

**VILLAGE OF
PALM SPRINGS POLICE OFFICERS' PENSION FUND
MINUTES OF MEETING HELD
August 7, 2018**

The meeting was called to order at 10:05 A.M. in the Conference Room on the First Floor at Village Hall in Palm Springs, Florida. Those persons present were:

TRUSTEES

Tim Conboy
James Gregory
Robert Perez

OTHERS

Bonni Jensen, Attorney
Margie Adcock, The Resource Centers
Tyler Grumbles & Jennifer Gainfort, AndCo Consulting

PUBLIC COMMENTS

There were no public comments.

MINUTES

The Board reviewed the minutes of the meeting held May 1, 2018. A motion was made, seconded and carried 3-0 to approve the minutes of the meeting held May 1, 2018.

INVESTMENT MONITOR REPORT

Tyler Grumbles and Jennifer Gainfort appeared before the Board. Ms. Gainfort reviewed the market environment for the period ending June 30, 2018. She stated that international was down for the quarter while domestic equity was positive. Growth outperformed value in large and small cap for the quarter while value outperformed growth in mid cap.

Ms. Gainfort reported on the performance of the Fund for the quarter ending June 30, 2018. The total market value of the Fund as of June 30, 2018 was \$27,680,134. The asset allocation was 56.6% in domestic equities; 10.5% in international; 18.3% in domestic fixed income; 4.7% in global fixed income; 9.9% in real estate; and .0% in cash. The total portfolio was up 1.57% net of fees for the quarter ending June 30, 2018 while the benchmark was up 1.98%. The total equity portfolio was up 2.13% while the benchmark was up 2.94%. The total domestic equity portfolio was up 3.11% for the quarter while the benchmark was up 3.89%. The total fixed income portfolio was down .22% for the quarter while the benchmark was down .49%. The total domestic fixed income portfolio was up .56% for the quarter while the benchmark was up .09%. The total international portfolio was down 2.82% for the quarter while the benchmark was down 2.39%. The total global fixed income portfolio was down 3.14% for the quarter while the benchmark was down 2.64%. The total real estate portfolio was up 2.19% for the quarter while the benchmark was up 2.10%.

Ms. Gainfort reviewed the performance of the individual manager portfolios. The JP Morgan Disciplines portfolio was up 3.23% for the quarter while the S&P 500 was up 3.43%. The Parnassus Core portfolio was up 2.72% for the quarter while the S&P 500 was up 3.43%. The Vanguard Mid Cap Index portfolio was up 2.57% for the quarter while the Russell Mid Cap Index was up 2.82%. The Vanguard Total Stock Market portfolio was up 3.91% for the quarter while the Russell 3000 benchmark was up 3.89%. The EuroPacific Growth portfolio was down 2.82% for the quarter while the benchmark was down 2.39%. The Garcia Hamilton portfolio was up .56% for the quarter while the benchmark was up .09%. The Templeton Global Total Return portfolio was down 3.14% while the benchmark was down 2.64%. The Principal portfolio was up 2.19% for the quarter while the NCREIF was up 2.10%.

ATTORNEY REPORT

Ms. Jensen reported that she received an email last week from the PBA Attorney advising that the Village had proposed in negotiation to change the composition of the Board. Ms. Jensen advised the PBA Attorney that, in order to comply with Chapter 185, they cannot change the composition of the Board. She stated that she did not exactly know what the Village was thinking but it appears they essentially wanted to go from a five member Board to a three member Board with one police employee, one citizen, and one management employee. She thought it was rather odd in that the Village just reappointed Robert Perez. Additionally, there is an open seat on the Board where the Village could appoint whoever they wanted as long as it is a resident. It was noted that there was no action for the Board to take on this issue at this time.

Ms. Jensen provided a Memorandum regarding Government in the Sunshine Law dated May 8, 2018. She discussed the case which involved the improper polling of city council members. She reminded the Board of the Florida Sunshine Law which applies to decision or pending decisions that may come before the Board.

Ms. Jensen prepared an Addendum to the AndCo Agreement to incorporate the change in fees that were presented at the last meeting. The annual COLA was reduced from 5% to 2.5%. She stated that she would get the Chair to sign the Agreement.

ADMINISTRATIVE REPORT

Ms. Adcock presented the disbursements. A motion was made, seconded and carried 3-0 to pay all listed disbursements.

It was noted that Darrell Diez resigned from employment on July 26, 2018. As such, he is no longer eligible to sit as an employee Trustee on the Board. His term was due to expire on September 30, 2018. It was determined that an election would be conducted for the employee position effective October 1, 2018. It was noted that the term for James Gregory is due to expire on September 30, 2018. An election will be conducted for his term as well.

Ms. Adcock presented a draft administrative expense budget for fiscal year 2019 that is required by Section 175.061(8)(a)2, Florida Statutes. The Board reviewed the draft budget. There was a lengthy discussion. A motion was made, seconded and carried 3-0 to adopt the administrative expense budget as amended and provide the budget to the Village in compliance with Section 175.061(8)(a)2, Florida Statutes.

Ms. Adcock advised that the Fiduciary Liability Insurance is due to expire on November 1, 2018. A motion was made, seconded and carried 3-0 to renew the Fiduciary Liability Insurance with the cost not to exceed \$2,500.

Ms. Adcock presented a letter from the Division of Retirement dated August 2, 2018 advising of the State Acceptance of all Actuarial Reports through October 1, 2017.

Ms. Adcock stated that the Authorized Signer List with the Custodian needed to be updated due to the resignation of Darrell Diez. The Board executed an updated Authorized Signer List.

It was noted that the General Employees' Pension Plan recently sent out an Affidavit for the Confirmation of Receipt of Retirement Benefits to all of the current retirees, and will be sending out the Affidavit annually in subsequent years. Ms. Jensen stated that she recommended that the Affidavit be provided to all of the retirees of this Plan as well. A motion was made, seconded and carried 3-0 to provide the Affidavit for the Confirmation of Receipt of Retirement Benefits to all retirees annually.

Ms. Adcock presented the Board with a letter from the Actuary dated July 13, 2018 regarding the cost of living amount effective October 1, 2018. It was noted that the retirees will receive a 3.0% cost of living adjustment effective October 1, 2018.

OTHER BUSINESS

There being no further business, the meeting was adjourned.

Respectfully submitted,

James Gregory, Secretary