

City of Lauderhill Police Officers' Retirement Plan
Minutes
May 08, 2013
10:00 A.M.

Roll Call:

Mr. David Hennessy called the meeting of the City of Lauderhill Police Officers' Retirement Plan to order at 10:12 a.m. at the City of Lauderhill Police Department.

Members Present:

David Hennessy - Chairman, Michael Lucas – Secretary (arrived at 10:16 a.m.), Gary Celetti – Trustee (left at 10:57 a.m.) & Kennie Hobbs - Trustee.

Absent & Excused:

Mr. Floyd Harris - Trustee

Others Present:

Stu Kaufman – Klausner, Kaufman, Jensen & Levinson - Board Attorney; Dave Williams & Patty Ostrander – Precision Pension Administration, Don Dulaney – Dulaney & Company, Steve Stack – ICC Investment Manager & Clement Johns – Goldstein Schechter & Koch.

Consent Agenda: Warrant Ratification / Approval:

Approval of Minutes:

The Board of Trustees reviewed the minutes for the April 03, 2013 meeting. Mr. Hennessy asked if there were any changes required to the minutes. Mr. Hobbs made a motion to approve the minutes. Mr. Celetti seconded the motion. The motion passed 3-0. Mr. Lucas was not present for this vote.

Warrant 297

Payment of \$3,350.00 to Dulaney & Company, Inc. for Actuarial services through March 31, 2013. Motion by Mr. Hobbs to approve as outlined, seconded by Mr. Celetti. Motion passed 4-0. Mr. Hobbs questioned the Actuary's payment schedule. Mr. Hennessy stated that Mr. Dulaney will be attending the meetings on a quarterly basis unless needed otherwise.

Warrant 298

Payment of \$4,986.88 to New Amsterdam Partners, LLC for Quarterly Management Fees for the period April 01, 2013 through June 30, 2013. Motion by Mr. Hobbs to approve as outlined, seconded by Mr. Celetti. Motion passed 4-0.

Warrant 299

Payment of \$3,490.00 to Dulaney & Company, Inc. for Actuarial services through April 2013. Motion by Mr. Hobbs to approve as outlined, seconded by Mr. Celetti. Motion passed 4-0.

Warrant 300

Payment of \$1,470.00 to Klausner, Kaufman, Jensen & Levinson for legal services through March 31, 2013. Motion by Mr. Hobbs to approve as outlined, seconded by Mr. Celetti. Motion passed 4-0.

Warrant 301

Payment of \$1,260.00 to Klausner, Kaufman, Jensen & Levinson for legal services through April 30, 2013. Motion by Mr. Hobbs to approve as outlined, seconded by Mr. Lucas. Motion passed 4-0.

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ICC - Investment Manager Report:

Mr. Stack, ICC indicated that as of March 31, 2013, the portfolio had a market value of \$12,666,860. The allocation at the end of the quarter based on each asset class is as follows: 8.2% in cash, 30.3% in growth equity and 61.5% in value equity.

Investment performance for the quarter by asset category is as follows: value 11.45% vs. the benchmark of 10.97%, and growth 12.51% vs. the benchmark of 10.97%, which equates to a quarterly return of 11.80% vs. 10.97%.

The investments return on a fiscal year basis - value 15.93% vs. the benchmark of 11.10%, Growth 15.31 % vs. the benchmark of 11.10%, which equates to an annual return of 15.41% vs. 11.10%.

On a five year basis the total account return was 4.39% vs. the benchmark of 6.15%.

The foregoing returns are reported on a gross basis.

Auditor's Report:

Mr. Johns reported that the final statistical exhibit was presented to Mr. Dulaney. Mr. Dulaney confirmed same and was satisfied with the information provided. Mr. Johns thanked the Finance Department for all their help. It was conveyed that the delay was caused by manual payments being made but not being reported to the Plan Administrator. During Mr. Johns' presentation, Mr. Williams presented a fiscal year payroll reconciliation report. The report is broken down by each payroll period. It tracks the contribution payment made to Salem Trust Company, the hard copy payroll that the City is providing the Plan Administrator and the electronic payroll uploads which are being provided from the City to the Plan Administrator. Mr. Williams reviewed the report and advised that it appears that the only time the biweekly totals differ is when a manual payment of some sort is being paid. Mr. Williams also produced a 43 page report that was provided to him after the April meeting by the Finance Department. The report contained numerous manual adjustments for various reasons. With the assistance of Mr. Johns, Mr. Williams indicated that manual adjustments will be made to the electronic payroll system. Mr. Williams recommended that manual payroll adjustments cease and that any payments of this nature could be added to the next regular payroll cycle. If this could not be accomplished, Mr. Williams requested to be advised when the payroll adjustment is made, not months later. Further, an electronic upload would also be beneficial to avoid manual entries into a computerized system. Mr. Johns reflected that he was very comfortable with the process as outlined by Mr. Williams. He agreed that manual tracking was an undue burden on the Administrator. Mr. Johns gave assurance that he would advise the Board if his opinion changes.

Mr. Williams thanked Mrs. Ostrander for updating the payroll reconciliation report and as well as Mr. Johns invaluable assistance.

Attorney's Report:

Mr. Kaufman updated the Board on the current legislation & pending litigation in other jurisdictions.

Actuary's Report:

Mr. Dulaney presented the Annual Benefit Statements. Mrs. Ostrander will prepare the statements for distribution.

Mr. Dulaney spoke about the States argument in the assumption change.

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Mr. Dulaney presented the revised October 01, 2011 Actuarial Valuation Report for approval. Mr. Dulaney indicated the changes were limited to the amortization period. Originally it was reported at 30 years and has now been changed to 20 years. The Actuarial Valuation of assets was modified. Mr. Dulaney reminded the board that these changes were as a result of his ongoing discussions with Mr. Doug Beckendorf, State of Florida Division of Retirement Actuary. Motion to accept the report by Mr. Hobbs, seconded by Mr. Lucas. Motion passed 3-0. (Mr. Celetti was not present for this vote).

Plan Administrator's Report:

Mr. Williams presented a Public Records Request for the Board to consider. The request was formulated to further our internal controls by developing another checks & balances system. The request would require the finance department to provide a statistical exhibit on an annual basis. This report would then be compared with the Plan Administrators statistical exhibit. Mr. Hennessy expressed his concern regarding this going through the City Manager. By consensus, the Board appreciated the proposed action but did not support the formal request. Mr. Hennessy asked Mr. Johns if he is comfortable with the procedures in place & asked Mr. Johns if he notices any discrepancies to notify the Board immediately & do not wait until year end. Mr. Williams thanked the Board for providing clarity to this matter.

Mr. Williams provided an update to the Board on several outstanding matters which are being handled. Mr. Forbes, Mr. Epstein, Mr. Solowsky, Mr. Reyes, Ms. Pubien & Mr. Rhames.

Mr. Williams distributed the Annual Financial Reporting Statements, Form I to all the Board. Mr. Williams suggested that the forms be returned to him to ensure delivery and to maintain a copy of the record on file. Mr. Williams reminded the Board that these forms needed to be filed by July 01, 2013.

Mr. Williams advised that Patricia Shoemaker, Benefits Administrator, State of Florida Division of Retirement sent a confidentiality form to his office. The form will protect personal information that is contained in public records. This form was transmitted to the City Clerk, was executed by the City Manager and returned directly to Ms. Shoemaker. A follow up will be made with the State to ensure its receipt.

Mr. Williams reminded all the Board members of the FPPTA Conference and that if any Board member needed assistance with registration or reservations to let him or Mrs. Ostrander know.


Open Discussion:

None.

Adjournment:

Being there was no other business; the meeting was adjourned at 11:47 a.m.

Approved: _____


Chairman Hennessy

Date: 06-05-13