

TOWN OF LANTANA POLICE RELIEF AND PENSION FUND
BOARD OF TRUSTEES QUARTLY MEETING MINUTES
AUGUST 4, 2021

1. CALL TO ORDER

Simion Pavlov called a regular Quarterly Meeting of the Board of Trustees for the Town of Lantana Police Relief and Pension Fund to order at 9:00 a.m. at the Lantana Police Department. Those persons present included:

TRUSTEE

Simion Pavlov, Chair

Troy Schaaf, Secretary via Ring Central

Ken White

Stephanie Crowley

OTHERS

Kyle Tintle & Scott Baur, Resource Centers

Bonni Jensen, Klausner Kaufman Jensen & Levinson via Ring Central

Jennifer Gainfort, AndCo

2. Extraordinary Circumstance for Trustees Joining Electronically.

The Board had no Trustees joining the meeting electronically.

3. APPROVAL OF MINUTES

The minutes were presented for the February 3, 2021 and May 5, 2021 meetings were reviewed by Board. There were a few corrections made to the May 5, 2021 minutes.

Troy Schaaf made a motion to approve the February 3, 2021 minutes as presented and the May 5, 2021 as amended. The motion received a second from Stephanie Crowley, approved by the Trustees 4-0.

4. REPORTS

a. Investment Report: AndCo (Jennifer Gainfort)

Ms. Gainfort discussed the US economic recovery as result of the reopening of many states with vaccine rollout. Many of the industries which suffered with the shutdown began to rebound strongly with an increase in travel and entertainment. The labor market grew as business began to reopen and the unemployment incentives went away. Ms. Gainfort reviewed the investment report for the quarter ending June 30, 2021 with a balance of \$23,038,018 in assets; compared to the previous quarter of March 31, 2021 which ended with a balance of \$21,612,565; a phenomenal quarterly increase of \$1,425,453. The total fund (gross) ended the quarter at 6.11% (4) compare to the policy at 5.88% (7); the Fiscal Year to Date (FYTD) was 21.05% (27) versus the policy at 20.62% (33). Ms. Gainfort reviewed the individual managers' results, cash flow, and expenses. She recommended rebalancing of assets due to the over weighted equities resulting in the assets being out of alignment with the investment policy. Ms. Gainfort listed the recommended funds \$167,500 of each to sell: Vanguard Mid Cap Index, Vanguard Total Stock Market Index, Parnassus Core Equity, JP Morgan Disciplined Equity and purchase \$670,000 of Garcia Hamilton; a fund is a domestic fixed equity product which adds diversity and protection in case of a dip in the markets. The Board held a discussion followed by a motion.

Ken White made a motion to approve the sale of \$167,000 from each of the following: Vanguard Mid Cap Index, Vanguard Total Stock Market Index, Parnassus Core Equity, JP Morgan Disciplined Equity and the purchase of \$670, 000 of Garcia Hamilton. The motion received a second from Troy Schaaf, approved by the Trustees 4-0.

Ms. Gainfort presented a summary of a proposed fee revision to go into effect October 1, 2021. The document highlighted the key points of AndCo's relationship with the Lantana Police Relief & Pension Fund; such as exceeding the total Plan's rate of return for the trailing 3, 5 and 7 year period and revisions which introduced resulted in added returns. The proposed annual retainer is increasing relative to the increase in the Plan's market value. However, the fee as a percentage will actually decrease to 0.868% down from 0.1476%. The adjusted fee will be in place for a 3 year period.

Troy Schaaf made a motion to approve the requested AndCo a fee increase which will go into effect on October 1, 2021. The motion received a second from Simion Pavlov, approved by the Trustees 4-0.

c. Attorney Report: Klausner Kaufman Jensen & Levinson (Bonni Jensen)

Ms. Jensen reviewed the updated cost of living (COLA) policy for Plan members hired after October 1, 2017. She was pleased the Trustees had filed their form 1 as required. The Board has the schedule for 2022 meetings. The current schedule is for the 1st Wednesday of the second month of each quarter. The Florida Division of Retirement has a new trustee training on November 3 as part of their conference running from November 3rd to the 5th. As Ms. Jensen participates in this conference for the State there may be a conflict. She informed the Trustees that Klausner, Kaufman, Jensen and Levinson annual client conference will resume in late spring or early next summer of 2022.

b. Administrative Report: Resource Centers (Scott Baur)

Mr. Baur presented the 2021-2022 upcoming conference list for Police and Firefighter Trustees. Conferences will be in person this year as opposed to the virtual conferences of last year. Mr. Baur discussed cyber insurance, what the policies cover, and high costs of the insurance. He reviewed the SOC 1 Type 2 Audit report and audit certificate in the meeting packet. He described the significance of the audit; that it was done by external auditors who examine the internal controls and procedures to verify they were implemented. The Resource Centers has had clean reports every year for the 15 years they have been audited. The audit is typically completed in advance of the Town of Lantana's audit. The operating environment for many companies has changed over the past year. Mr. Baur noted employees of the Resource Centers were working remotely last year, now some have returned to working in the office but the great news is that the office functioned normally in spite of the pandemic. He gave the highlights of The Department of Labor Cybersecurity Program Best Practices. Mr. Baur informed the Board of the substantial renewal costs for cybersecurity coverage. The Board has coverage under some of the service providers as they do not typically have access to sensitive information. Ms. Jensen noted the Board has coverage under the Town of Lantana's insurance policy. She addressed the responsibilities of the Trustees in the event of a breach. The reporting of an incident is the Board's responsibility to notify the members within 30 days. If a problem happens, the experts will be called in to handle the issues. Mr. Baur reviewed some of the infrastructure protections taken to secure information.

The plan expenses and the benefit approvals were presented and reviewed by the Board.

Ken White made a motion to approve the expenses on the warrant dated August 4, 2021. The motion received a second from Troy Schaaf, approved by the Trustees 4-0.

Simion Pavlov made a motion to approve the Benefit Approvals for the DROP entry and refund of contributions. The motion received a second from Stephanie Crowley, approved by the Trustees 4-0.

5. PUBLIC COMMENTS

There were no comments from the public.

6. ADJOURNMENT

Simion Pavlov adjourned the meeting at 10:00 AM.

Respectfully Submitted,
