

City of Venice Police Officers' Pension Fund
MINUTES OF QUARTERLY MEETING
May 10, 2017

1. CALL TO ORDER

Chairman Kevin McGrath called a regular meeting of the Board of Trustees for the City of Venice Police Pension Fund to order at 1:03 PM. Those persons present included:

Trustees Present

Kevin McGrath, Chairman
Robert Palmieri
Andy Leisenring, Secretary
Ernie Skinner
Andy DeVries

Others Present

Tim Nash, AndCo. Consulting
Lee Dehner, Christiansen & Dehner
Jeff Wolf, Moore Stephens Lovelace
Denise McNeill, Pension Resource Center
Robert Kovacs, Pension Resource Center
Richard Manzo, Pension Resource Center

2. PUBLIC COMMENTS

There were no members of the public present for comments.

3. APPROVAL OF MINUTES

Ernie Skinner made a motion to approve the minutes of the quarterly meeting held on February 8, 2017. The motion was seconded by Andy Leisenring, approved by the Trustees, 5-0.

4. RETIREE COLA UPDATE: KEVIN MCGRATH

Kevin McGrath presented the current status of the Retiree COLA to the board. Mr. McGrath reported that he attended a joint meeting with the City Mayor, Council, Doug Lozen, and Tim Nash. Mr. McGrath advised that he would have another meeting with the Mayor in the near future.

5. AUDIT PRESENTATION: JEFF WOLF, MOORE STEPHENS LOVELACE

Jeff Wolf appeared before the Board on behalf of Moore, Stephens, Lovelace. Mr. Wolf expressed appreciation for the assistance of the Administrator, Custodian, and Tim Nash in completing the Audit. Mr. Wolf reported that the Audit had resulted in a clean opinion with respect to the financial position of the Plan. Mr. Wolf advised that the Plan's assets increased \$2.8M from year to year. Mr. Wolf reported that the Plan's funding ratio had increased from 74.2% to 80.9% from year to year.

Ernie Skinner made a motion to approve the 2016 Audit. The motion was seconded by Robert Palmieri, approved by the Trustees, 5-0.

6. INVESTMENT CONSULTANT REPORT: TIM NASH, ANDCO CONSULTING

Tim Nash appeared before the Board on behalf of AndCo Consulting. Mr. Nash reported that all international markets had gained at least 7% during 1Q2017. Mr. Nash advised that growth did better than value in U.S. equities, with health care, technology, and consumer staples leading the way. Mr. Nash explained that the Plan's total assets increased by \$1.7M from 4Q2016 to 1Q2017, despite contributions being less than withdrawals for the quarter. Mr. Nash reported that the Plan's portfolio gained 5.11% gross for the quarter vs. 4.34% for the index. Mr. Nash explained that fixed income returns slightly exceeded the index. Mr. Nash predicted that a reduction in corporate tax rates would result in companies "repatriating" money back into the United States, thereby reinvigorating the stock market. Mr. Nash explained that FY 2017 returns for the Plan's portfolio were about 6.32% gross as of April 20, 2017. Mr. Nash advised that he believed that the current roster of managers would be able to beat the index in the near future. Mr. Nash explained that he was still waiting for Brandywine's compliance statement. Mr. Nash presented the Board with a schedule of managerial presentations at upcoming meetings. Mr. Nash advised that Garcia Hamilton would be invited to present at the next quarterly meeting.

7. ATTORNEY REPORT: LEE DEHNER, CHRISTIANSEN & DEHNER, P.A.

Lee Dehner appeared before the Board on behalf of Christiansen & Dehner. Mr. Dehner presented the Board with a new Ordinance which complies with IRS provisions and provides for the establishment of a Share Plan in the event that the City and fail to agree on the use of state monies.

Ernie Skinner made a motion to approve the Ordinance and submit it to the City. The motion was seconded by Andy Leisenring, approved by the Trustees, 5-0.

Andy Leisenring advised that a Mutual Consent Agreement has been approved by the City, and had been sent to the bargaining unit for review and signature. Mr. Dehner reported that the only significant pending piece of legislation was Senate Bill 80, which would give the presiding judge jurisdiction regarding attorney fees incurred during an improper records request. Mr. Dehner reminded the Board that the annual F-1 filings were due July 1, 2017.

8. ADMINISTRATOR REPORT: ROBERT KOVACS, DENISE MCNEILL, RICHARD MANZO, THE RESOURCE CENTERS

The Trustees reviewed the disbursements and benefit approvals provided by Robert Kovacs.

Ernie Skinner made a motion to approve the disbursements and benefit approvals, as submitted. The motion was seconded by Andy DeVries and approved by the Trustees, 5-0.

Mr. Kovacs presented a quote obtained from Hudson Insurance Company for Fiduciary Liability Insurance.

Ernie Skinner made a motion to approve the quote. The motion was seconded by Andy DeVries, approved by the Trustees, 5-0.

Mr. Kovacs presented an outline of the services currently being furnished by the Administrator, on behalf of the Plan. Ms. McNeill explained that The Resource Centers has the capability of providing additional services, and would provide a list of services to Mr. Kovacs, for review by the Board. Ms. McNeill explained that The Resource Centers has an annual audit of its procedures, to ensure it has the highest standards.

10. BOARD MEMBER COMMENTS

Robert Palmieri asked if a member, who had transferred to the FRS as of October 1, 2014, would be able to enter the Venice Police Officers' Pension Fund DROP upon reaching normal retirement age. Mr. Dehner promised to research the issue and provide the Board with an opinion. Mr. Palmieri mentioned that retirees were encountering difficulties in meeting rising medical insurance costs. Mr. McGrath advised that he would mention this subject to the Mayor when he next met with him regarding the COLA issue.

12. ADJOURNMENT

There being no further business, and the next regular meeting of the Board having been previously scheduled to occur on August 9, 2017 at 1:00 PM, the meeting was adjourned at 2:00 PM.

Approved: 