CITY OF PORT ORANGE
POLICE OFFICERS' PENSION BOARD
APRIL 3, 2017

The Port Orange Police Officers' Pension Board of Trustees met in special session on Monday, April 3, 2017 in the Police Department Training Room, 4545 Clyde Morris Boulevard, Port Orange, Florida.

MEMBERS PRESENT:	Chairman Steve Braddock (police member) Secretary William Proctor (police member) Warren Carman (fifth member) Drew Bastian (resident member) Brian Cobb (resident member)
CONSULTANTS:	Karan Rounsavall, Plan Administrator

Note: Attorney Ken Harrison of Sugarman & Susskind was available by telephone if needed.

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Chairman Braddock called the meeting to order at 9:00 a.m. A quorum was in attendance.

The purpose of the meeting was to discuss investment consulting options moving forward and to consider possible action to proceed with a request for proposal (RFP) for investment consulting services for the Port Orange Police Officers' Pension Plan.

Board members were in receipt of the city auditor's recent comparison of the three pension plans sponsored by the City of Port Orange (General, Fire & Police), specifically as to investment returns and fees. Chairman Braddock was disturbed by the results which showed the Police Pension Plan with the lowest returns and highest fees. He stated that it was clearly time to do some window shopping as to investment consulting options and reminded the Board of its fiduciary responsibility to ensure that the Fund's fees were reasonable and that the Police Pension Plan was receiving the best possible oversight and care. Board members were further in receipt of an email he received over the weekend from Charles Mulfinger of Graystone Consulting offering an explanation for its higher fees and lower returns.

The floor was open for discussion. Member Cobb stated that the Fund was underperforming and paying more in fees for that underperformance. The biggest issue in his estimation was the high fees. He was in full support of a RFP for investment consulting services.

Member Bastian had similar feelings. Every plan had its up and down years, however, the Police Fund was simply not getting performance. This lack of performance did not match the premium price that was being paid to the consultant. For the past three years, the Police Fund had been the last among the Port Orange Pension Plans in terms of performance, yet it was paying the most in fees. He likewise wanted to see what else was available in terms of investment consulting services.

Member Proctor did not object to a RFP for investment consulting services to see what else might be available. However, he wanted to be sure that the Board was comparing "apples to apples" in terms of investment goals, asset allocation, etc. Along this line, the Board asked the plan administrator to provide a comparison of risk/asset allocation between the three Port Orange Pension Plans.

Member Carman moved to direct the board attorney and plan administrator to prepare a request for proposal for investment consulting services. Said RFP to include a request that the responder provide an analysis of what its plans had actually earned over the past three to five years, including fees. Member Cobb seconded the motion and it carried unanimously.

Plan Administrator Rounsavall briefly reviewed the RFP process, including time frame for responses, review of responses by board members, short list of best responders, presentations, selection, etc. The RFP would be sent to prospective providers and advertised on the Florida Public Pension Trustees Association web site.

Member Bastian moved that the RFP be prepared and "on the street" no later than May 1, 2017. Member Carman seconded the motion and it carried on an all yes vote.

PUBLIC COMMENT - None

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The meeting adjourned at 9:37 a.m.

Steve Braddock, Chairman

Karan Rounsavall

Karan Rounsavall, Plan Administrator