

**City of Lauderhill Police Officers' Retirement Plan  
Minutes  
December 07, 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 2:15 PM at the Lauderhill Police Department, 6279 West Oakland Park Blvd Lauderhill, Florida.

**Members Present:**

Mr. David Hennessy – Chairman; Mr. Floyd Harris & Mr. Brad Mitchell - Trustees.

**Absent:**

Mr. Kennie Hobbs & Mr. Sam Smith - Trustees

**Others Present:**

Mr. Paul Daragjati – Board Attorney; Mr. Dave Williams – Plan Administrator; Mrs. Patty Ostrander – Administrative Assistant; Mr. Don Dulaney – Dulaney & Company; Mr. Jeff Swanson – Southeastern Advisory Services.

**Public Discussion:**

No Comments Provided

**Approval of Minutes:**

The Board of Trustees reviewed the minutes for the November 02, 2016 meeting. Mr. Mitchell made a motion to approve the minutes, seconded by Mr. Harris. The motion passed 3-0.

**Consent Agenda: Warrant Ratification / Approval:**

**Warrant 590**

Payment of \$1,573.50 to Klausner, Kaufman, Jensen & Levinson for legal services through October 2016. Motion by Mr. Mitchell to approve as outlined, seconded by Mr. Harris. Motion passed 3-0.

**Warrant 591**

Payment of \$3,763.50 to Klausner, Kaufman, Jensen & Levinson for legal services through September 2016. Motion by Mr. Harris to approve as outlined, seconded by Mr. Mitchell. Motion passed 3-0.

**Warrant 592**

Payment of \$2,920.00 to Dulaney & Company for actuarial services through September 2016. Motion by Mr. Mitchell to approve as outlined, seconded by Mr. Harris. Motion passed 3-0.

**Warrant 593**

Payment of \$30.00 to FPPTA for Sam Smith Recertification fees. Motion by Mr. Harris to approve as outlined, seconded by Mr. Mitchell. Motion passed 3-0.

**Warrant 594**

Payment of \$94.86 to Fifth Third Bank. Motion by Mr. Harris to approve as outlined, seconded by Mr. Mitchell. Motion passed 3-0. UPS - paperwork sent to member.

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**Warrant 595**

Payment of \$2,280.00 to Klausner, Kaufman, Jensen & Levinson for legal services through November 2016. Motion by Mr. Mitchell to approve as outlined, seconded by Mr. Harris. Motion passed 3-0.

**Warrant 596**

Payment of \$3,300.00 to Dulaney & Company for actuarial services through October 2016. Motion by Mr. Mitchell to approve as outlined, seconded by Mr. Harris. Motion passed 3-0.

**Attorney's Report:**

Mr. Daragjati advised that the State of Florida – Division of Retirement Annual Report will be submitted electronically. Mr. Williams emailed Mr. Brinkman and Ms. Carr and informed that that Ms. Cynthia Borders-Byrd is the point of contact for this Plan.

WILLSON MATTER: Mr. Daragjati advised the Board that after reviewing the Psychologist report that was provided to him it was stated “He (Willson) doesn’t suffer from a specified mental illness, he exercises poor judgment”. Prior to Mr. Willson’s death, he did not provide any other physicians reports. Mr. Willson did have a designated beneficiary (his mother). He stated that the beneficiary can apply for regular retirement, early retirement or a return of contributions. A formal Order on this matter will follow at a future meeting. Mr. Daragjati asked Mr. Williams to send a letter to the beneficiary stating that they may be entitled to a benefit cited.

**Actuary's Report:**

Mr. Dulaney handed Mrs. Ostrander the buyback statements for the year, which will be distributed to the respective members.

Mr. Dulaney explained to the Board that there is an updated FRS mortality table and it would be acceptable and reasonable to follow immediately. Mr. Mitchell made a motion to accept the 2017 Mortality Table 2 as recommended by Mr. Dulaney, seconded by Mr. Harris. Motion passed 3-0.

Mr. Dulaney distributed a Tier One Member Buyback chart and Mr. Hennessy asked the cost to prepare a Tier Two Member Buyback chart. Mr. Dulaney will report back with the cost.

Mr. Dulaney stated that he received the revised snapshot and he is now able to do the outstanding drop calculations. Mrs. Ostrander will begin requesting snapshots as of the DROP date to Ms. Langley and Mr. Harris.

**Performance Monitor Report – Jeff Swanson, Southeastern Advisory**

Mr. Swanson advised that the total fund was valued at \$57,728,762 as of September 30, 2016.

He indicated the total asset allocation for the portfolio as of September 30, 2016 was 43.6% in Domestic Equities, 12.8% in International Equities, 7.0% in Absolute Returns, 17.6% in Fixed Income, 16.8% in Real Estate and 2.2% in Cash.

Mr. Swanson reported Vanguard 500 Index returned 3.8% for the quarter vs. 3.9%, placing it in the 53<sup>rd</sup> percentile. On a one year basis that portion of the portfolio returned 15.4% vs. 15.4% for the benchmark, placing it in the TOP 16<sup>th</sup> percentile.

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Highland Capital returned 3.0% for the quarter vs. 4.0% for the benchmark, placing it in the 88<sup>th</sup> percentile. On a one year basis, that portion of the portfolio returned 12.7% vs. 14.9% for the benchmark, placing it in the 73<sup>rd</sup> percentile.

New Amsterdam returned 10.7% for the quarter vs. 6.6% for the benchmark, placing it in the 7<sup>th</sup> percentile. On a one year basis that portion of the portfolio returned 8.4% vs. 14.4% for the benchmark, placing it in the 88<sup>th</sup> percentile.

Euro Pacific Growth returned 8.2% for the quarter vs. 6.4% for the benchmark, placing it in the 26<sup>th</sup> percentile. On a one year basis that portion of the portfolio returned 8.5% vs. 6.5% for the benchmark, placing it in the 54<sup>th</sup> percentile.

Oakmark International returned -13.3% for the quarter vs. 6.4% for the benchmark, placing it in the 2<sup>nd</sup> percentile. On a one year basis that portion of the portfolio returned 6.7% vs. 6.5% for the benchmark, placing it in the 64<sup>th</sup> percentile.

Per Mr. Swanson recommendation, Mr. Mitchell made a motion to transfer \$500,000 to Westwood from the R & D Account, seconded by Mr. Harris. Motion passed 3-0. The appropriate custodial documents will be prepared for execution.

### **Plan Administrator's Report:**

Audit: Mr. Williams advised the Board that BDO (formerly GSK) is charging Ms. Borders-Byrd to review last year's audit and he presented a letter for execution. After discussion, the Board does not approve of the charge and therefore the letter was not executed. Mr. Williams will notify Ms. Borders-Byrd. Mr. Daragjati will send an email to his office regarding this and if this has happened to other clients. Mr. Daragjati will report back to the Board.

2016 PPCC Award: Mr. Williams confirmed that the Lauderdale Police Officers' Retirement Plan were proud recipients of the Public Pension Coordinating Council (PPCC) Award. The PPCC is a coalition of three national associations that represent public retirement systems and administrators: NASRA, the National Council on Teacher Retirement (NCTR) and the National Conference on Public Employee Retirement Systems (NCPERS). It was reported that together, these associations represent more than 500 of the largest pension plans in the United States serving most of the nation's 16 million employees of state and local government.

The PPCC established the Public Pension Standards to reflect minimum expectations for public retirement system management, administration, and funding. The Standards serve as a benchmark by which to measure public defined benefit plans.

To receive the Recognition Award for Administration, the retirement system must meet the requirements in five areas of assessment.

Those areas are:

1. Comprehensive Benefit Program. The system must provide a comprehensive benefit program including service retirement benefits, in-service death benefits, disability benefits, vesting, and provisions for granting a cost-of-living adjustment.
2. Actuarial. An Actuarial Valuation must be completed at least every two years using generally recognized and accepted actuarial principles and practices.

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3. Audit. The system must obtain an unqualified opinion from an independent audit conducted in accordance with government auditing standards generally accepted in the United States.

4. Investments. The system must follow written investment policies and written fiduciary standards and the system must obtain an annual investment performance evaluation from an outside investment review entity.

5. Communications. Members must be provided a handbook or summary plan description, regular updates to the documents, and an annual benefit statement. Meetings of the governing board of the system are conducted at least quarterly with adequate public notice.

Mr. Williams congratulated the Board of Trustees and the Plan Sponsor (City of West Palm Beach) for a job well done!

<http://lauderhillpolicepension.org/docs/announcements/LHPD%20Pension%20PPCC%20Award%202016.pdf#zoom=100>

**New Business:**

New Member – Mrs. Ostrander presented the pension files of Mr. Ackim Thomas & Mr. Keith Porter to the Board for consideration. Mr. Harris made a motion to approve the following member, seconded by Mr. Mitchell. Motion passed 3-0.

**Old Business:**

None.

**Open Discussion:**

Mr. Hennessy mentioned that there were changes made to the Collective Bargaining Agreement. Mr. Hennessy will send a copy of the new agreement to Mr. Daragjati so that he can update the Pension Ordinance and forward it to Mr. Brett Schneider for consideration.

**Adjournment:**

Being there was no other business; Mr. Hennessy adjourned the meeting at 4:15 PM.

Approved:   
Chairman Hennessy

Date: 02-01-17