

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

MINUTES: QUARTERLY MEETING OF August 8, 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 8:30 AM in the Police Department Multipurpose Room at 901 North 8th Street in Lantana, Florida.

Those persons present included:

TRUSTEE

Commander Robert Hagerty, Chair
Renee Lampman
Trot Schaaf
Ken White

OTHERS

Kyle Tintle, Scott Baur, & Joah Freeman, Resource Centers
Bonni Jensen, Klausner Kaufman Jensen & Levinson
Tyler Grumble & Jennifer Gainfort, AndCo
Karen Russo, Salem Trust

2. APPROVAL OF THE MINUTES

The Board reviewed the minutes for the meeting of May 5, 2018.

Ken White made a motion to approve the minutes for May 5, 2018. The motion received a second from Renee Lampman, approved by the Trustees 4-0.

3. PUBLIC COMMENTS

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

4. REPORTS

Custodian: Karen Russo, Salem Trust

Ms. Russo reported that Chicago Clearing Corporation, the firm they hired to oversee the security class action claims filing, reduced their fee from 20% of the settlement amount to 12%, a 40% fee reduction. She reviewed some of the initiatives put in place by Salem Trust to support their cyber security efforts. Salem Trust employees attended employee training to learn how to identify fraudulent emails. Ms. Russo listed several of the initiatives such as additional language in the custody agreement to minimize cyber threats and breaches; messages are encrypted or sent via a secure file exchange; and they now carry specific cyber liability coverage.

Ms. Russo presented the Salem Trust quarterly service report to the Board. The report is an internal report card of service; it was distributed as part of Salem's goal of transparency and in an effort of constant improvement.

Investment Consultant: Jennifer Gainfort & Tyler Grumble, AndCo

Ms. Gainfort reported the markets were mixed in the past quarter, international stocks were down and domestic equities were up; fixed income were basically flat as interest rates rose. She remarked that

growth outperformed large and mid-cap and value outperformed small-cap stocks. During the past quarter the Federal Reserve increased interest rate with two additional potential rate hikes anticipated. Ms. Gainfort shared that market value of the portfolio was \$14,799,060 as of June 30, 2018. She reviewed the asset allocation and noted it was in compliance with the Investment Policy. Ms. Gainfort did see any need for any action to be taken at this time. The assets gained 1.28% gross and 1.22% net versus the policy of 1.63%. The fiscal year to date numbers were 5.47% gross, 5.31% net compared to the bench 5.38%. Ms. Gainfort reviewed the performance of the individual investments managers. The Board discussed interest rates, employment levels, and their impact on market performance. Mr. Grumble noted mid-cap allocation does not track strictly to the corresponding index. The Vanguard allocation mirrors the CRSP index, not the Russell Midcap Index. Mr. Grumble thanked the Board as Ms. Gainfort will be the Plan's investment monitor attending the meetings going forward.

Bonni Jensen, Klausner Kaufman Jensen & Levinson

Ms. Jensen reported on a Sunshine Law case that involved the City of Port St. Lucie. The case involved the City of Port St. Lucie, two council members, the City Mayor, the City Attorney, determining if their actions violated the Sunshine Law. The City Attorney acted as a conduit, communicating between City Commissioners. A public meeting was held without proper notice. There was no opportunity for any public comment, and the Commissioners did not have a full discussion of the issues. Ms. Jensen addressed importance of not "replying to all" correspondence from the Administrator or other service providers. She addressed posting or replying to posts on various social media sites. Trustees should make it clear that their post or replies were their personal opinion or as a resident not a member of the Pension Board. Ms. Jensen considered the cure process for the Sunshine Law.

Ms. Jensen provided a draft ordinance for changes to the cost of living (COLA) and member contributions. The ordinance is to go for the first reading before the Town Council on August 27, 2018. She has been communicating with the Town Manager how member contributions are calculated.

Kyle Tintle & Scott Baur, Resource Centers

Ms. Tintle updated the Board on the Alive and Well confirmations. Mr. John Price has failed to respond. The Board discussed the best way to proceed.

Ken White made a motion to sending an overnight letter requesting a reply from Mr. Price. The letter will inform him that he needs to return the signed and notarized Alive and Well letter before October 1, 2018. Failure to comply will result in his benefits being turned off. The motion received a second from Renee Lampman, approved by the Trustees 4-0.

Troy Schaaf made a motion to update the signature card for Salem Trust. The motion received a second from Ken White, approved by the Trustees 4-0.

The Salem Trust signature card and the confirmation of statement recipients, verifying the service providers and investment managers that should be receiving custodial statements were given to Ms. Russo for processing. After the meeting she will send copies to Ms. Tintle for her records. Mr. Baur introduced Joah Freeman, of the Resource Centers, to the Board.

The Board reviewed the expenses for the past quarter.

Troy Schaaf made a motion to approve the Warrants dated May 18, May 25, June 6, and July 25, 2018. The motion received a second from Ken White, approved by the Trustees 4-0.

The Board held a brief discussion of the benefit approval for Joel Schackelford.

Troy Schaaf made a motion to approve the application for retirement for Joel Shackelford who should not receive a cost of living increase as a vested deferred member. The motion received a second from Ken White, approved by the Trustees 4-0.

5. NEW BUSINESS

None

6. ADJOURNMENT

There being no further business and the next Quarterly Meeting having previously been scheduled for Wednesday, November 11, 2018 at 8:30 AM, the meeting adjourned at 9:28 AM.

Respectfully Submitted,

Commander Robert Hagerty,
Chairman