

City of Lauderhill Police Officers' Retirement Plan
Minutes
May 03, 2017
10:00 AM

Call to Order / Roll Call:

Mr. David Hennessy called the meeting of the City of Lauderhill Police Officers' Retirement Plan to order at 10:12 AM at the Lauderhill Police Department, 6279 West Oakland Park Blvd. Lauderhill, Florida.

Members Present:

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

Absent:

Mr. Kennie Hobbs - Trustee

Others Present:

Mr. Paul Daragjati, Board Attorney, Ms. Anna Parish, Board Attorney – Klausner, Kaufman, Jensen & Levinson; Mr. Don Dulaney, Board Actuary - Dulaney & Company; Mr. Grant McMurray, Investment Manager - Highland Capital; Mr. Dave Williams – Plan Administrator; Mrs. Patty Ostrander – Administrative Assistant.

Public Discussion:

No Comments Provided

Approval of Minutes:

Motion by Mr. Harris to approve minutes of April 05, 2017, seconded by Mr. Mitchell. Motion passed 4-0.

Consent Agenda: Warrant Ratification / Approval:

Warrant 626

Southeastern Advisory Services, Inc. for services rendered for the first quarter of 2017. Amount \$14,994.00. Motion by Mr. Harris to approve as outlined, seconded by Mr. Smith. Motion passed 4-0.

Warrant 627

KKLJ professional services for the period ending March 31, 2017. Amount \$1,230.00. Motion by Mr. Harris to approve as outlined, seconded by Mr. Mitchell. Motion passed 4-0.

Warrant 628

Highland Capital Management for services rendered for the first quarter of 2017. Amount \$7,893.76. Motion by Mr. Harris to approve as outlined, seconded by Mr. Mitchell. Motion passed 4-0.

Warrant 629

BDO - Invoice # 000764477, Professional services rendered in connection with successor auditor review. Amount \$1,150.00. Motion by Mr. Harris to approve as outlined, seconded by Mr. Mitchell. Motion passed 4-0.

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Warrant 630

New Amsterdam Partners, LLC for services rendered for the second quarter of 2017. Amount \$8,369.20. Motion by Mr. Harris to approve as outlined, seconded by Mr. Mitchell. Motion passed 4-0.

Warrant 631

Dulaney & Company balance due from January invoice. Amount \$2,000.00. Motion by Mr. Harris to approve as outlined, seconded by Mr. Mitchell. Motion passed 4-0.

Warrant 632

Dulaney & Company for services rendered through March 2017. Amount \$5,855.00. Motion by Mr. Harris to approve as outlined, seconded by Mr. Smith. Motion passed 4-0.

Attorney's Report:

Mr. Daragjati gave the Board a brief update on the legislative session. Nothing reported would affect local pension plans such as ours.

Actuary's Report:

Mr. Dulaney presented the October 1, 2016 actuarial valuation. Mr. Dulaney also presented and reviewed the Actuarial Valuation Report.

The entire report may be viewed on-line at:

<http://laudhillpolicepension.org/modules/stateDocs/reports.asp>

The required funding amount for the plan/fiscal year ending September 30, 2017, 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 \$381,449. The City and State required contribution, computed based on the October 1, 2016 covered payroll of \$8,091,698, is \$2,720,045 or 33.6% of covered payroll, if the payment requirement is met by September 30, 2017. We have assumed that the State contribution available (limited by rules under Chapter 99-1) would be \$381,449 (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), the required City contribution would be \$2,338,596 (28.9% of covered payroll). Under the rules of Chapter 99-1, any amount of the State contribution received above the assumed amount of \$381,449 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.

A. Characteristic of Active Participants

1. Active participants as of beginning of prior year	91
2. New entrants during prior year	7
3. Exits during prior year	(13)
4. Active participants as of beginning of year	85
5. Active participants fully vested	60
6. Active participants partially vested	0
7. Active participants non-vested	25
8. Annual payroll of active participants	\$ 8,091,698
9. Average pay	\$ 95,196
10. Average attained age	38.7 years
11. Percent female	5.9%

B. Characteristics of Inactive Participants

1.	<i>Inactives as of beginning of prior year</i>	53
2.	<i>Newly inactive during prior year</i>	8
3.	<i>Exits during prior year</i>	(0)
4.	<i>Inactives as of beginning of year</i>	61
5.	<i>Age retirees</i>	30
6.	<i>Projected annual benefit for age retirees</i>	\$ 1,720,916
7.	<i>DROP participants</i>	15
8.	<i>Projected annual benefit for DROP participants</i>	\$ 1,310,634
9.	<i>Beneficiaries receiving benefits</i>	1
10.	<i>Projected annual benefits for beneficiaries receiving benefits</i>	\$ 21,110
11.	<i>Disabled participants receiving benefits</i>	3
12.	<i>Projected annual benefits for disabled participants</i>	\$ 66,754
13.	<i>Terminated vested due deferred benefits</i>	12
14.	<i>Projected annual benefits for terminated vested participants</i>	\$ 196,856

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. Harris, seconded by Mr. Mitchell. Motion passed 4-0.

Investment Manager Report:

Mr. Grant McMurray – Highland Capital presented the March 31, 2017 investment report to the Board.

For the period ending March 31, 2017, the portfolio was valued at \$6,319,639.00. \$4,308,461.00 is in the value investment account and \$1,801,860.00 is in the growth investment account. The balance is held in cash. For the quarter ending March 31, 2017 for portfolio return was valued at 4.52% vs. the benchmark return of 6.03%. For the fiscal year (October 1, 2016 to March 31, 2017) the portfolio return was valued at 10.87% vs. the benchmark return of 10.09%. On a longer term of five years ending March 31, 2017, return was valued at 12.65% vs. the benchmark return of 13.26%. Sector allocations and holdings were reviewed, and a market perspective was provided.

Plan Administrator’s Report:

Mr. Williams distributed a quote for cyber insurance that the Board requested. Mr. Daragjati has asked for additional policy information which Mr. Williams will request and provide accordingly. Mr. Mitchell made a motion to accept the Cyber Insurance policy pending the receipt of the information requested and approval of Mr. Daragjati, seconded by Mr. Mitchell. Motion passed 4-0.

Mr. Williams provided the Board with an Annual Report status update that after an exchange between the state and Mr. Williams, the report was state accepted on April 21, 2017.

The state approval may be viewed on-line at:

http://lauderdalepolicepension.org/docs/announcements/LauderdalePoliceApproval_20170523.pdf#zoom=100

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Mr. Skumanich's DROP benefit election of 75% Joint & Contingent was presented to the Board to consider. After review and discussion, Mr. Harris made a motion to approve this member's entry into the DROP, seconded by Mr. Mitchell. Motion passed 4-0.

New Business:

New Members – Mr. Picasso Green, Ms. Lauren Peterson, Mr. Joseph Nistor & Mr. Joshua Worth were presented to the Board for pension entry consideration. Mr. Harris made a motion to approve the cited members, seconded by Mr. Mitchell. Motion passed 4-0

Membership Meeting: The annual membership meeting will be June 07th at 6:30 PM. Mr. Paul Daragjati will prepare and present the PowerPoint review of the benefits of the plan. Mr. Don Dulaney, will also outline his role in the plan.

The notice may be viewed on-line at:

<http://laudhillpolicepension.org/docs/announcements/RETIREMENT%20PLAN%20EDUCATIONAL%20SEMINAR%2006-07-2017.pdf#zoom=100>

Old Business:

None.

Open Discussion:

Mr. Hennessy asked Mr. Dulaney to add signature lines for the Administrator and Chairman to approve on the Benefit Calculations going forward.

Adjournment:

Being there was no other business; Mr. Hennessy adjourned the meeting at 12:03 PM.

Approved: 
Chairman Hennessy

Date: 06-07-17