and 14843 for Frederick C. Heidgerd, P.A.
- \$3,149.61 for December invoices 14855,14856, 14857, 14858, 14859 for Frederick C. Heidgerd, P.A.
- \$1,593.20 for January invoices 14894, 14895, 14896, 14897 for Frederick C. Heidgerd, P.A.
- \$2,314.24 for February invoices 14936,14937,14938,14939 for Frederick C. Heidgerd, P.A.
- \$2,835.00 for invoice 6155 for Steven Gordon, CPA
- \$2,030.00 for invoice 6155 for Steven Gordon, CPA
- \$17.68 for invoice 363CMC for MBIA

Board Member Voight brought up the Summary Plan Description, asking that the administrator review proposed changes already made, then send back out to Board members for final review before the next meeting. Mr. Shamoun agreed.

Chairperson Purchase announced the resignation of Board member Pagliaro.

The next Board meeting was scheduled for March 17, 2010 at 4:00p.m.

There being no further business, the meeting was adjourned at 8:29 P.M.

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Paul Shamoun, Recording Secretary

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Darrell Purchase, Chairperson