

City of Venice Police Officers' Pension Fund
MINUTES OF QUARTERLY MEETING
February 14, 2018

1. CALL TO ORDER

Chairman Kevin McGrath called a regular meeting of the Board of Trustees for the City of Venice Police Pension Fund to order at 1:04 PM. Those persons present included:

Trustees Present

Kevin McGrath, Chairman
Andy Leisenring, Secretary
Ernie Skinner
Andy DeVries
Robert Goodson

Others Present

Jennifer Gainfort, AndCo. Consulting
Lee Dehner, Christiansen & Dehner
Richard Manzo, The Resource Centers
Lynn Skinner, Salem Trust Company
Doug Lozen, Foster & Foster (via phone)
John Holic, Mayor of the City of Venice

2. PUBLIC COMMENTS

There were no members of the public present for comments.

3. APPROVAL OF MINUTES

Mr. Skinner made a motion to approve the minutes of the quarterly meeting held on December 6, 2017. The motion was seconded by Mr. Leisenring and approved by the Trustees, 5 – 0.

4. RETIREE COLA UPDATE

Mr. McGrath informed the Board that ordinance had been drafted and sent to Doug Lozen for an impact statement to be created. Mr. McGrath reported that after the impact statement is completed, it can be submitted to the City for approval.

Mr. Skinner made a motion to recommend the ordinance to the City for approval. The motion was seconded by Mr. Leisenring and approved by the Trustees, 5 – 0.

5. ACTUARY PRESENTATION: Doug Lozen, Foster & Foster (via teleconference)

Mr. Lozen reported that the funding requirement for the City would be going down, but the cost was up. Mr. Lozen explained that this was due to a low mortality rate, a low turnover rate, but an investment gain. Mr. Lozen stated that the City requirement was going to be \$1.3 million for the current fiscal year, but he estimated a decrease to \$1.261 million for the following year. Mr. Lozen explained that this decrease will be due to numerous Unfunded Actuarially Accrued Liability (UAAL) charges ending over the course of next year. Mr. Lozen estimates that the funded ratio for the Plan will begin to exceed 90% near the end of the year. Mr. Lozen reviewed the UAAL charges in detail, noting which will be ending soon.

Mr. Skinner made a motion to accept the Actuarial Valuation, as presented. The motion was seconded by Mr. DeVries and approved by the Trustees, 5 – 0.

6. CUSTODIAN REPORT: Lynn Skinner, Salem Trust Company

Ms. Skinner presented the Board with the investment earnings report for the Plan's account with Salem Trust. Ms. Skinner explained that historically, Salem Trust did not charge the Plan for each share trade done by investment managers. Ms. Skinner explained the process behind processing a share trade, and that Alger had performed roughly 2,600 last year. Ms. Skinner proposed a charge of \$2.00 per trade to counterbalance the extensive work that goes into processing these transaction, noting that Salem Trust's normal rate per trade is \$10.00.

Mr. Skinner made a motion to accept Salem Trust Company's fee increase proposal, as presented. The motion was seconded by Mr. DeVries and approved by the Trustees, 5 – 0.

6. INVESTMENT CONSULTANT REPORT: Jennifer Gainfort, AndCo. Consulting

Ms. Gainfort provided a summary of the economy and explained its effect on the portfolio. Ms. Gainfort reported that the total fund was \$37,806,163 as of December 31, 2017. Ms. Gainfort stated that all investments were in line with the Plan's current investment policy, and that there was no need to rebalance at this time. Ms. Gainfort reviewed the compliance checklist and explained any "no's" that appeared within. Ms. Gainfort reviewed the outperformance of Brandywine Global. Mr. DeVries commended Mayor Holic for shifting the Plan away from a single manager approach during his time on the Board.

6. ATTORNEY REPORT: Lee Dehner, Christiansen & Dehner

Mr. Dehner reviewed the COLA Ordinance with the Board in detail. Mr. Dehner reported that all Trustee's had completed their Form-1 filings and confirmed that Mr. Palmieri had completed his Form-1 F. Mr. Dehner discussed the current IRS changes and that they would be brought before council for a second reading and potential approval soon. Mr. Dehner reported that the Board officers need to be reappointed annually, and that it was time to do so.

Mr. Skinner made a motion to nominate Kevin McGrath as the Board Chairman and Andy Leisenring as the Board Secretary. The motion was seconded by Mr. DeVries and approved the Trustees, 5 – 0.

Mr. Dehner reviewed the Kessler Topaz Class Action Monitoring proposal with the Board. Mr. Dehner explained the process and charges involved with hiring Kessler Topaz over Salem Trust for this service.

Mr. Skinner made a motion to direct Lee Dehner to contact Kessler Topaz for a contract to hire them for Class Action Monitoring Services. The motion was seconded by Mr. Leisenring and approved by the Trustees, 5 – 0.

6. ADMINISTRATOR REPORT: Richard Manzo, The Resource Centers

Mr. Manzo presented the Warrant for accounts payable to the Board.

Mr. Skinner made a motion to approve the Warrant dated February 14th, 2018, as presented. The motion was seconded by Mr. DeVries and approved by the Trustees, 5 – 0.

Mr. Manzo informed the Board that there were no Benefit Approvals for the previous quarter.

Mr. Skinner made a motion to approve the 2018 Meeting Schedule, as presented. The motion was seconded by Mr. DeVries and approved by the Trustees, 5 – 0.

10. ADJOURNMENT

There being no further business, and the next regular meeting of the Board having been previously scheduled to occur on May 9th, 2018 at 1:00 PM, the meeting was adjourned at 1:50 PM.

Approved by:

 FOR
Andy Leisenring, Board Secretary