

**City of Oakland Park Police Officer's & Firefighter's Pension Fund
Summary of Meeting Minutes, Tuesday, January 25, 2022**

CALL TO ORDER:

The regular meeting of the Board of Trustees of the City of Oakland Park Police & Firefighters' Pension Plan was called to order by the Fund Administrator at 5:30 pm.

ROLL CALL:

TRUSTEES PRESENT: Chairperson Sheryl Dickey, Ernest Olivas, James Wilson, Joe Filkowski and Steven Arnst.

OTHERS PRESENT:

Attorney Milton Collins, Don DuLaney of DuLaney & Company, Brendon Vavrica of AndCo Consulting, Eric Leventhal of KSDT, City Representative Rhea Rivera, and Administrator Livia Giuliani of Benefits USA, Inc.

APPROVAL OF MINUTES:

October 26, 2021 Regular Meeting

The Chairperson asked if anyone had any comments for the minutes. Hearing and seeing none, the Chairperson entertained a motion. Trustee Arnst moved to approve the October 26, 2021 minutes and Trustee Wilson seconded the motion. The motion passed 5-0.

December 10, 2021 Special Meeting

Trustee Arnst moved to approve the December 10, 2021 minutes and Trustee Wilson seconded the motion. The motion passed 5-0.

PUBLIC COMMENTS:

There were no public comments at this meeting.

NEW BUSINESS:

Presentation of 9/30/2021 Financial Statements

Mr. Eric Leventhal was in attendance to present the financial statements as a DRAFT and once approved, the final will be sent to the Administrator to the City and Board members. Mr. Leventhal stated that their audit was conducted for the purpose of forming an opinion on the financial statements and that the audit presented fairly in all material respects, such as the fiduciary net position and the related changes to the fiduciary net position are free from misstatement.

Mr. Leventhal reported that the fiduciary net position restricted for pension at 9/30/2021 was \$71,472,577 broken out with \$67,626,226 for defined benefits, \$2,434,702 for DROP benefits and \$1,411,649 for share plan benefits. The contributions totaled \$3,248,591 broken down as employer contributions of \$2,480,571, member contributions of \$103,971 and \$664,049 from Chapter 175 and 185. There were no BSO contributions made on behalf of the police officers due to all being retired from this Plan. The total interest & dividend income was \$1,588,135; net investment income was \$10,872,429; the pension payments were \$6,077,989; the DROP distributions were \$55,750; share plan payments were \$35,938 and the administrative expenses totaled \$119,204 and the change in net position restricted for pensions was \$7,832,139. Mr. Leventhal stated that if the Board did not have any questions, that a motion would be in order to approve the Financial Statements. Trustee Arnst moved to approve the 9/30/2021 Financial Statements as presented and Trustee Wilson seconded the motion. The motion passed.

UNFINISHED BUSINESS:

There was no unfinished business discussed.

INVESTMENT REPORTS: Quarter Ending December 31, 2021

Mr. Vavrica reported on the economy noting that the Omicron variant of COVID-19 has a negative impact on the economic growth. Despite the negative impact, the GDP growth range was 4% to 7%. The unemployment rate was down to 3.9% in December with a 3-month average of job growth of approximately \$365,000. The S&P 500 returned 11.0% for the quarter compared to mid-cap and small cap returning 6.4% and 2.1% respectively. The EAFE index returned 2.7 while the Emerging Markets declined -1.3%. The Russell 1000 Growth index returned 11.6% and mid-cap returned 8.5%. The Russell 2000 Growth index lagged returning 0.0%.

Mr. Vavrica reported on the Fund’s performance noting that for the quarter the fund returned 2.50% vs. the policy of 5.19%. The equity composite returned 2.63% vs. the policy of 7.41%; the domestic equity returned 3.48 vs. the domestic equity policy of 9.28%. For the managers, Anchor returned 6.21% vs. the Russell 3000 index of 7.54%; Allspring (fka Wells Fargo) Large Cap returned 1.58% vs. the Russell 1000 index of 11.64%; Vanguard returned 7.97% vs. 7.98%; American Funds International returned -1.13% vs. 1.88%. The Fixed Fund returned 0.38% vs. the policy of 0.01%. Garcia Hamilton returned -0.06% vs. the Aggregate index of 0.01%; Vanguard TIPs returned 2.18% vs. the index of 2.36%; PIMCO returned 0.12% vs. -0.03%; and Morgan Stanley Real Estate returned 9.81% vs. the Real Estate policy of 7.70%.

Finally, Mr. Vavrica reviewed a graph showing the ranked annual asset class performance over the last 15 years. This graph was not plan specific and was for informational purposes only and no action was needed. That being said, Trustee Arnst moved to approve the 12/31/2021 Consultant’s report and Trustee Wilson seconded the motion and it passed.

CONSENT AGENDA:

For Approval Warrant #288

Benefits USA (Postage to mail Annual Verification letters 20 @ \$1.06)	\$21.20
Benefits USA (Submission of the Audit File; Inv #IGTax4279 dated 1/4/2022)	\$632.50
Weiss & Serota ETAL (Legal Fees-Invoice #248707 dated 12/7/2021)	\$2,160.00
Weiss & Serota ETAL (Legal Fees-Invoice #250012 dated 1/13/2022)	\$3,330.00
Total	\$6,143.70

For Ratification: Warrants #283-287

Sheryl Dickey (Per Diem and Expenses Incurred at FPPTA Trustees School)	\$799.53
DuLaney & Company (Services rendered for September 2021)	\$200.00
Total	\$999.53
FPPTA (2022 Membership Renewal)	\$750.00
Wells Fargo (Q3-21 Mgmt Fee-Invoice #13551974 dated 10/21/2021)	\$27,505.18
Total	\$28,255.18
Anchor Capital Advisors (Q3-21 Mgmt Fee-Invoice dated 10/19/2021)	\$19,498.92
DuLaney & Company (Services rendered for October 2021)	\$1,870.00
FPPTA (WTS Registration for Sheryl Dickey)	\$850.00
FPPTA (WTS Registration for Ernest Olivas)	\$850.00
FPPTA (2022 Re-Certification fee for Sheryl Dickey)	\$31.00
KSDT (Progress billing for 9/30/21 audit; Invoice #108120 dated 11/30/2021)	\$500.00
Weiss, Serota ETAL (Legal Fees; Invoice #247746 dated 11/15/2021)	\$1,800.00
Total	\$25,399.92

DuLaney & Company (Services rendered for November 2020)	\$3,975.00
DuLaney & Company (Services rendered for January 2021)	\$4,955.00
DuLaney & Company (Services rendered for November 2021)	\$3,380.00
Total	\$12,310.00
AndCo (Q4-21 Consulting Fee-Invoice #40060 dated 12/31/2021)	\$10,900.00
Garcia Hamilton (Q4-21 Mgmt Fee-Invoice #35120 dated 1/6/2022)	\$4,670.80
KSDT (Progress Billing for 9/30/21 Audit; Invoice #109220 dated 12/31/2021)	\$1,500.00
Ernest Olivas (Hotel, taxes & Per diem for FPPTA Winter School)	\$939.13
Total	\$18,009.93

Auto Payments for Ratification:

Benefits USA, Inc (Flat monthly Fee October 2021 Auto payment)	\$1,675.00
Benefits USA, Inc (Bookkeeping Fee for October 2021 Auto payment)	\$275.00
Benefits USA, Inc (Flat monthly Fee November 2021 Auto payment)	\$1,675.00
Benefits USA, Inc (Bookkeeping Fee for November 2021 Auto payment)	\$275.00
Benefits USA, Inc (Flat monthly Fee December 2021 Auto payment)	\$1,675.00
Benefits USA, Inc (Flat monthly Fee December 2021 Auto payment)	\$275.00
Garcia Hamilton (Q4-2020 Mgmt Fee-Invoice #33219 dated 1/8/2021)	\$4,893.23
Total Auto payments	\$8,793.23

Pension Payments for Ratification:

Michael Seeman (Partial DROP distribution)	\$7,500.00
Total Pension Payments	\$7,500.00

Trustee Arnst moved to approve the Consent agenda and Trustee Wilson seconded the motion and it passed.

ACTUARY'S REPORT:

Mr. DuLaney reported on the GASB 67 which is Required Supplementary Information mandated by the State. He reported that the accrued pension liability as of 9/30/21 was \$77,557,022 and the plan's fiduciary net position was (\$71,472,577) resulting in the City's net pension liability of \$6,084,445 with a current Investment return of 7.125%. The net pension liability as a percentage is 92.15%. The total pension liability was based on a 3% inflation rate and 5% salary increases. Mr. DuLaney reported on what the City's pension liability would be using the discount rate of 7.125% and 1% higher or 1% lower. Using the 1% higher at 8.125% the liability would be \$238,941 and 1% lower at 6.125% the liability would be \$13,036,315. Mr. DuLaney reported that the contributions from the city were \$2,480,571, the state contribution was \$664,049 and contributions from the members were \$103,971. The net investment income was \$10,872,429; the benefit payments including refunds of contributions totaled \$6,169,677; the administrative expenses were \$119,204. Finally, Mr. DuLaney reported that he will be presenting the 10/1/2021 valuation at the next meeting in April.

ATTORNEY'S REPORT:

Mr. Collins reported on the disability application for Kevin O'Connor. He noted that Mr. O'Connor's attorney requested a formal hearing regarding the denial of his disability application. Mr. Collins reminded the Board that they denied his application for the following reasons: 1) the applicant is a member of the FRS and 2) he separated from City service in June of 2020 and submitted the disability application in November 2020. Mr. Collins noted that further discussion should be held on this issue at a special meeting. After a brief discussion, a special meeting was scheduled for February 15, 2022 at 2:00 pm. This meeting will represent the Initial Hearing, as outlined in the Board's Operating Rules.

ADMINISTRATOR'S REPORT:

The Administrator had nothing further to report.

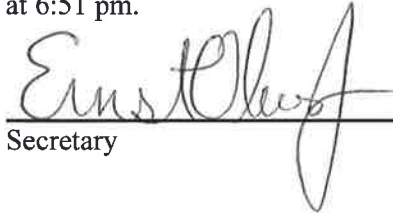
MISCELLANEOUS CORRESPONDENCE: (No action required)

NEXT MEETING DATE:

The next regular meeting is April 26, 2022 at 5:30 pm.

ADJOURNMENT:

Trustee Olivas moved to adjourn and Trustee Wilson seconded the motion. The meeting adjourned at 6:51 pm.


Secretary

4/26/2022
Date