

**TOWN OF GOLDEN BEACH EMPLOYEES' PENSION PLAN
SPECIAL MEETING JUNE 7, 2021 1:00 p.m.
1 GOLDEN BEACH DRIVE, GOLDEN BEACH, FL 33160**

I. CALL TO ORDER:

II. ROLL CALL: Chairperson Alan Wolfson, Trustee Peter Manners, Trustee Maria Camacho, Trustee Gio Diaz and Trustee Eric Fishman.

III. NEW BUSINESS

a. Discussion on Kelly Cabot

IV. PUBLIC COMMENTS

V. NEXT MEETING DATE: September 9, 2021 3:00 p.m.

VI. ADJOURN:

Notice is hereby given that two or more members of the Town Council or other Town committees or boards may be in attendance at this meeting, which shall be open to the public at all times. If any person decides to appeal any decision made by the Board with respect to any matter considered at such a meeting, we will need a proceedings of that meeting. And that, for such purpose, he may need to insure a verbatim record of the proceedings, the record is to include the testimony and evidence upon which that appeal is to be based. F.S.S.286.0105. Any individual who believes he or she has a disability which requires a reasonable accommodation in order to participate fully and effectively in a meeting of the Pension Board must so notify the Town Clerk at (305) 932-0744 at least 24 hours prior to the date of the meeting.

Lauri Patterson

From: Lauri Patterson <lauri@benefits-usa.org>
Sent: Thursday, May 27, 2021 12:03 PM
To: 'Pension'; 'richard.sicking@fortheworkers.com'
Cc: Pedro Herrera; 'jess@sugarmansusskind.com'
Subject: FW: Golden Beach GE - ZOOM

Good morning,

Please find the ZOOM information for the upcoming meeting.

Kind regards,

Lauri H. Patterson
Benefits USA, INC.
3810 Inverrary Blvd. Suite 303
Lauderhill, FL 33319
Phone: 954-730-2068 Ext 213
Fax: 954-730-0738
Email: Lauri@benefits-usa.org

From: Jessica De la Torre Vila <jess@sugarmansusskind.com>
Sent: Thursday, May 27, 2021 11:59 AM
To: Lauri Patterson <lauri@benefits-usa.org>
Subject: RE: Golden Beach GE - ZOOM

Sugarman & Susskind, P.A. is inviting you to a scheduled Zoom meeting.

Topic: Town of Golden Beach Employees' Pension Plan - Special Meeting
Time: Jun 7, 2021 01:00 PM Eastern Time (US and Canada)

Join Zoom Meeting

<https://us02web.zoom.us/j/81432747034?pwd=QU5vWHZYaENDTnhiUTFHaTFObHY3dz09>

Meeting ID: 814 3274 7034

Passcode: 996558

One tap mobile

+16465588656,,81432747034#,,,,*996558# US (New York)

+13017158592,,81432747034#,,,,*996558# US (Washington DC)

Dial by your location

+1 646 558 8656 US (New York)

+1 301 715 8592 US (Washington DC)

+1 312 626 6799 US (Chicago)
+1 669 900 9128 US (San Jose)
+1 253 215 8782 US (Tacoma)
+1 346 248 7799 US (Houston)

Meeting ID: 814 3274 7034

Passcode: 996558

Find your local number: <https://us02web.zoom.us/j/81432747034>

From: Lauri Patterson <lauri@benefits-usa.org>
Sent: Wednesday, May 26, 2021 1:52 PM
To: Jessica De la Torre Vila <jess@sugarmansusskind.com>
Subject: Golden Beach GE - ZOOM

Hello my friend,

Can you provide ZOOM information for the upcoming special meeting on June 7th 1:00 p.m. to 2:00 p.m.

We are meeting in person but the Chairman and Kelly Cabot will be calling in. I know that Attorney Sicking will be there in person.

Kind regards,

Lauri K. Patterson
Benefits USA, INC.
3810 Inverrary Blvd. Suite 303
Lauderhill, FL 33319
Phone: 954-730-2068 Ext 213
Fax: 954-730-0738
Email: Lauri@benefits-usa.org

MEMO

RE: Kelly Cabot vs. Town of Golden Beach Pension Board

1. Kelly Cabot was a police officer employed by the Town of Golden Beach.
2. Kelly Cabot suffered a service incurred injury by accident that occurred on September 19, 2003 (a multi-vehicular accident and explosion).
3. As a result of the service incurred injury on September 19, 2003, Kelly Cabot became permanently and totally disabled from performing duties as a police officer.
4. As a result of this service incurred disability, Kelly Cabot was awarded a service-incurred permanent total disability retirement by the Pension Board on May 25, 2005, effective June 1, 2005.
5. The Pension Board awarded Kelly Cabot a service-connected disability benefit amounting to 42% of her date of disability salary, which was \$4,256.86 per month.
6. The Pension Board has paid Kelly Cabot, her service-incurred permanent total disability benefit in the amount of \$1,787.88 per month from June 1, 2005, to the present at the rate of 42% of her disability date salary.
7. At all times material, the Florida State Lodge of the Fraternal Order of Police was the recognized collective bargaining agent (union) for the police officers employed by the Town of Golden Beach, including Kelly Cabot.
8. The Florida State Lodge of the Fraternal Order of Police and the Town of Golden Beach entered into a Collective Bargaining Agreement (CBA) which was agreed to by the Town of Golden Beach on November 24, 2006, and by the Florida State Lodge of the Fraternal Order of

Police, on November 27, 2006, which covered the period October 1, 2004, to September 30, 2007. (2006 CBA).

9. The November 2006 Collective Bargaining Agreement between the Florida State Lodge of the Fraternal Order of Police and the Town of Golden Beach was retroactive to October 1, 2004.

10. Article 12, section 1, of the November, 2006, CBA contained a provision regarding wages. It provided for retroactive wage increases for police officers, effective October 1, 2004, effective October 1, 2005, effective October 1, 2006, according to a Salary Schedule attached to the Agreement as Addendum A. It reads:

ADDENDUM A

SALARY & WAGES

<u>Steps</u>	<u>October 1, 2004</u>	<u>POLICE OFFICERS</u> <u>October 1, 2005</u>	<u>October 1, 2006</u>
1	\$ 42,000	\$ 42,000	\$ 42,000
2	44,100	45,423	46,786
3	46,305	47,694	49,125
4	48,620	50,079	51,581
5	51,051	52,583	54,160
6	53,604	55,212	56,868
7	56,284	57,973	59,712
	 <u>October 1, 2004</u>	 <u>SERGEANTS</u> <u>October 1, 2005</u>	 <u>October 1, 2006</u>
	60,224	62,031	63,892

(CBA, Addendum A).

11. Article 32 of the November 2006 Collective Bargaining Agreement (CBA) concerned the retirement plan for police officers.

12. Article 32 provided that the police officers:

- a. would contribute 6% of their annual salary as of October 1, 2006;

b. would have a pension multiplier for creditable service rendered after October 1, 2006, of 3% of the monthly average final compensation times the number of years of creditable service after October 1, 2006;

c. would have implemented a 3-year Deferred Retirement Option Plan (DROP) for eligible employees;

d. would have eligibility for normal retirement upon completion of 20 years of creditable service and attainment of age 52, effective October 1, 2006.

e. quoted verbatim in paragraph 19 below;

f. would have the option to purchase up to 5 years of credited service for prior service as a law enforcement officer or for military service, solely at the cost of the employee.

13. Article 32, paragraph 1e, of the November 24/27, 2006, Collective Bargaining Agreement, which was retroactive to October 1, 2004, provided:

Members shall receive seventy percent (70%) of his/her monthly earnings for an on-the-job/service disability effective on the date the disability occurred. Such benefit will not be less than the accrued benefit.

(2006 CBA, pg. 60).

14. Article 32, section 1e, does not have an effective date of October 1, 2006, which is different from the other subsections of Article 32.

15. Instead, Article 32, section 1e, has an effective date of October 1, 2004, which is the retroactive effective date of the entire November, 2006, Collective Bargaining Agreement (CBA).

16. The changes to the terms of the Golden Beach Employees' Pension Plan contained in the November, 2006, CBA, were implemented by Town of Golden Beach Ordinance No. 519.07.

17. The introduction to Town of Golden Beach Ordinance No. 519.07, reads:

WHEREAS, the Town of Golden Beach (“Town”) and the State Lodge of the Fraternal Order of Police have ratified a Collective Bargaining Agreement in effect from October 1, 2004 to September 30, 2007 (“Agreement”) that contains certain enhancements to the Town of Golden Beach Employees Pension Plan (“Plan”) for the Town’s Police Officers; and

WHEREAS, the Town Council has received and reviewed an actuarial impact statement related to the enhanced changes to the Plan for the Town’s Police Officers; and

WHEREAS, the Town Council has deemed it to be in the best interest of the citizens of the Town to amend the Plan to reflect the recommended changes.

NOW THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF GOLDEN BEACH, FLORIDA, AS FOLLOWS:

Section 1. Recitals Adopted. The foregoing WHEREAS clauses are hereby ratified and confirmed as being true and correct and are hereby made a specific part of this Ordinance upon adoption hereof.

(Town Ordinance, pgs. 1-2).

18. Section 24-35(c) of (Pension) Ordinance No. 519.07 is entitled “*Disability Retirement Provisions*”. It reads:

(4) *Determination of Disability.* All questions relating to eligibility for initial payment or continuance of disability benefits shall be determined by the Board, taking into consideration the recommendations of the medical board and such other evidence of which the Board may avail itself. The general steps which the Board shall follow in its determination shall be as listed below, provided however, that the Board may in its discretion alter or modify these steps:

e. Establish a date of disability. This date may be the date of injury causing the disability, the date when the Member could no longer perform his regular and continuous duties, the date when his sick pay and vacation pay are exhausted or such other date as determined by the Board. Provided that for police officer members the date of disability for Services Incurred Disability Benefits shall be the date of the injury or illness occurred.

(5) *Disability Retirement Benefits.*

b. Amount of Services Incurred Disability Benefit. For general employee members, forty-two percent of the Member's monthly Earnings in effect on the date of disability provided, however, that such benefits shall be no less than the accrued benefit and, subject in any event to the offsets listed below. For police officer members seventy (70) percent of the Member's monthly Earnings in effect on the date of disability, provided that such benefits shall be no less than the accrued benefit and, subject in any event to the offsets listed below.

Underlining is new language; line through is striking old language.

(Ordinance No. 519-07, pgs. 5-6).

19. Section 24-33(c)(5)b of the Code of the Town of Golden Beach, Florida provides the current provision of the benefit for service-incurred permanent total disability:

(5) *Disability Retirement Benefits.*

b. *Amount of Services Incurred Disability Benefit.* For General Employee Members, 42 percent of the Member's monthly Earnings in effect on the date of disability provided, however, that such benefits shall be no less than the Accrued Benefit and, subject in any event to the offsets listed below. For Police Officer Members and Town Manager Member 70 percent of the Member's monthly Earnings in effect on the date of disability, provided that such benefits shall be no less than the Accrued Benefit and, subject in any event to the offsets listed below.

20. As Kelly Cabot was awarded her service-incurred permanent total disability benefit on May 25, 2005, effective June 1, 2005, she is entitled to receive seventy percent (70%) of her monthly earnings for a service-incurred disability from the date the injury occurred.

21. A, Kelly Cabot, has received her service-incurred permanent total disability benefit from the, Pension Board, at 42% of her disability date salary continually from June 1, 2005, to the present, she is entitled to a determination that she is entitled to an award of the difference between 70% and 42%, that is 28%, of her disability date salary from at least June 1, 2005, to the present and continuing.

Lauri Patterson

From: Pension <Pension@goldenbeach.us>
Sent: Wednesday, June 02, 2021 1:08 PM
To: Lauri Patterson
Subject: Please add the email below to your Kelly Cabot email to the Board...
Attachments: 2-8-18.pdf; 2-15-17.pdf; 12-10-18.pdf

Please find attached Board minutes from

1. February 17, 2017. Notes relative to Ms. Cabot are on page 2.
2. February 8, 2018. Notes relative to Ms. Cabot are on page 3.
3. December 8, 2018. Notes relative to Ms. Cabot are on page 3.

Special thanks to Lauri Patterson ... we mutually had a recollection that there were Board minutes relative to Ms. Cabot, and Lauri was able to find them.

The conversation may get technical, and I am encouraging you to read Mr. Sicking's comments in advance of our Monday 1p meeting...

Alan Wolfson
Chairperson
Golden Beach Employee Pension Plan

RETIREMENT PLAN FOR EMPLOYEES OF THE
TOWN OF GOLDEN BEACH
REGULAR MEETING
February 15, 2017

Chairperson Epperson called the regular meeting of the Board of Trustees of the Retirement Plan for Employees of the Town of Golden Beach to order at 3:10 p.m. at the Town of Golden Beach Town Hall.

TRUSTEES PRESENT:

Chairperson Epperson, Secretary Wolfson, Trustee Manners, and Trustee Diaz.

Trustee Fishman was absent and excused.

OTHERS PRESENT:

Board Attorney Pedro Herrera, Scott Owens of Graystone Consulting and Administrator Lauri Patterson of Benefits USA, Inc. Police members, Leila Perez, Pete Vila, David Carrazana and Dan Rosenberg.

APPROVAL OF MINUTES

Trustee Wolfson moved to approve the November 9, 2016. Trustee Diaz seconded the motion. Motion passed 4-0

Sugarman & Susskind (Legal Fees; November Inv #: 117007)	\$ 750.00
Sugarman & Susskind (Legal Fees; December Inv #: 117961)	\$ 750.00
Benefits USA (Administration Fee; /Postage; December 2016)	\$ 1,265.81
Benefits USA (End of year Audit 2016 Files to Ken Smith)	\$ 446.25
TOTAL:	\$ 3,212.06

Sugarman & Susskind (Legal Fees; January Inv #: 118217)	\$ 750.00
Benefits USA (Administration Fee; January 2017)	\$ 1,250.00
Keefe McCullough (Progress Billing through January 2017)	\$ 3,280.00
TOTAL:	\$ 5,280.00

Sugarman & Susskind (Legal Fees; February Inv #: 118830)	\$ 750.00
Benefits USA (Administration Fee; February 2017)	\$ 1,250.00
TOTAL:	\$ 2,000.00

Motion made by Trustee Manners to ratify Warrant No. 106 and Warrant No. 107. Trustee Wolfson seconded the motion. Motion passed. 4-0

Motion made by Trustee Manners to approve Warrant No. 108. Trustee Wolfson seconded the motion. Motion passed. 4-0

INVESTMENT MANAGERS REPORT: 12/31/16

Graystone Consulting

Mr. Owens provided a report on the economy for the quarter ending 12/31/16 stating the market did well and rebounded with the election showing returns of 10 to 12% which indicates the market is responding to the new president. The S & P 500 hits an all-time high which was 3.82% for the quarter and 11.96% for the 12month period. Some of the positive indicators are unemployment is 4.9%, wages are up 2%, manufacturing is up, value continues to outperform growth and there continues to be uncertainty with the international markets. The top-performing sector was Financials which was 21.10%, the biggest laggards were Consumer Staples and Health Care which were negative. Mr. Owens was happy to report it was a good quarter, the fund beat the benchmark and the Hedge Funds are making over a 2% contribution to the fund. There still is uncertainty with emerging markets. He reminded the Board that fixed income has done well for the last 8 years.

Mr. Owens reported the total return for the quarter was 2.53%, 1 year 7.40%, 3 year 4.36%, 5 year 8.86% and since inception of 10/31/2000 5.19%. The total portfolio was \$7,835,565.84 distributions of assets are as follows: Total Equity \$5,453,542.51, Fixed \$1,927,128.20, Hedge Fund of Funds \$264,220.00 and Cash (Deposit & Disbursement) \$190,675.13. Total gain Net-of-Fees was \$197,885.24. Mr. Owens noted that the money from Private Advisors is sitting in the R & D account and getting invested over time. Chairperson Epperson asked if we are out of compliance since the money from Private Advisors is not invested and we are overweight in equity. Attorney Herrera stated it is acceptable since money is in the queue for American Realty and the money should be invested within 2 months. The IPS allows for reasonable discretion and rebalancing to the benefit of the fund. Based on market volatility, there are naturally going to be periods of time where the fund may be out of compliance with the stated IPS, however, the "ranges" provided in the IPS were still being met and the Board had discussed the imbalance and the monies had been addressed. Obviously, the Board cannot knowingly be out of compliance with its IPS, but balancing back to the IPS was always to be done prudently and efficiently. Discussion ensued if the money should be invested.

Trustee Wolfson made a motion to keep the proceeds in cash. Motion died due to lack of a second.

Mr. Owens provided a report on the portfolio commencing with Blackrock, Large Cap. Value quarterly return Gross-of-Fees is 9.10% Blackrock has done well for the portfolio with lower risks. Renaissance, Large Cap. Growth, quarter returns 6.04% and 16.70% for the 5 year returns, Connors Large Cap Core quarter returns were 2.86% since inception of 9/30/2013 returns have been good 10.03%. MDT Mid Cap Growth for the Quarter was 5.23%. Mr. Owens reminded the Board Kayne Anderson and RBC are still too new; however, since inception of 10/1/2016 there has been good numbers. Lazard Asset Management International Equity was (4.57%) for the quarter and (4.09%) for 1 year, they have had a difficult time. Renaissance International quarter returns were disappointing (4.40%). Madison fixed income fund had a negative quarter (1.27%). Mr. Owens stated he could do an Allocation Study 20 years out that would illustrate how to achieve the goals over the long term.

OLD BUSINESS:

a. Discussion on Kelly Cabot's payment

Attorney Herrera stated that after much due diligence and recalculation by the actuary, the letter from the Paul Burdulis dated March 10, 2015 stating the benefit amount appeared to be correct. The offset which included calculating the worker's compensation settlement was being confirmed. The Town was going to forward all payments made in connection with workers' compensation to be sure the offset calculation was correct. Attorney Herrera confirmed that although Cabot believed the S/C disability benefit was 70% of average monthly compensation at the time of disability, after reviewing the ordinances in place at the time of her disability, the benefit afforded by the plan was actually 42% which was commensurate with the actuary's calculation. We are waiting for the actuary to confirm the accuracy of the prior calculated offset amounts.

- b. Discussion on GovInvest - Due to time constraints this item was tabled until the Board meets in May.

NEW BUSINESS:

- a. **Update Summary Plan Description** – Attorney Herrera will work on the SPD with the help of Benefits USA, there are only minor changes that are required. Ms. Patterson stated she had already been working on it.
- b. **Actuary Discussion** - Chairperson Epperson requested the attorney and administrator go out for RFP for an actuary firm, preferably local prior to the next meeting. The calculation fee for the beneficiaries on Christopher Lambert was \$2,750.00, Chairperson requested the bill get paid but the fee is unacceptable. Attorney Herrera agreed and will contact Paul Burdulis on this matter.

Attorney

Chairperson

Chairperson Epperson stated the updated Beneficiary Forms were distributed with payroll and we are still waiting for the members to return them to the Town Clerk.

Administrator

The administrator had nothing to report.

PUBLIC COMMENTS:

Member David Carrazana, President of the FOP discussed deceased member Christopher Lambert at the request of his (2) beneficiary's Scott Lambert and Justin Lambert. Mr. Carrazana said the delay in payments is unacceptable and he stated this must be taken care of as soon as possible. Officer Vila also commented on behalf of Officer Lambert. He also stated there has to be better communication in the future. Chairperson Epperson informed Mr. Carrazana that measures have already been taken to prevent this from happening again. Mainly, a new Beneficiary Form which includes the beneficiaries contact information. The members are in the process of updating their Beneficiary Forms and they will be reviewed annually. Additionally, beneficiaries will be instructed to contact Benefits USA to request a calculation, obtain the necessary documents to commence receiving payments in a timely manner.

Mrs. Patterson apologized for the delay in processing the request in a timely manner as she just received all of the required information. She has been in communication with the beneficiaries and has all of the signed documents. Mrs. Patterson stated this was her priority and in the future the lines of communication will be better.

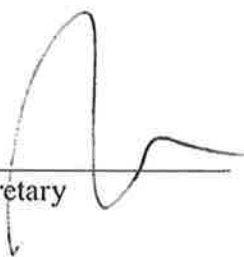
Member Dan Rosenberg stated the ordinance 23-33 under Benefits & Eligibility which addresses the 10 years certain option was ambiguous and he wanted a change in the verbiage so there would be no need for interpretation; the members feel vulnerable. The language is missing "whichever is later" after, "The benefit is payable for 10 years or until the member's death."

Mr. Rosenberg stated Attorney Sugarman had answered his questions, but he wanted to know what the resolution was. Attorney Herrera stated that the Board had always administered the plan and paid benefits accordingly consistent with the "whichever is later" language. He understood if the officers felt "vulnerable," however the pension board could only administer the ordinance and did not have any authority to amend it. The language in the ordinance could only be changed by the legislative body. This was a matter that needed to be raised with the Town. He did not provide an opinion as to whether this would require collective bargaining and left it to the Union and Town to come to a resolution.

Dan Rosenberg asked the Board if members wanted to utilize the actuary for studies regarding benefit enhancements who would pay the fee. Chairperson Epperson stated they would need to talk to the Town. Attorney Herrera advised that the pension board should be used as a resource, however, it did not take any sides and was a neutral party to collective bargaining. The Plan's actuary would be the most reasonable and economic choice for such benefit enhancement calculations as it had all the data and was familiar with the plan. He advised that he has seen varying approaches to this among his municipal clients. In some cases, the union will pay for its cost studies and the City will pay for its cost studies. In some cases, the parties split the cost. It was really up to the parties how they agreed to go about it. The Board would certainly make its actuary available, provided a decision as to who was going to pay needed to be made prior to any work commencing to avoid the pension plan from taking on any undue liability.

Trustee Wolfson left the meeting at 5:00 p.m.

Trustee Manners made a motion to adjourn the meeting at 5:15 p.m. Trustee Wolfson seconded the Motion. Motion passed.

Secretary 

RETIREMENT PLAN FOR EMPLOYEES OF THE
TOWN OF GOLDEN BEACH
REGULAR MEETING
February 8, 2018

Chairperson Epperson called the regular meeting of the Board of Trustees of the Retirement Plan for Employees of the Town of Golden Beach to order at 3:10 p.m. at the Town of Golden Beach Town Hall.

TRUSTEES PRESENT:

Chairperson Epperson, Trustee Manners, Trustee Wolfson, Trustee Fishman, and Trustee Diaz arrived at 3:15 p.m.

OTHERS PRESENT:

Board Attorney Robert Sugarman, Scott Owens and Charlie Mulfinger of Graystone Consulting and Administrator Lauri Patterson of Benefits USA, Inc.

APPROVAL OF MINUTES

Trustee Manners moved to approve the minutes of the regular meeting of November 6, 2017. Trustee Wolfson. Motion passed 5-0.

RATIFICATION OF PAYMENTS: Warrant No. 123, 124 & 125

Alan Wolfson (Annual State School; hotel; tolls, mileage & per diem)	\$ 865.80
Benefits USA (Administrative Fee; November 2017)	\$ 1,250.00
FPPTA (Re-Cert P. Manners & A. Wolfson)	\$ 60.00
TOTAL:	\$ 2,175.80

Benefits USA (Administrative Fee/Verification Letters/Audit Files)	\$ 1,845.97
Sugarman & Susskind (Legal Fees; December 2017, Inv #: 125649)	\$ 1,500.00
Sugarman & Susskind (Legal Fees; November 2017; Inv #: 125227)	\$ 1,500.00
TOTAL:	\$ 4,845.97

FPPTA (Pension Board 2018 Membership)	\$ 600.00
Keefe McCullough (Progress Billing through 12/31/17; Inv #: 2073447)	\$ 3,925.00
Benefits USA (Administrative Fee January 2018)	\$ 1,250.00
Sugarman & Susskind (Legal Fees; January 2018; Inv #: 125649)	\$ 1,500.00
SHRD (Benefit Calculation/Lambert: Inv #: 56247)	\$ 2,450.00
TOTAL:	\$ 9,725.00

APPROVAL OF PAYMENTS: Warrant No. 126

Benefits USA (Administrative Fee February 2018)	\$ 1,250.00
Sugarman & Susskind (Legal Fees; February 2018; Inv #: 126451)	\$ 1,500.00
Alan Wolfson (Remaining mileage due 11/17)	\$ 119.31
TOTAL:	\$ 2,869.31

Motion made by Trustee Manners to ratify Warrant No. 123, 124, and 125. Trustee Wolfson seconded the motion. Motion passed. 5-0.

Motion made by Trustee Manners to approve Warrant No. 126. Trustee Fishman seconded the motion.

INVESTMENT MANAGERS REPORT: 12-31-2017

Graystone Consulting

Mr. Owens provided a report on the economy for the quarter ending 12-31-2017. He noted the economy is solid. The GDP is up 4 to 6%, 94 months in a row the numbers are up, the market is responding to earnings. Mr. Owens stated the all 10 sectors are up, international is doing good, however; we are overweight in Large Cap Value.

Mr. Owens was pleased to report the Fund made \$337,015.54 return for the quarter was 3.78%. The total portfolio was \$9,222,904.86 distributions of assets are as follows: Total Equity \$6,328,883.22, Fixed \$2,021,033.05, Hedge Fund of Funds \$91,006.25, Private Real Estate 742,943.75 and Cash (Deposit & Disbursement) \$39,038.59. Mr. Owens noted that the money from Private Advisors is in the R & D account and getting invested over time with no management fees. Total gain Net-of-Fees was \$316,764.53 and Total fees were (\$21,251.01)

Mr. Owens provided a report on the portfolio commencing with Blackrock, Large Cap. Value quarterly return Gross-of-Fees is 5.24%, one-year returns were 16.44%, Blackrock's up capture has been good. Renaissance, Large Cap. Growth, 1-year returns were 23.78%. Connors Large Cap Core quarter returns were 5.18% since inception of 9/30/2013 the returns were 11.72% good returns, MDT Mid Cap. Growth for the Quarter was 9.08% the YTD returns were 26.83%. Mr. Owens reminded the Board Kayne Anderson, Thompson, Siegal & Walmsley and RBC Global Asset Mgmt. are still considered new to the portfolio. Lazard Asset Management International Equity has low volatility that is protecting capital the quarter returns were 4.61%. Renaissance International has outperformed in all time periods, noting the one-year number was 27.91%. Madison Intermediate Fixed Income was negative (0.15). Private Advisors is divesting over the next six months. Mr. Owens provided an update from Private Advisors Stable Value Fund stating that investors have received 87% of the balance, their goal is to distribute the remaining capital by the end of 2018. Per the correspondence dated December 14, 2107.

Trustee Fishman asked can we put more into fixed income? Mr. Owens stated if we don't want to be in bonds where do we put the money? Fixed is already at 25%. Trustee Fishman asked if there is room to invest in Real Estate? Scott noted that Real Estate is up 4 to 5 % he recommended we keep with the current allocation. Mr. Owens stated we can discuss other options at the next meeting. Attorney Sugarman stated there may be Unrelated Business Income tax of UBIC on private equity, depending on the nature and structure of the investment.

Motion made by Trustee Wolfson to rebalance the equity portion to be in range with the Investment Policy Statement based on the recommendation made by Graystone Consulting noting that the reallocation should be above the minimum of the range. Motion seconded by Trustee Fishman. Motion passed 5-0.

OLD BUSINESS:

a. Cabot, Kelly – Attorney Sugarman said that Attorney Sicking was unable to attend the meeting today. Ms. Cabot’s concern is the calculation did not address any increases that Ms. Cabot believed she was entitled to. This matter will be deferred until the next meeting.

b. Final Summary Plan Description – Summary Plan Description will need to be updated accordingly to reflecting the Town Manager’s benefits.

b. Freddy Smoak Beneficiary Change –Mr. Smoak requested to change his joint & survivor annuitant from his deceased wife to his new wife. The Plan’s actuary, Southern Actuarial Services recommended against interpreting the plan to permit such posthumous changes. Based upon the actuary’s recommendations, the trustees voted 5-0 to interpret the plan to prohibit changing or replacing joint & survivor annuitants after the original joint annuitant dies. Bob Sugarman said he’d so notify Mr. Smoak’s attorney.

d. SHRD Addendum – Ms. Patterson stated all of the invoices were paid and SHRD will release all the requested files to Chuck Carr at Southern Actuarial.

Trustee Wolfson left the meeting at 4:20 p.m.

Attorney

Attorney Sugarman discussed changes from the 2001-2004 Collective Bargaining agreement approved under Ordinance 1439.03 noting the multiplier was changed was from 2.25% they agreed to increase to 2.75% contingent on cost. Attorney Sugarman said the ordinance is silent. The 2004 to 2007 CBA increased to 3% from 2.75%. General employees were not included in the change, special risk employees get a higher multiplier.

Attorney Sugarman stated the new federal tax bill does not impact the Plan.

Chairperson

The Chairperson had nothing to report.

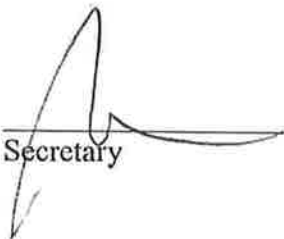
Secretary

The Secretary had nothing to report.

Administrator

The administrator distributed the Third-Party questionnaire from the auditor.

Trustee Diaz made a motion to adjourn the meeting at 4:45 p.m. Trustee Manners seconded the Motion. Motion passed 5-0


Secretary

RETIREMENT PLAN FOR EMPLOYEES OF THE
TOWN OF GOLDEN BEACH
REGULAR MEETING
December 10, 2018

Chairperson Epperson called the regular meeting of the Board of Trustees of the Retirement Plan for Employees of the Town of Golden Beach to order at 3:10 p.m. at the Town of Golden Beach Town Hall.

TRUSTEES PRESENT:

Chairperson Epperson, Trustee Manners, Trustee Wolfson, Trustee Fishman and Trustee Diaz

OTHERS PRESENT:

Board Attorney David Robinson, Scott Owens of Graystone Consulting, Christopher Greco from Sawgrass Asset Management, LLC, Steve Votto from ClearBridge Investments and Administrator Lauri Patterson of Benefits USA, Inc.

APPROVAL OF MINUTES

Trustee Manners moved to approve the minutes of the regular meeting of August 15, 2018. Trustee Diaz seconded the motion. Motion passed.

RATIFICATION OF PAYMENTS: Warrant No. 135 to 140

Southern Actuarial Services (Calc. C. Deeds; dated 8/7/18)	\$ 250.00
FPPTA (A. Wolfson/P. Manners Fall Trustee School 2018)	\$ 1,200.00
TOTAL:	\$ 1,450.00

Sugarman & Susskind (Legal Fees; September 2018)	\$ 1,500.00
Benefits USA (SPD's X 100 @ \$3.50 ea.)	\$ 350.00
TOTAL:	\$ 1,850.00

FPPTA (Registration Fall Trustee School E. Fishman)	\$ 600.00
Benefits USA (Administration Fee; September)	\$ 1,250.00
Sugarman & Susskind (Legal Fees; Inv #: 131577)	\$ 1,500.00
TOTAL:	\$ 3,350.00

Sugarman & Susskind (Legal fees; October 2018; Inv #: 131924)	\$ 1,500.00
Peter Manners (FPPTA Fall School; hotel, mileage, per diem; tolls)	\$ 991.34
Alan Wolfson ((FPPTA Fall School; hotel, mileage, per diem; tolls)	\$ 993.52
Benefits USA (Administration Fee; October 2018)	\$ 1,250.00
TOTAL:	\$ 4,734.86

FPPTA (E. Fishman CPPT Cert. Program)	\$ 1,000.00
Eric Fishman (FPPTA 9/30-10/3/2018, hotel, per diem, mileage)	\$ 540.65
TOTAL:	\$ 1,540.65

Sugarman & Susskind (Legal fees; Nov. 2018; Inv #: 132802)	\$ 1,500.00
Keefe McCullough (Progress billing through Nov. Inv #: 2083382)	\$ 3,720.00

Benefits USA (Administration Fee; November 2018)	\$ 1,250.00
FPPTA Annual Membership	\$ 600.00
TOTAL:	\$ 7,070.00

RATIFICATION OF PAYMENTS:

Deeds, Catherine (Monthly payment eff: 11/1/18)	\$ 1,953.23
Gonzalez, Dario (Refund of Contributions)	\$ 4,142.92

Motion made by Trustee Manners to ratify the payments. Motion seconded by Trustee Diaz. Motion passed.

PRESENTATION FROM LARGE GROWTH MANAGERS

Christopher Greco – Sawgrass Asset Management, LLC

Mr. Greco provided an overview noting his company is 100% employee-owned, they serve 27 states, 28 years average years of investment experience and 4.0 billion in assets under advisement. He stated his office is in Jacksonville Beach and he's on the advisory board of the FPPTA.

Mr. Greco was happy to report that Sawgrass has experienced zero equity team departures since inception in 1998. He reviewed their portfolio construction noting that 40-60% Stocks, 10% Sector exposure, 5% Industry exposure and active stock weighting. Stocks are sold when quantitative ranking deteriorates, fundamental factors experience significant change and risk profile realignment is necessary. Sawgrass has outperformed 6 out of 8 years they have remained light on technology stocks which has been good. Also, Sawgrass is more defensive in a down market.

Mr. Greco thanked the Board for allowing him the opportunity to provide a report on his company.

Steve Votto – ClearBridge Investments

Mr. Votto provided an overview stating ClearBridge is a well-established global investment manager with a legacy dating back more than 50 years. His company is headquartered in New York, operating with investment independence, wholly-owned subsidiary of Legg Mason. The portfolio management team averages 27 years of investment industry experience and 19 years with the firm. His company has a dedicated team of eight risk management and portfolio analytics professionals distinguished by independence, direct reporting to the CEO, flexibility, preventative risk program focusing on business needs. Mr. Votto noted the portfolio construction has big names Comcast, UnitedHealth Group, W.W. Grainger, Amazon, Alibaba and Facebook which is growing at 30%. Mr. Votto thanked the Board for their time and would like to work with us.

Mr. Owens reminded the Board the reason we were having the managers present today is that Renaissance Large Cap Growth has been underperforming for a long period of time.

Mr. Owens stated if he were in the trustees' position, he would terminate the contract with Renaissance Large Cap Growth; therefore, he recommends that the Board make a motion to terminate them today. Mr. Owens further stated his recommendation that the Board of Trustees' replace Renaissance with either of the two managers, Clearbridge and Sawgrass, that Graystone presented to the Trustees today.

Motion made by Trustee Manners based on the recommendation from Scott Owens, Graystone Consulting to terminate Renaissance Large Cap Growth. Chairperson Epperson asked the administrator to poll the trustees. Trustee Diaz – Y, Trustee Wolfson – Y, Trustee Manners -Y, Trustee Fishman – Y, Chairperson Epperson – Y. Motion passed.

Motion made by Trustee Wolfson to hire Sawgrass Asset Management, Large Growth Equity. Chairperson Epperson asked for a poll from the Trustees. Trustee Manners – Yes, Trustee Fishman – Yes, Trustee Diaz – Yes, Trustee Wolfson - Yes, Chairperson Epperson – No. Motion passed 4-1:

INVESTMENT MANAGERS REPORT: 09-30-18

Graystone Consulting

Mr. Owens provided a report on the economy noting there has been steady growth, in spite of the trade wars, Facebook, Amazon, Netflix and Google (FANG) stocks are not doing well and showing weaker earnings. Health Care and Industrials were the highest performing sectors while energy and materials were laggards. US Equities generated positive, as the S & P 500 rose 7.71% and all 11 sectors finished in the black. Other major indices were positive, the DOW Jones rose 9.63% and NASDAQ returned 7.42%. International underperformance continues, emerging markets currencies remained under pressure, the MSCI Emerging Markets index dropped 0.95%. The bond market registered flat, Barclays US aggregate Bond Index rose 0.02%. The Russell 1000, large-cap index, increased 7.42% for the quarter, with large-gap growth 9.17% out performing large-cap value 5.70%. As of today, the position of the Plan is defensive.

Mr. Owens stated the total fund was \$10,078,627 the current quarter returns were 4.14%, Fiscal YTD 9.41%, 3 year 9.73% and since inception of 11/01/2000 5.74%. Distributions of assets are as follows: Total Equity \$6,742,336.08, Fixed \$2,270,463.37, Private Real Estate 785,876.06 and Cash (Deposit & Disbursement) \$279,951.65. Total gain Net-of Fees \$376,223.96

Mr. Owens is cleaning up the Investment Policy Statement, adding Morgan Stanley and getting in range after we add equities. Attorney Robinson will review the changes made by Graystone Consulting.

Mr. Owens reviewed the portfolio the report is attached.

NEW BUSINESS:

Discussion on Travel Policy - The daily rate for per diem is \$60.00 for travel as per the Town's Policy.

Motion made by Trustee Manners to approve the per diem rate as \$60.00 per day for educational travel. Motion seconded by Trustee Diaz. Motion passed.

OLD BUSINESS:

Kelly Cabot – Chairperson Epperson said Ms. Cabot was not employed at the time of her disability and this matter needs to be discussed with the Town's Attorney as this is no longer a Board issue.

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Attorney

Attorney Robinson stated there was no legislation changes that would impact the Fund.

Attorney Robinson distributed holiday gifts and reminded the trustees that they can accept gifts up to \$25.00 in value. They should not accept gifts over \$25.00.

Chairperson

Chairperson Epperson stated there must be (2) signatures on all member distributions going forward. Ms. Patterson stated she would do so.

Chairperson Epperson noted the refund for Dario Gonzalez was incorrect because at that time the contributions were post-tax therefore, we need to repay him \$828.58.

Chairperson Epperson noted the SPD was distributed.

Secretary

The Secretary had nothing to report.

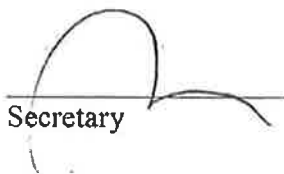
Administrator

The administrator had nothing to report.

Trustee Diaz said the Officer Dan Rosenberg has inquired about entering the DROP when he turns 55 in January 2019 he asked if we could add this item to the next agenda.

Trustee Diaz made a motion to adjourn the meeting at 4:45 p.m. Trustee Manners seconded the Motion. Motion passed.

The next meeting date was set for 2/27/19.


Secretary

SUGARMAN & SUSSKIND

PROFESSIONAL ASSOCIATION
ATTORNEYS AT LAW

Robert A. Sugarman ♦
Howard S. Susskind
Kenneth R. Harrison, Sr.
D. Marcus Braswell, Jr.
Pedro A. Herrera
David Robinson
Caroline Quill

100 Miracle Mile
Suite 300
Coral Gables, Florida 33134
(305) 529-2801
Toll Free 1-800-329-2122
Facsimile (305) 447-8115

♦Board Certified Labor
& Employment Lawyer

MEMORANDUM

TO: Board of Trustees for the Town of Golden Beach Employees' Pension Plan

FROM: Pedro A. Herrera, Plan Attorney

DATE: June 2, 2021

RE: Kelly Cabot – Reconsideration of Disability Benefit

We have reviewed and analyzed all documentation received with respect to Kelly Cabot's request to reconsider her disability benefit with the Town of Golden Beach Employees' Pension Plan ("Retirement Plan"). Based on our review of these records including, but not limited to, the governing Town ordinances (both at the time of retirement and subsequent to retirement), the collective bargaining agreement between the Town and FOP (10/1/04 – 9/30/07), pertinent actuarial valuation reports and impact statements, a Memorandum prepared by her attorney, and the applicable law, we believe the Retirement Plan is paying the correct benefit to Ms. Cabot and her request should be denied accordingly. We provide the following review and analysis in order to best prepare you for the June 7th special meeting where this matter will be considered.

Factual Background

1. Ms. Cabot was hired by the Town as a police officer on June 1, 1998.
2. On September 19, 2003, Ms. Cabot suffered a service incurred injury.
3. As a result of her service incurred injury, Kelly Cabot became permanently and totally disabled from performing duties as a police officer.
4. Kelly Cabot petitioned and was awarded a service-incurred permanent total disability retirement by the Retirement Plan on May 25, 2005.
5. Her benefit was effective as of June 1, 2005.
6. Pursuant to section 24-35(c)(5)(b), the Retirement Plan awarded Kelly Cabot a service-incurred disability benefit amounting to 42% of her date of disability monthly earnings, which amounted to a \$1,787.88 benefit per month.

7. Pursuant to an agreement between the Board of Trustees and Ms. Cabot (represented then by her workers compensation attorney), benefit payments were offset and suspended based on the \$105,000 workers compensation lump sum settlement awarded on 4/2/2015 as well as five (5) months of benefit payments improperly received by Ms. Cabot from January 2015 through May 2015.

8. The Florida State Lodge of the Fraternal Order of Police (“FOP”) and the Town of Golden Beach entered into a Collective Bargaining Agreement (“CBA”), which was ratified by the respective parties to the CBA and formally ratified by the Town through Resolution 1818.06 on November 21, 2006.

9. The CBA covered the period between October 1, 2004 to September 30, 2007.

10. Ordinance No. 519.07, incorporating the benefit changes agreed to in the CBA, was passed by the Town Council on 2nd reading on May 15, 2007.

11. Section 9 of Ordinance No. 519.07 provides specifically: “the ordinance shall take effect upon adoption.”

12. Article 32 of the CBA provides for “pension” benefits all of which, save one, are retroactively “effective 10/1/06.”

13. Article 32 (e) of the CBA does not have any retroactive effective date and simply provides for an increase to the service-incurred disability benefit from 42% of average monthly earnings to 70%.

14. Article 34 of the CBA states specifically: “Unless otherwise provided herein, this Agreement shall be effective upon ratification by both the Town and the FOP, and it shall remain in full force and effect until and including September 30, 2007.”

15. Article 34 of the CBA states specifically: “No employee who has left the Town’s employ prior to the ratification of this Agreement will be entitled to any of the benefits contained herein.”

16. The 10/1/05 Actuarial Valuation report (setting forth funding requirements for FYE 9/30/06) provides for a 42% service-incurred disability benefit.

17. The 10/1/06 Actuarial Valuation report (setting forth funding requirements for FYE 9/30/07) provides for a 42% service-incurred disability benefit.

18. The statutorily required Supplemental Valuation for the Retirement Plan, dated 11/20/06, prepared by the Retirement Plan’s then actuary GRS, reflecting the cost impact of the benefit changes negotiated in the CBA indicates specifically, “Group Valued – *Active Police Officers not yet retired.*”

Governing Ordinance and CBA Provisions

- Section 24-33(c)(5) of the Town ordinance in June of 2005 states:

Amount of Services Incurred Disability Benefit. Forty-two percent of the Member's monthly Earnings in effect on the date of disability provided, however, that such benefits shall be no less than the Accrued Benefit and, subject in any event to the offsets listed below. (Emphasis added)

- The Town ordinance was amended on May 15, 2007 to provide:

Amount of Services Incurred Disability Benefit. For General Employees, forty-two percent of the Member's monthly Earnings in effect on the date of disability provided, however, that such benefits shall be no less than the Accrued Benefit and, subject in any event to the offsets listed below. For police officer members seventy (70) percent of the Member's monthly Earnings in effect on the date of disability, provided that such benefits shall be no less than the accrued benefit and, subject in any event to the offsets listed below.

- Article 34 of the CBA states specifically:

1. *Unless otherwise provided herein, this Agreement shall be effective upon ratification by both the Town and the FOP, and it shall remain in full force and effect until and including September 30, 2007.*
2. *No employee who has left the Town's employ prior to the ratification of this Agreement will be entitled to any of the benefits contained herein.*
3. *On or before March 1, 2007, the FOP shall provide the Town with a copy of its contract proposals. Negotiations for a successor contract will commence on or before April 15, 2007. (Emphasis added)*

Legal Analysis

As trustees, you are legally charged to construe the provisions of the Plan and determine all questions arising thereunder as well as determining all questions relating to eligibility and participation.¹ According to the provisions of the plan document governing disability benefits at the time of Ms. Cabot's retirement, only a forty-two (42%) percent benefit was available for service-incurred disabilities. Florida pension and labor law is very well established and provides that a retiree is entitled to the benefits in place at the time of his or her retirement. Further, as held most recently by the Florida Supreme Court, a legislature is barred from retroactively altering the benefits to which a member of its retirement system is entitled, however, a legislative body is free

¹ Sec. 24-36(k) of the Town of Golden Beach code of ordinances.

under the Florida Constitution to alter such benefits prospectively, that is, *before* the member has retired. Benefits cannot be altered at all for retirees unless specifically increased. Ms. Cabot retired from the Town on May 25, 2005. Nearly 18 months later, after she was no longer an employee, or a bargaining unit member, a CBA was entered into by her former union representative and her former employer. The pertinent provisions of the CBA specifically excludes all “employees who left the Town’s employ prior to ratification” of the CBA from entitlement to any of the newly negotiated benefits. The CBA itself does not even provide for retroactivity with respect to the higher disability benefit despite having retroactive dates for every single other pension benefits. Article 34 of the CBA specifically states that unless such retroactive dates are provided for, the CBA is effective upon ratification (i.e., 18 months *after* Ms. Cabot’s retirement). Further, all actuarial valuations produced with respect to this enhanced disability benefit do not assume any retroactivity when determining costs and funding impact. Neither the Town nor the FOP have indicated that the CBA’s disability benefit was intended to be applied retroactively to the inception of the CBA and applied to retirees. Neither the Town nor the FOP have sought to amend the Town’s ordinance or the CBA to provide for such retroactivity to include retirees. There is no ambiguity in the Town ordinance or the CBA and therefore the Board is estopped from administering the Retirement Plan as enacted by the Town Council. The Town’s ordinance, applicable CBA and state of the law all clearly illustrate that Ms. Cabot’s disability pension is correct as it has been paid for the past 16+ years.

Based on the foregoing, you should deny Ms. Cabot’s request for reconsideration of her disability benefit.