

City of Lauderhill Police Officers' Retirement Plan

Minutes

July 11, 2018

10:00 A.M.

Call to Order / Roll Call:

Mr. David Hennessy called the meeting of the City of Lauderhill Police Officers' Retirement Plan to order at 10:15 A.M. at the Lauderhill Police Department 6279 West Oakland Park Blvd in Lauderhill Florida.

Public Discussion:

None

Members Present:

Mr. David Hennessy – Chairman; Ms. Andrea Anderson – Secretary, Mr. Kennie Hobbs (left at 10:53 A.M.), Mr. Brad Mitchell and Mr. Sam Smith - Board Trustees.

Absent:

None

OTHERS PRESENT:

Mr. Paul Daragjati - Board Attorney; Mr. Dave Williams – Plan Administrator; Mrs. Patty Ostrander – Administrative Assistant; Mr. Don Dulaney – Board Actuary and Ms. Lindsey Singer – Dulaney and Company.

Consent Agenda: Warrant Ratification / Approval:

Approval of Minutes:

The Board of Trustees reviewed the minutes for the June 06, 2018 meeting. Mr. Mitchell made a motion to approve the minutes, seconded by Mr. Smith. The motion passed 5-0.

Warrant 746

Payment of \$2,500.00 to Dulaney & Company for Actuarial Services through May 2018. Motion by Mr. Hobbs to approve as outlined, seconded by Mr. Mitchell. Motion passed 5-0.

Warrant 747

Payment of \$7,276.93 to Highland Capital for the final Quarterly Management fees. Motion by Mr. Hobbs to approve as outlined, seconded by Ms. Anderson. Motion passed 5-0.

Warrant 748

Payment of \$88.00 to Patty Ostrander for redaction of a members file per a records request. Motion by Mr. Mitchell to approve as outlined, seconded by Mr. Hobbs. Motion passed 5-0.

Warrant 749

Payment of \$2,970.00 to Dulaney & Company for Actuarial Services through June 2018. Motion by Mr. Smith to approve as outlined, seconded by Mr. Hobbs. Motion passed 5-0.

Warrant 750

Payment of \$1,470.00 to Klausner, Kaufman, Jensen & Levinson for legal services through June 2018. Motion by Mr. Mitchell to approve as outlined, seconded by Mr. Hobbs. Motion passed 5-0.

Warrant 751

Payment of \$16,928.00 to Southeastern Advisory Services, Inc. for Performance Management for the second quarter of 2018. Motion by Mr. Hobbs to approve as outlined, seconded by Mr. Mitchell. Motion passed 5-0.

ATTORNEY'S REPORT:

Mr. Daragjati advised the Board that he reviewed the "Third Amendment to Amended and Restated Declaration of Trust for the Commingled Pension Trust Fund" that was sent to us by JP Morgan. Mr. Daragjati there is no action is required.

ACTUARY'S REPORT:

Mr. Dulaney presented the October 1, 2017 actuarial valuation. Mr. Dulaney also presented and reviewed the Actuarial Valuation Report.

A. Characteristic of Active Participants

1.	Active participants as of beginning of prior year	85
2.	New entrants during prior year	19
3.	Exits during prior year	<u>(7)</u>
4.	Active participants as of beginning of year	97
5.	Active participants fully vested	51
6.	Active participants partially vested	0
7.	Active participants non-vested	46
8.	Annual payroll of active participants	\$ 8,751,336
9.	Average pay	\$ 90,220
10.	Average attained age	37.5 years
11.	Percent female	10.5%

B. Characteristics of Inactive Participants

1.	Inactives as of beginning of prior year	61
2.	Newly inactive during prior year	6
3.	Exits during prior year	<u>(2)</u>
4.	Inactives as of beginning of year	65
5.	Age retirees	36
6.	Projected annual benefit for age retirees	\$ 2,277,971
7.	DROP participants	14
8.	Projected annual benefit for DROP participants	\$ 1,187,687
9.	Beneficiaries receiving benefits	1
10.	Projected annual benefits for beneficiaries receiving benefits	\$ 21,110
11.	Disabled participants receiving benefits	3
12.	Projected annual benefits for disabled participants	\$ 66,757
13.	Terminated vested due deferred benefits	11
14.	Projected annual benefits for terminated vested participants	\$ 259,944

The required funding amount for the plan/fiscal year ending September 30, 2018, to be met by the City and State contributions under Chapter 185 is 33.6% of the covered payroll. The anticipated State (Chapter 185) contribution is \$408,853. The City and State required contribution, computed based on the October 1, 2017 covered payroll of \$8,751,336, is \$2,938,028 or 33.6% of covered payroll, if the payment requirement is met by September 30, 2018. We have assumed that the State contribution available (limited by rules under Chapter 99-1) would be \$408,853 (same as the amount the City was credited with for contribution purposes for the prior plan/fiscal year and assumed to be 4.7% of covered payroll). Thus, the required City contribution would be \$2,529,175 (28.9% of covered payroll). Under the rules of Chapter 99-1, any amount of the State contribution received above the assumed amount of \$408,853 up to the adjusted base amount of \$504,799 can be used to reduce the City's contribution requirement. If the actual State contribution is less than the assumed amount, the shortfall must be made up by the City.

This report also considers the required change in the mortality table to comply with Florida Statute 112.63(1)(f).

After discussion and consideration, motion to approve the report as presented by Mr. Smith, seconded by Ms. Anderson. Motion passed 4-0. (Mr. Hobbs was not present for this vote).

The entire report may be viewed at:

http://lauderhillpension.org/docs_state/ActuarialValuation/LP%202017%20Valuation_signed.pdf#zoom=100

PLAN ADMINISTRATOR'S REPORT:

Mr. Williams thanked Ms. Anderson for her help during the transition in transferring funds from Highland Capital to the new index fund. Her diligent effort(s) are appreciated and reinforces her commitment to the Plan.

Mr. Williams advised the Board that all annual forms (I am alive forms) have been received by the Plan's retirees.

Mr. Williams informed the Board that the Bookkeeper is moving along and hopes to have the first quarter completed in the near future.

Mr. Williams and Mrs. Ostrander have been in communication with Fifth Third regarding the service charge on our credit card. They hope to have an update at the August meeting.

NEW BUSINESS:

Mr. Hennessy advised that he attended the City's budget meeting and there was concern about the pension plans future. This Plan was the best funded and lowest cost in the city and should not be made part of that discussion. The Board will consider presenting a "State of the Pension" to the commission after the next election.

OLD BUSINESS:

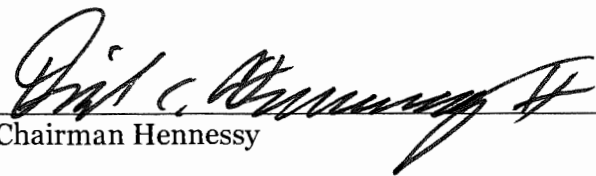
None.

OPEN DISCUSSION:

None.

ADJOURNMENT:

Being there was no other business; the meeting was adjourned at 11:49 A.M.

Approved: 
Chairman Hennessy

Date: 08-08-17