

**LAKE WALES POLICE OFFICERS' RETIREMENT PLAN  
PENSION BOARD MEETING MINUTES  
January 22, 2018 - 1:00 P.M.**

**1. Call to Order and Roll Call**

The meeting was called to order at 1:00 p.m. by the Chairman, Bill Raebig. The following members were present: David Black, Joe Elrod, Tony Elrod and Bob Plummer. The following service providers were present: Steve Stack, Investment Manager; Chris Rafool and Ron Snyder, Investment Consultants; Pedro Herrera, Board Attorney; Patrick Donlan, Plan Actuary, and Susy Pita, Plan Administrator.

**2. Approval of Minutes**

A motion was made by Bob Plummer to approve the minutes from the regular meeting held October 23, 2017. Seconded by David Black, the motion carried unanimously.

**3. Approval of Disbursements**

A motion was made by Tony Elrod to approve the disbursement report as presented. Seconded by Joe Elrod, the motion carried unanimously.

**4. Actuarial Valuation Report**

Patrick Donlan presented the Actuarial Valuation Report as of 10/01/17. Following some discussion, a motion was made by David Black to approve the report as presented. Seconded by Bob Plummer, the motion carried unanimously. The Plan Administrator will see to the proper distribution.

The Investment Consultant and the Investment Manager then led a discussion regarding the annual Declaration of Returns. Following input from the investment professionals, attorney, and the Trustees, a motion was made by Joe Elrod to submit the annual letter to the Division of Retirement stating that the total expected annual rate of investment return for the fund for the next year, the next several years, and the long-term thereafter, shall be 7.75%, net of investment expenses. Seconded by Tony Elrod, the motion carried unanimously.

Patrick will plan to present the Experience Study at the July meeting.

**5. Advisors Reports**

(a) **Highland Capital** – Steve Stack reviewed the Investment Portfolio results. Ending value as of December 31, 2017 was \$14,424,576, with a cumulative return of 4.06%. For the record, Steve noted that the Plan could have experienced better performance had the City allowed Highland Capital the ability to buy lower quality bonds when the Board requested that change to the IPS several years ago.

(b) **Wells Fargo** – Chris Rafool presented the portfolio composition as of December 31, 2017 as follows: US Large Cap Equities-39.7%, US Mid Cap Equities-9.7%, US Small Cap Equities-1.3%, Developed Markets EX US-9.5%, Emerging Market Equities-0.4%, US Taxable Investment Grade Fixed Income-30.6%, Developed Markets Fixed Income-3.1%, High Yield Fixed Income-0.2%, Public Real Estate-1.7% and Cash Alternatives-3.8%. Ending market value of the plan was \$15,276,380.

Chris confirmed that the Plan does not have any investments with scrutinized companies and that they are also in compliance with PFIA.

(c) **Sugarman & Susskind** – Pedro informed the Trustees that his office received a Disability Application from Officer Terrance Daniels. They have received all the medical records and are in the process of scheduling his Independent Medical Examination. The Disability Hearing will take place after the IME report has been provided by the doctor. Pedro continued his report to the Trustees throughout the meeting under the agenda items requiring his input.

**6. Old Business**

There was none.

**7. New Business**

There was none.

**8. Public Comments**

There were none.

**9. Next Meeting Date**

The next meeting will be on Monday, April 23, 2018 at 1:00 p.m.

**10. Adjournment**

The meeting ended at 2:25 p.m.

For the Board: \_\_\_\_\_