

**TOWN OF LANTANA POLICE RELIEF AND PENSION FUND  
BOARD OF TRUSTEES QUARTLY MEETING**

**MINUTES: QUARTERLY MEETING OF May 2, 2018**

**1. CALL TO ORDER**

Chairman Robert Hagerty called a regular Quarterly Meeting of the Board of Trustees for the Town of Lantana Police Relief and Pension Fund to order at 8:25 AM in the Police Department Multipurpose Room at 901 North 8<sup>th</sup> Street in Lantana, Florida.

Those persons present included:

TRUSTEE

Commander Robert Hagerty, Chair  
Simione Pavlov, Secretary (8:28 AM)  
Trot Schaaf  
Ken White

OTHERS

Kyle Tintle & Scott Baur, Resource Centers  
Bonni Jensen, Klausner Kaufman Jensen & Levinson  
Tyler Grumble & Jennifer Gainfort, AndCo  
Jeff Amrose, GRS

**2. APPROVAL OF THE MINUTES**

The Board reviewed the minutes for the meeting of February 7, 2018.

**Ken White made a motion to approve the Minutes for February 7, 2018. The motion received a second from Troy Schaaf, approved by the Trustees 3-0.**

**3. PUBLIC COMMENTS**

No members of the public had any comment for the Board.

**4. REPORTS**

**Actuary: Jeff Amrose, Gabriel, Roeder, Smith**

Mr. Amrose appeared before the Board to present the Actuarial Valuation report as of October 1, 2017. He noted that there had been no revisions in benefits since the previous valuation. The required employer contribution for fiscal year end (FYE) 09/30/19 based on the 10/01/17 valuation is \$781,964 which is 42.71% of covered payroll. The employer contribution is down slightly from \$792,306 43.98% of covered payroll for the FYE 9/3018. Mr. Amrose reported the combined employer and State contribution is \$894,650 which is 48.86% of covered payroll. The contribution reflects a slight decrease from the previous valuation requiring \$904,992 which was 50.23% of covered payroll. The Actuarial experience was more favorable than expected due to a net actuarial gain of \$556,258 for the year. This year's funded ratio is 77.7% compared to 74.6% last year. Mr. Amrose reported there will not be a cost of living adjustment for retirees and beneficiaries due to the cumulative net actuarial losses. He recommended the Board consider lowering the investment rate of return to 7% or 7.25% down from 7.5% next year. The Trustees discussed lowering the rate of return. Mr. Amrose stated that currently the inflation assumption is 3% but they could use a 2% or 2.5% inflation assumption for next year's valuation. Discussion ensued in reference to the assumption used for the valuation report. Mr. Amrose reviewed the Plan assets comparing the fiscal years ending September 30 2016 and 2017. He presented

several scenarios for changing or not changing the assumptions for the next valuation which was followed by discussion by the Board.

**Simione Pavlov made a motion to approve the Actuarial Valuation Report. The motion received a second from Troy Schaaf, approved by the Trustees 4-0.**

Mr. Grumble declared the expected rate of return as 7.5% for the short term, long term, and thereafter.

**Ken White made a motion to accept the investment rate of return and direct Mr. Grumble to produce the declaration of expected rate of returns letter to be submitted to the State. The motion received a second from Simione Pavlov, approved by the Trustees 4-0.**

**Investment Consultant: Tyler Grumble & Jennifer Gainfort, AndCo**

Mr. Grumble began by announcing the recent birth of his daughter and he has requested a reduction of travel to be closer to home. He introduced Jennifer Gainfort of AndCo to the Board, she will be attending the quarterly meetings going forward. Mr. Grumble remarked that Ms. Gainfort is a Chartered Financial Analyst; he had every confidence in her working with the Board. He would be available to the Board by email or phone if that had any questions. Ms. Gainfort proceeded by presenting a market overview. The first quarter of 2018 was very volatile. She noted that interest rates rose, growth outperformed value, and fixed income was mostly negative. Ms. Gainfort reviewed the performance of the individual investments managers. The Board discussed the market volatility and Mr. Grumble reminded them of the previous year's strong market performance.

9:15 AM Commander Haggerty left the meeting.

Mr. Grumble gave an overview of the Dow Jones Index, discussed the current political and economic environments. The first quarter brought a well overdue correction. The Plan had total assets of \$14,557,472 as of March 31, 2018. The assets gained 4.14% fiscal year to date gross and 4.04% net for versus the policy of 3.69%. The trailing returns for the quarter were 0.06% gross, 0.00% net beating the policy which was -0.54%. Mr. Grumble recommended no changes in the portfolio at this time.

**Bonni Jensen, Klausner Kaufman Jensen & Levinson**

Ms. Jensen reviewed pending SB 376, the PTSD Bill. The bill revisions relate to workers' compensation insurance benefits. The bill would eliminate the need for a physical injury for first responders to receive workers' compensation. She stated that the bill lists eleven circumstances that will be covered and provides income and support to the worker while receiving treatment. A discussion ensued on the PTSD bill and the effect on workers. Ms. Jensen reminded the Trustees that their Form 1 was due by July 1, 2018. She recommended when they bring their Form 1 to the Supervisor of Elections, retain a receipt for their records.

**Kyle Tintle & Scott Baur, Resource Centers**

Ms. Tintle presented the Administrative Budget for fiscal year ending 2019. She reviewed the actual and projected expenses. The Board held a discussion the Budget.

**Ken White made a motion to approve the Administrative Budget. The motion received a second from Troy Schaaf, approved by the Trustees 3-0.**

Ms. Tintle informed the Trustees that the FPPTA annual conference will be held in Orlando, June 24 to 27. She asked that the Trustees confirm their plans to attend the conference so she could process their registration. Mr. Baur suggested that the Trustees make their hotel reservations as soon as possible so Ms. Tintle could process the room prepayments. Ms. Tintle provided an update on the Alive and Well letters. She informed the Board that Salem Trust has reduced their fee for processing class action processing fees.

The Board reviewed the expenses and the benefit approval.

**Troy Schaaf made a motion to approve the Warrant dated April 10, 2018. The motion received a second from Ken White, approved by the Trustees 3-0.**

**Troy Schaaf made a motion to approve the application for retirement for James LaSeur. The motion received a second from Ken White, approved by the Trustees 3-0.**

## **5. NEW BUSINESS**

None

## **6. ADJOURNMENT**

**There being no further business and the next Quarterly Meeting having previously been scheduled for Wednesday, August 8, 2018 at 8:30 AM, the meeting adjourned at 9:30 AM.**

Respectfully Submitted,

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Commander Robert Hagerty,  
Chairman