

City of Lauderhill Police Officers' Retirement Plan
Minutes
June 01, 2016
2:00 PM

Call to Order / Roll Call:

Mr. David Hennessy called the meeting of the City of Lauderhill Police Officers' Retirement Plan to order at 2:08 PM at the Lauderhill Police Department, 6279 West Oakland Park Blvd Lauderhill, Florida.

Members Present:

Mr. David Hennessy – Chairman; Mr. Floyd Harris – Secretary, Mr. Brad Mitchell (left at 4:10 PM) & Mr. Sam Smith (left at 2:45 PM) – Trustees.

Absent:

Mr. Kennie Hobbs

Others Present:

Mr. Paul Daragjati – Board Attorney (left at 3:55 PM); Mr. Jeff Swanson – Performance Monitor of Southeastern Advisory (arrived at 2:30 and left at 4:00 PM); Mr. Don Dulaney – Board Actuary (arrived at 2:40 PM); Mr. Dave Williams – Plan Administrator & Mrs. Patty Ostrander – Administrative Assistant.

Public Discussion:

No Comments Provided

Approval of Minutes:

The Board of Trustees reviewed the minutes for the May 04, 2016 meeting. Mr. Smith made a motion to approve the minutes, seconded by Mr. Harris. The motion passed 4-0.

Consent Agenda: Warrant Ratification / Approval:

Warrant 551

Payment of \$550.00 to FPPTA for Sam Smith to attend the FPPTA 32nd Annual Conference in June 2016. Motion by Mr. Harris to approve as outlined, seconded by Mr. Mitchell. Motion passed 4-0.

Warrant 552

Payment of \$2,733.50 to Klausner, Kaufman, Jensen & Levinson for Legal services through April 30, 2016. Motion by Mr. Harris to approve as outlined, seconded by Mr. Mitchell. Motion passed 4-0.

Warrant 553

Payment of \$98.70 to Sun Credit Union for office supplies. Motion by Mr. Smith to approve as outlined, seconded by Mr. Mitchell. Motion passed 4-0.

Warrant 554

Payment of \$3,550.00 to Dulaney & Company for actuarial services through April 2016. Motion by Mr. Harris to approve as outlined, seconded by Mr. Mitchell. Motion passed 4-0.

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Warrant 555

Payment of \$3,800.00 to Goldstein Schechter Koch for auditing services (final bill) for the year ended September 30, 2015. Motion by Mr. Harris to approve as outlined, seconded by Mr. Mitchell. Motion passed 4-0.

Warrant 556

Payment of \$600.12 to Sam Smith as Per Diem for the FPPTA June conference. Motion by Mr. Harris to approve as outlined, seconded by Mr. Mitchell. Motion passed 4-0.

Attorney's Report:

Mr. Daragjati informed that Board that there is a new section in the annual F-1 forms for training. He stated that this does not apply to our Board.

Mr. Hennessy asked Mr. Daragnati to draft an Administrative rule regarding DROP Distribution and the plan holding 20% for those who have the variable rate.

Actuary's Report:

Mr. Dulaney distributed cost tables for his final report that will be presented at the next meeting.

Performance Monitor Report – Jeff Swanson, Southeastern Advisory

Mr. Swanson distributed an updated Investment Policy and Guidelines for the Board to review. After review. Mr. Mitchell made a motion to accept this policy, seconded by Mr. Harris. Motion passed 3-0. Mr. Swanson will send an original to Mr. Williams for execution.

Mr. Swanson advised the Board of the rebalance procedures required by Fifth Third. Mr. Swanson will look at the R & D Account in the middle of June for possible rebalancing.

Quarterly Portfolio Review - Mr. Swanson advised that the total fund was valued at \$53,742,370 as of March 31, 2016.

He indicated the total asset allocation for the portfolio as of March 31, 2016 was 44.9% in Domestic Equities, 12.9% in International Equities, 7.2% in Absolute Returns, 18.2% in Fixed Income, 15.5% in Real Estate and 1.3% in Cash.

Mr. Swanson reported Vanguard 500 Index returned 1.3% for the quarter vs. 1.3%, placing it in the TOP 27th percentile. On a one year basis that portion of the portfolio returned 1.8% vs. 1.8% for the benchmark, placing it in the TOP 13th percentile.

Highland Capital returned 0.7% for the quarter vs. 1.2% for the benchmark, placing it in the 62nd percentile. On a one year basis, that portion of the portfolio returned -1.4% vs. 0.5% for the benchmark, placing it in the 69th percentile. Performance continues to be monitored.

New Amsterdam returned -4.2% for the quarter vs. 0.4% for the benchmark, placing it in the 100th percentile. On a one year basis that portion of the portfolio returned -7.3% vs. -7.3% for the benchmark, placing it in the 58th percentile.

Euro Pacific Growth returned -2.3% for the quarter vs. -3.0% for the benchmark, placing it in the 67th percentile. On a one year basis that portion of the portfolio returned -8.3% vs. -8.3% for the benchmark, placing it in the 46th percentile.

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Oakmark International returned -2.9% for the quarter vs. -3.0% for the benchmark, placing it in the 76th percentile. On a one year basis that portion of the portfolio returned -12.4% vs. -8.3% for the benchmark, placing it in the 79th percentile.

Plan Administrator's Report:

Mr. Williams stated that his office received a public records request from the city clerk from Mr. Frank F. Lee which was promptly processed and returned to the city clerk's office.

Mr. Williams advised the Board that Fifth Third confirmed receipt of the Promissory Notes from Salem Trust and that they are being held in their vault. Mr. Williams also advised the Board that the residual cash was transferred to Fifth Third and that everything has been completed and Salem Trust is done. Mr. Williams thanked Fifth Third & Salem Trust for the seamless transition.

New Business:

New Members – Mr. Harris made a motion to approve the following members, seconded by Mr. Mitchell. Motion passed 3-0. (Torrance Gary, John Kasimer, Ryan Martone, George Przybylski and Ackeem Veasley).

RFP Audit Review – Three responses were received as a result of the request for proposal for plan auditor. C Borders-Byrd, CPA; Davidson, Jamieson and Cristini; and Goldstein Schechter Koch.

Auditor RFP – Mr. Hennessy has spoken with Mr. Hobbs in the past regarding Goldstein Schechter Koch and there is concern about delays and lack of fieldwork. It was noted that GSK did not quote the State report in their RFP.

Mr. Hennessy asked if anyone has dealt with Cynthia Byrd. It was stated that they are currently the Auditor for the managerial board. Mr. Williams has no experience with the firm. It was noted that this firm was the current Auditor for the managerial board. Mr. Swanson expressed that there were delays with the managerial financial statements. There was no quote for the State report or Bookkeeping in their RFP.

Mr. Hennessy asked if he has had any dealings with Davidson Jamieson and Cristini. Mr. Daragjati spoke very highly with his experience with this firm and its representatives. Mr. Williams also stated that he currently has them with other plans; they are very reliable and physically conduct on-site field work; extremely well versed with state reports and direct interaction with the Division of Retirement. Mr. Williams stated that they are the auditor for FPPTA and to his knowledge is actively involved with Government Finance Officers' Association as well.

Mr. Hennessy would like to interview all three at our July meeting. The board agreed and each firm will be given 20 minutes. Mr. Williams will contact the vendors. Mr. Hennessy would like clarification on the State report and Bookkeeping charges prior to their interviews. Mr. Williams will follow-up.

Open Discussion:

Meeting Date Change – Due to schedule conflicts of the Trustees, the July meeting will be changed to July 13th. Website will be updated by Mr. Williams to reflect new date.

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Adjournment:

Being there was no other business; Mr. Hennessy adjourned the meeting at 4:10 PM.

Approved: 
Chairman Hennessy

Date: 07-13-16