

DEERFIELD BEACH POLICE PENSION FUND
MINUTES OF MEETING
January 26, 2023

The virtual meeting was called to order at 9:00 A.M. at. Those persons present were:

TRUSTEES

Richard Giuffreda
 Andy Gianino
 Robert Schnakenberg
 Robert Amata
 Joe Lapenna

OTHERS PRESENT

Adam Levinson, Board Attorney
 Amanda Kish, Administrator
 Dave West, Investment Monitor
 Doug Lozen, Actuary
 Eric Leventhal, Audit

PUBLIC COMMENTS

There were no public comments.

MINUTES

The Board reviewed the minutes of the meetings of October 27, 2023

A motion was made, seconded, and carried 5-0 to approve minutes of the meetings of October 27, 2023.

ACTUARY REPORT

Mr. Lozen appeared before the Board to present the Actuarial Valuation as of October 1, 2022. Mr. Lozen stated that the experience was more favorable than expected. The gain is due to inactive mortality experience. The gain was offset part of the loss due to the investment return of 5.63% which fell short of 6.50%. The COLA will be 2.63% for the fiscal year ended September 30th. The total required contributions to the Plan for the fiscal year ending September 30, 2023 was \$2,319,803.00 with \$ 205,451 from the State. Mr. Lozen advised that the funded ratio decreased this year from 69.8% vs 68.5%.

A motion was made, seconded, and carried 5-0 to approve the Actuarial Valuation.

AUDITOR REPORT

Mr. Leventhal presented the Audit for fiscal year end September 30, 2022. That his firm is issuing a clean unmodified opinion which is the highest opinion that can be given. Mr. Leventhal reviewed the management discussion and analysis and financial highlights. The Plan's net position for 2022 was \$41,037,617.00 which is 17% lower than last year's. The net investment loss was \$6,002,204.00, which was an overall decrease of 156%. Interest and dividends earnings were \$2,793,184.00 which was overall higher than 2021 earnings. Overall the expenses were consistent with prior years and were reasonably in line with what they see in the other plans of the same size. Mr. Leventhal stated that there were no issues with

management or services providers. He stated that there were no significant adjustments that had to be made and there were no material weaknesses or significant deficiencies.

Mr. Leventhal addressed last two pages in the audit that are new to the report. He reviewed the pages in detail. He briefly reviewed the manager's representation letter.

A motion was made, seconded, and carried 5-0 to approve the Audit for the fiscal year ended September 30, 2022.

A motion was made, seconded, and carried 5-0 to approve the Manager Representation Letter.

INVESTMENT MONITOR REPORT

Mr. West reviewed the market environment for the quarter ending December 30, 2022. He reviewed the market environment and performance through the quarter ending March 30, 2022. The asset allocation as of December 31, 2022, was 45.8% in domestic equities; 14.8% in international equities; 21.1 % in fixed income; 16.1% in real estate; and 2.1% in cash. The total Fund was up 5.11% while the benchmark was up 5.10%. The plan was in the 77th percentile. Mr. West informed the Board that the fiscal year to date was up 5.02% ranking in 77th percentile. He continued to review the report. The total equity portfolio was up 10.10% while the benchmark was down 9.00%. The total domestic equity portfolio was up 8.50 % while the Russell 3000 was up 7.18%. The international equity portfolio was up 15.30% while the benchmark was up 14.28%. The total fixed income portfolio was up 2.26% while the benchmark was up 1.79%. The total real estate portfolio was up -6.07% while the NCREIF was up -4.89%. Mr. West recommends staying on the conservative investment approach. The Board held a discussion regarding the current investment approach. Mr. West made a recommendation regarding the portfolio. The Board held a discussion.

ATTORNEY REPORT

Mr. Levinson addressed Joint and Survivor change from a retiree. Mrs. Kish informed the attorney and the Board that the member has changed his Joint and Survivor twice exceeding the statute allowable amount. The Board held a discussion regarding joint and survivor changes. The Board recommended allowing the members to submit the paperwork and holding a discussion once the attorney can provide additional information.

ADMINISTRATOR REPORT

The Board was presented with a list of disbursements.

A motion was made, seconded, and carried 5-0 to approve the listed disbursements.

Respectfully submitted,

Andrew Gianino, Secretary