CITY OF HOLLY HILL, FLORIDA

POLICE PENSION FUND BOARD OF TRUSTEES

AGENDA ● AUGUST 15, 2019

Holly Hill Police Dept. Training Room	Police Pension Fund Board of Trustees	11:00 AM

CITY HALL
1065 RIDGEWOOD AVENUE
HOLLY HILL, FL 32117

City Clerk's office: (386) 248-9441 - Fax: (386) 248-9448

Holly Hill Police Dept. Training Room
City Hall
Holly Hill, FL 32117

1. **CALL TO ORDER**

2. **ROLL CALL**

3. **APPROVAL OF MINUTES**

    1. Minutes - May 9, 2019, HHPD Retirement Trust Fund Meeting

       (Requested by Valerie Manning, City Clerk)

4. **CHAIRPERSON'S REPORT**

    1. Budget for 2019-2020
    2. Former Officer Jeffery Moser received lump sum pay out - $8,563.43
    3. Former Officer Misti Howey requested her pension benefit calculations - Ms. Howey is elgible to receive her benefits April 1, 2027

5. **OLD BUSINESS**

    A. 2nd Quarter Report - Frank Wan - Burgess Chambers

6. **NEW BUSINESS**

    1. Pension Ordinance Governing Investments

       (Requested by Valerie Manning, City Clerk)

    2. Payment of Outstanding Bills

       (Requested by Valerie Manning, City Clerk)

7. **OTHER BUSINESS**

    A. Next Meeting Date: November 14, 2019 at 11:00 AM in the PD Training Room

8. **ADJOURNMENT**

Website Address – www.hollyhillfl.org (City Clerk)

NOTICE – If any person decides to appeal any decision of the Police Pension Board, he/she will need a record of the proceedings and, for that purpose, he/she may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. The City does not prepare or provide such a record.

For special accommodations, please notify the City Clerk's Office at least 72 hours in advance. (386) 248-9441

Help for the hearing impaired is available through the Assistive Listening System. Receivers can be obtained from the City Clerk's Office.

In accordance with the Americans with Disabilities Act (ADA), persons needing a special accommodation to participate in the Police Pension Board proceedings should contact the City Clerk's Office no later than three (3) days prior to the proceedings.

Police Pension Board

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SCHEDULED

Meeting: 08/15/19 11:00 AM
Department: City Clerk
Category: Minutes
Prepared By: Valerie Manning
Initiator: Valerie Manning
Sponsors:
DOC ID: 2636

POLICE PENSION FUND BOARD OF TRUSTEES (ID # 2636)

Minutes - May 9, 2019, HHPD Retirement Trust Fund Meeting

Holly Hill Police Officers' Retirement Trust Fund

Thursday May 9, 2019

11:00 AM

Holly Hill Police Department Training Room

Minutes

1. Call to Order

   Meeting was called to order at 11:00 AM

2. Roll Call

Members Present	Guests
Stephen Aldrich	Sheliza Bhola - Finance
Christopher Yates	Frank Wan - BCA
Charlie Sharp	Mindy Johnson – Salem Trust
Robert Taylor	Paul Daragjati – Paul Daragjati PLC
Thomas Bentley	Heidi Heller – Citizen

3. Approval of Last Meeting's Minutes
   a. February 15, 2019
   b. March 22, 2019
   c. March 29, 2019
      Motion to Approve made by Taylor, 2nd by Sharp
      All in favor, Motion approved

4. Chairman's Report
   a. Payments have begun for Keith Pendleton.
   b. Lauren Duncan has received her final payout.
   c. New Vendors that were selected to represent the pension plan
      i. Audit – BMC
      ii. Actuary – Foster & Foster
      iii. Legal – Paul Daragjati
      iv. Salem Trust – Custodian
      v. Burgess Chambers – Investment Consultant

5. Old Business

a. 1st Quarter Report – Charles Mulfinger II (Graystone)

Graystone was absent due to miscommunication of the scheduled date. They have rescheduled for May 10, 2019 at 12:00PM

6. New Business

a. Traveler Insurance Policy Renewal. 6/6/2019 to 10/1/2020 for $3723.00
Motion to Approve made by Sharp, 2nd by Taylor
All in favor, Motion approved

b. Select new funds with Burgess Chambers (packet supplied)
Motion to Approve made by Taylor, 2nd by Sharp
All in favor, Motion approved

c. Transfer funds from Graystone to Salem Trust
Motion to Approve made by Taylor, 2nd by Yates
All in favor, Motion approved

d. Payment of Outstanding Bills
Foster & Foster $3575.00
Motion to Approve made by Taylor, 2nd by Sharp
All in favor, Motion approved

e. Pension Plan Ordinance Change
Frank Wan and Paul Daragjati advised we should look into updating our Pension Plan Ordinance to better meet State Statute. Paul advised he would work with the city to accomplish this.
Motion to Approve made by Yates, 2nd by Taylor.
All in favor, Motion approved

7. Other business

a. Remaining 2019 meeting dates have been set for August 8, and December 12. Meetings will be held in the Holly Hill Police Department's Training Room, at 11:00.

Adjournment

12:00 PM

Chairman – Stephen Aldrich

Secretary – Christopher Yates

Minutes – Christopher Yates

Police Pension Board

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SCHEDULED

Meeting: 08/15/19 11:00 AM
Department: City Clerk
Category: New Business
Prepared By: Valerie Manning
Initiator: Valerie Manning
Sponsors:
DOC ID: 2640

POLICE PENSION FUND BOARD OF TRUSTEES (ID # 2640)

Pension Ordinance Governing Investments

This pension ordinance will mirror the Fire Department Pension ordinance that governs investments.

ACTION IS REQUIRED FOR THIS AGENDA ITEM BY BOARD

Ordinance No. ______________

AN ORDINANCE OF THE CITY OF HOLLY HILL, FLORIDA, AMENDING CHAPTER 42 (PENSIONS AND RETIREMENT) ARTICLE II - POLICE OFFICERS, OF THE CODE OF ORDINANCES OF THE CITY OF HOLLY HILL, FLORIDA, PROVIDING FOR THE HOLLY HILL POLICE OFFICERS PENSION TRUST FUND BOARD OF TRUSTEES TO POSSESS INVESTMENT AUTHORITY IN CONFORMANCE WITH THE STANDARDS SET FORTH IN CHAPTER 185.06 OF THE FLORIDA STATUTES; PROVIDING FOR A REPEALER, PROVIDING FOR A SAVINGS CLAUSE, PROVIDING FOR CODIFICATION, PROVIDING FOR SEVERABILITY, PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Board of Trustees of the Holly Hill Police Officers Pension Trust Fund has a fiduciary duty to prudently invest Fund assets; and

WHEREAS, the Board of Trustees employs a consultant to advise on investment policy, including proper asset allocation; and

WHEREAS, the Board of Trustees' goal for return on investments of the Police Officers Pension Trust Fund is to obtain at least a 7.4% investment return each year; and

WHEREAS, the Board of Trustees' investment consultant has recommended that ability to reach or exceed that goal would be enhanced by adopting the investment standards set forth under Chapter 185.06 of the Florida Statutes, without variance; and,

WHEREAS, an ordinance amendment is necessary in order to follow the advice of the Fund's investment consultant; and

WHEREAS, the City Council has received, reviewed and considered an actuarial impact statement describing the actual impact of the amendments provided for herein; now, therefore,

THE CITY COUNCIL OF HOLLY HILL, FLORIDA HEREBY ORDAINS AS FOLLOWS:

Section 1. That Section 42-31(2) of the Code of Ordinances of the City of Holly Hill, Florida is hereby amended as follows:

Sec. 42-31. Pension Benefits.

*   *   *

(2) The board of trustees may invest and reinvest the assets of the Police Officers' Retirement Trust Fund, City of Holly Hill, in accordance with the provisions of F.S. § 185.06. All monies paid into or held in the fund shall be invested and reinvested by the board and the investment of all or any part of such funds shall be limited to: ~~, which are hereby varied only in the following respects~~:

~~a. The aggregate of the trust fund's investment in equities (common stocks or equivalents) at market shall not exceed 67.5 percent of the fund's assets, with a target range of 62.5 to 67.5 percent;~~

~~b. The aggregate of the trust fund's investments in negotiable fixed income securities, including securities issued by the United States government, agencies of the United States government, or bonds, or preferred stocks issued by domestic corporations having an initial rating of A or higher, at market, shall be at least 32.5 percent of the fund's assets, with a target range of 32.5 to 37.5 percent;~~

~~c. Short-term money market funds or instruments may be included within the above categories of investments, provided that if commercial paper is used, it must be rated at least A-2 or P-2;~~

~~d. International investment of any kind, equities or fixed securities, shall not exceed 25 percent of the fund's assets; and~~

a. Annuity and life insurance contracts with life insurance companies in amounts sufficient to provide, in whole or in part, the benefits to which all of the members in the fund shall be entitled under the provisions of this system and pay the initial and subsequent premium thereon;

b. Time or savings accounts of a national bank, a state bank insured by the bank insurance fund or a savings/building and loan association insured by the savings association insurance fund which is administered by the Federal Deposit Insurance Corporation or a state or federal chartered credit union whose share accounts are insured by the National Credit Union Share Insurance Fund;

c. Obligations of the United States or obligations guaranteed as to principal and interest by the government of the United States or by an agency of the government of the United States;

d. Bonds issued by the State of Israel;

e. Stocks, commingled funds, mutual funds or other investment vehicles approved by the board and bonds or other evidences of indebtedness, provided that:

(i) Except as provided in subsection (ii) below, all individually held securities and all securities in a commingled or mutual fund or other investment vehicles approved by the board, must be issued or guaranteed by a corporation organized under the laws of the United States, any state or organized territory of the United States, or the District of Columbia.

(ii) Up to 25 percent of the assets of the fund at market value may be invested in foreign securities.

(iii) The board shall not invest more than five percent of its assets in the common stock, capital stock, or convertible securities of any one issuing company, nor shall the aggregate investment in any one issuing company exceed five percent of the outstanding capital stock of that company; nor shall the aggregate of its investments in common stock, capital stock and convertible securities at market exceed 70 percent of the assets of the fund;

f. Real estate directly or through an investment vehicle approved by the board or real estate investment trusts (REITS) that trade on a major exchange, provided the board shall not invest more than 15 percent at market of the assets of the fund in REITS; and

g ~~e~~. Master limited partnerships (MLP) that trade on a major exchange, up to an amount of 15 percent of the assets of the fund at market value with a target range of 10 to 15 percentage. No more than ten percent at market value of an investment manager's MLP portfolio may be invested in a single issuer unless the issuer makes up more than ten percent of the Alerian MLP Index, in which case, up to the Index weighting may be held.

Section 2. That all sections or parts of sections of the Code of Ordinances, all ordinances or parts of ordinances, all charter sections or parts of sections, and all resolutions or parts of resolutions in conflict herewith, are hereby repealed to

the extent of such conflict.

Section 3. If any word, phrase, clause, subsection or section of this ordinance be for any reason held unconstitutional or invalid, the invalidity thereof shall not affect the validity of any remaining portions of this ordinance.

Section 4. That codification of this Ordinance in the City Code of Ordinances is hereby authorized and directed.

Section 5. That this Ordinance shall become effective immediately upon its adoption.

Section 6. That this Ordinance shall be posted at City Hall as required by law.

The foregoing Ordinance was introduced and read on first reading before the City Council of the City of Holly Hill, Florida, at its regular meeting held in council chambers at City Hall, on the ____ day of ________________, 20__.

It was moved by Councilman ________________________ and seconded by Councilman _________________________ that said Ordinance be approved on first reading. A roll call vote of the Council held on said motion for approval of the Ordinance resulted as follows:

Mayor _______________

Councilman _______________

Councilman _______________

Councilman _______________

Councilman _______________

The foregoing Ordinance was introduced and read on second reading before the City Council of the City of Holly Hill, Florida, at its regular meeting held in council chambers at City Hall, on the ____ day of ________________, 20__.

It was moved by Councilman ________________________ and seconded by Councilman _________________________ that said Ordinance be adopted. A roll call vote of the Council held on said motion to adopt the Ordinance resulted as follows:

Mayor _______________

Councilman _______________

Councilman _______________

Councilman _______________

Councilman _______________

Whereupon, the Mayor of the City of Holly Hill, Florida has hereunto set his official signature, duly attested by the City Clerk, and has caused the official seal of said City to be affixed, all at City Hall in the City of Holly Hill, Florida, this ____ day of __________________, 20__, as is required by law.

CITY OF HOLLY HILL, FLORIDA

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Mayor

ATTEST:

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CITY CLERK

Approved as to form and legality:

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CITY ATTORNEY

HOLLY HILL
FLORIDA

Police Pension Board

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SCHEDULED

Meeting: 08/15/19 11:00 AM
Department: City Clerk
Category: New Business
Prepared By: Valerie Manning
Initiator: Valerie Manning
Sponsors:
DOC ID: 2641

POLICE PENSION FUND BOARD OF TRUSTEES (ID # 2641)

Payment of Outstanding Bills

Payment of outstanding bills:

1. Paul Daragjati - Attorney services - $1,427
2. Salem Trust - Custodial services - $776.19