

City of Lauderhill Police Officers' Retirement Plan
Minutes

December 06, 2023
10:30 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 10:39 A.M. at the Lauderhill Police Department 6279 West Oakland Park Blvd in Lauderhill Florida.

Members Present:

Mr. Dave Hennessy – Chairman; Ms. Andrea Anderson – Board Secretary (left at 12:07 P.M.); Mr. Brad Mitchell; Mr. Sam Smith - Trustees and Mr. Torrance Gary – Trustee in Training.

Absent:

Mr. Kennie Hobbs

Others Present:

Mr. Don Dulaney – Dulaney & Company; Mr. Kurt Lofters – Southeastern Advisory; Mr. Jamie Lane and Mr. Nick Vician – TerraCap (left at 11:33 A.M.); Mr. Dave Williams – Plan Administration and Mrs. Patty Ostrander – Administrative Assistant.

Public Discussion:

No Comments.

Consent Agenda: Warrant Ratification / Approval:

Approval of Minutes:

The Board of Trustees reviewed the minutes for October 11, 2023 meeting. Ms. Anderson made a motion to approve the minutes, seconded by Mr. Mitchell. The motion passed 4-0.

Warrant 1145

Payment of \$355.00 to Mr. Sam Smith for the BLBG conference as amended. Motion to approve by Ms. Anderson seconded by Mr. Mitchell. The motion passed 4-0.

Warrant 1146

Payment of \$125.00 to NASRA for the annual PPCC Standards Award. Motion to approve by Mr. Mitchell seconded by Mr. Smith. The motion passed 4-0.

Warrant 1147

Payment of \$1,120.00 to Dulaney & Company for actuarial services through September 2023. Motion to approve by Mr. Smith seconded by Ms. Anderson. The motion passed 4-0.

Warrant 1148

Payment of \$3,735.58 to Fifth Third Bank for quarterly custodial fees for the third quarter of 2023. Motion to approve by Mr. Mitchell seconded by Mr. Smith. The motion passed 4-0.

Warrant 1149

Payment of \$6,782.06 to Crawford Investment Counsel, Inc for investment manager fees for the fourth quarter of 2023. Motion to approve by Mr. Mitchell seconded by Mr. Smith. The motion passed 4-0.

Warrant 1150

Payment of \$92.98 to American Express for office supplies. Motion to approve by Mr. Mitchell seconded by Mr. Smith. The motion passed 4-0.

Warrant 1151

Payment of \$1,040.00 to Klausner, Kaufman, Jensen & Levinson for legal services through October 2023. Motion to approve by Mr. Mitchell seconded by Ms. Anderson. The motion passed 4-0.

Warrant 1152

Final DROP distribution for Mr. Alberto Delgado. Motion to approve by Mr. Mitchell seconded by Ms. Anderson. The motion passed 4-0.

Warrant 1157

Payment of \$12.50 to Klausner, Kaufman, Jensen & Levinson for level services through November 2023. Motion to approve by Mr. Smith seconded by Mr. Mitchell. The motion passed 4-0.

ATTORNEY'S REPORT:

On behalf of Ms. Klausner – Parrish, Mr. Williams explained the Comprehensive State Report that must be done every other year. Mr. Williams has already registered and filed this with the State.

ACTUARY'S REPORT:

Mr. Dulaney handed out the funded ratios for his clients which is a comparison of Actuarial and Market values.

PLAN ADMINISTRATOR'S REPORT:

PPCC Award: Mr. Williams congratulated the Board of Trustees and the Plan Sponsor (City of Lauderhill) for attaining the Public Pension Standards Award for Funding and Administration 2023.

The Public Pension Coordinating Council (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). Together, these associations represent more than 500 of the largest pension plans in the United States, serving most of the nation's 18+ million state and local government employees.

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 to measure public defined benefit plans. All public retirement systems and the state and local governments sponsoring them are encouraged to meet the standards.

RECOGNITION AWARD FOR ADMINISTRATION

To receive the Recognition Award for Administration, the retirement system must certify that it meets 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.
3. Audit. The system must obtain an unqualified opinion from an independent audit conducted following 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.

RECOGNITION AWARD FOR FUNDING

To receive the Recognition Award for Funding, the retirement system must certify that it meets the requirements for funding adequacy, as defined as meeting one or more of the following criteria:

- a. A funded ratio of 100 percent;
- b. Contribution rates equal to or greater than 100 percent of the Annual Required Contribution;
- or
- c. A plan has been approved by the governing body to achieve one or both of these criteria within five years.

The PPCC Award may be viewed on-line at:

<http://lauderhillpolicepension.org/docs/announcements/LHPD%20Pension%20PPCC%20Award%202023.pdf#zoom=100>

Mr. Williams stated that the State Acceptance letter was received and approved the 2020 actuarial valuation report. That report may be viewed on-line at:

http://lauderhillpolicepension.org/docs_state/ActuarialValuation/LP%202020%20Valuation.pdf#zoom=100

Mr. Williams updated the board on Mr. Merenda, who is a vested terminated member, requesting a refund of his pension contributions. Further updates will follow as warranted.

TERRACAP:

Mr. Lane and Mr. Vician discussed the plan investment. Mr. Vician stated that they received a letter from the SEC stating "no further action, no deficiencies listed". This letter is very rare to receive from the SEC.

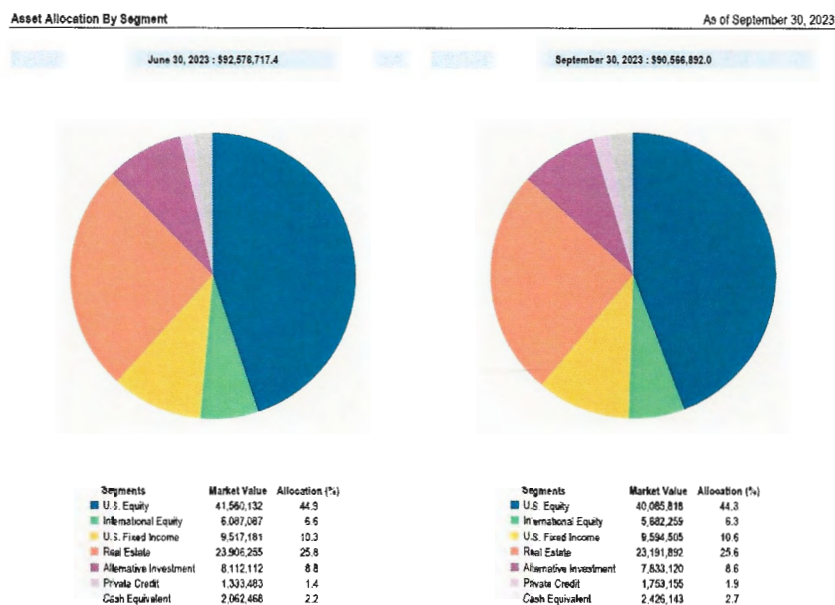
Mr. Vician talked about investing in Fund 6, minimum investment \$1M and a fund closing date of January 2024.

PERFORMANCE MONITOR'S REPORT:

Mr. Kurt Lofters of Southeastern Advisory appeared before the Board to review the investment performance for the quarter ending September 30, 2023.

For the quarter ending September 30, 2023, the Plan had an account balance of \$92,578,717.

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For purposes of transparency, a copy of the investment report may be viewed on-line at:
http://www.lauderhillpension.org/docs/investments/LHP_2023_q3.pdf#zoom=100

With regard to the possibility of investing in TerraCap Fund 6, Mr. Lofters stated that TerraCap are encouraging funds to rotate out of open ending funds. Mr. Lofters stated that the Plan is heavily overweight in real estate, and he feels the Board should hold off on investing any further in that sector.

At the recommendation of Mr. Lofters, a Motion to submit a redemption request for 100% from both JP Morgan funds (JPM Strategic Property Fund and JPM Special Situation Property) by Mr. Smith, seconded by Mr. Mitchell. Motion passed 4-0. Mr. Lofters stated that this is not a binding request.

Mr. Lofters stated that they would like to put Columbia Adaptive Risk under a formal review.

Mr. Lofters cited that Serenitas is coming to a hard close which means no investment from existing investors to the fund and no new investors. Mr. Lofters does not recommend putting any additional monies into this fund.

Mr. Lofters stated Principal Core transition to Principal Core Plus is expected in the middle of 2024.

NEW BUSINESS:

None.

OLD BUSINESS:

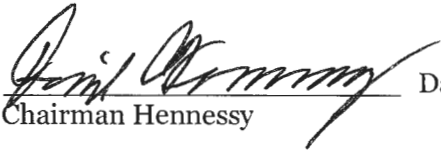
Mr. Smith provided an update on the Honor Wall. He received a sample and he explained to vendor TTS that this is not what he is looking for and clarified his thoughts once again. After several attempts, he received a sample that has 36 names per board with three rows per panel. Mr. Smith stated that the Board needs to decide on who can be put on the honor wall. Mr. Smith will make a list of all the scenarios and bring it to a future meeting.

OPEN DISCUSSION:

None

ADJOURNMENT:

Being there was no other business; the meeting was adjourned at 12:50 P.M.

Approved:  Date: 02-14-24
Chairman Hennessy