

TOWN OF DAVIE
POLICE PENSION PLAN



OPERATING RULES & PROCEDURES



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RULE 1

BOARD OF TRUSTEES

1.1 FUNCTIONS

The Board of Trustees shall:

- act as the named fiduciary of the Plan as defined by Florida law;
- have the exclusive authority to operate, maintain and interpret the provisions of the local ordinances establishing the Pension Plan;
- be responsible for establishing and executing the investment policy of the Plan;
- select and retain professional advisors to the Plan, including but not limited to accountants, actuaries, administrators, attorneys, banks and custodians, investment managers, performance monitors and any others deemed necessary to the Plan's operation;
- determine all claims for retirement or disability benefits;
- prepare and distribute a Summary Plan Description as provided by Section 112.66, Florida Statutes;
- direct such actuarial and accounting functions as are required by law;
- file reports with the State of Florida and other appropriate

bodies; and

- fulfill all other such duties as may be required by prudence and law.

All business of the Plan and of the Board shall be conducted pursuant to the provisions of the Town of Davie Ordinance, Florida Statutes and the federal government.

1.2 DEFINITION OF FIDUCIARY

A fiduciary shall be defined as a person responsible for the discharge of their duties with respect to the pension plan for the exclusive purpose of providing benefits to participants and their beneficiaries and defraying the reasonable expenses of administering the plan. The Board of Trustees as fiduciaries of the Plan shall hold, manage, control and safeguard the Plan solely in the interests of members of the plan. The Board is authorized by law to purchase fiduciary liability insurance at the expense of the plan.

1.3 ELECTION PROCEDURES

The Board of Trustees shall consist of five persons, two of whom shall be appointed by the Town Council, two of whom shall be elected by active members of the plan, and a fifth member who shall be chosen by a majority of the other four Board members and appointed as a ministerial act by the Town Council.

- The two Town-appointed Trustees shall be legal residents of the Town. They shall each be appointed in odd-numbered years for a term of four years but shall serve at the pleasure of the Town.
- Elections for the two Board members elected by members of the plan shall be conducted by the FOP in even-numbered years. Elections shall be by ballot. The two candidates receiving the highest number of votes shall be certified elected by the Town Clerk. They shall take office immediately upon being certified and upon receiving the oath of office. Elected Trustees shall serve a four-year term, unless they terminate employment during their term.
- The fifth Board member shall be chosen by a majority of the other four Board members and may be an active or retired member of the Plan. Appointment of this fifth member must be made as soon as is practicable following the election of the elected Board members. The fifth Board member shall also serve a four-year term. The fifth Board member shall be appointed by the Town as a ministerial act.
- All Board members are obligated to maintain their fiduciary roles as Board members until such time as their replacements are named, appointed or elected as the case may be, and receive the oath of office.

- Vacancies on the Board of Town-appointed Board members shall be filled by the Town Council. Board members appointed by the Town Council to fill vacancies on the Board shall serve the remainder of the term of the Board member who created the vacancy. Vacancies on the Board of elected Board members shall be filled by special election to be conducted in the same manner as the regular biennial election. Board members so elected shall serve until the end of the four-year term in which the vacancy occurred. In the event of a vacancy in the fifth Board member position, the Board shall choose a successor in the same manner as the initial selection. The fifth Board member selected in this manner shall serve until the end of the four-year term in which the vacancy occurred.

1.4 OFFICES

The Board members shall elect from among their members a Chairman and a Secretary who shall serve for four years.

- The Chairman shall be responsible for the conduct of all meetings of the Board and shall have voting rights the same as other members of the Board. The Chairman shall be the agent for service of legal process, unless the Board members by a majority vote shall name another agent. The Chairman

is authorized to give direction to legal counsel and others having business with the Plan between meetings. Such activities shall be reported to the other Board members at the next meeting. The Chairman shall perform such other duties as the Board members may assign. In the Chairman's absence, the Secretary shall serve as Acting Chairman.

- The Secretary shall be responsible for the minutes of all regular and special Board meetings and shall be the official custodian of records of the Plan. The Secretary & Chairman or designated Board member shall execute all official documents of the Plan.

1.5 DISCLOSURE AND CONFLICT OF INTEREST

All Board members shall complete financial disclosure forms on an annual basis as required by law. Said disclosure forms shall be filed with the Supervisor of Elections of Broward County. Conflicts of interest in voting shall be governed by the provisions of Section 112.3143, Florida Statutes, the Code of Ethics for public officials. Notwithstanding any other provision of law, no Board member shall vote or participate in a determination of any matter in which that Board member shall receive a personal gain, except in the case of employee Board members voting on benefits applicable to all members of the plan.

1.6 COMMITTEES

The Board may, from time to time, delegate any of its functions to a committee of one or more Board members. In the event that a committee shall consist of more than one Board member, the committee shall meet in accordance with the provisions of the Florida Government in the Sunshine Law. All committees shall be appointed by the Chairman or the Board.

1.7 PER DIEM AND REIMBURSEMENT

Board members shall serve without compensation. However, Board members are entitled to receive a per diem and reimbursement for reasonable expenses incurred in conducting the business of the Plan. Board members shall submit all supporting documents prior to reimbursement. The per diem and reimbursement rate for all Board members shall be no less than that provided for in Florida Statutes Chapter 112, and may be increased in the Board's discretion. The per diem rate, \$100.00 as of the date of adoption of these rules, does not include lodging but does include meals and other miscellaneous expenses. The rate for a Board member's use of his personal automobile is the prevailing IRS rate, when traveling outside Broward County. Per diems paid in advance shall be refunded for any days not used.

1.8 BOARD MEMBER EDUCATION

All Board members are encouraged to attend educational programs in connection with their duties and responsibilities as Board members. Registration fees, travel and hotel expenses, as well as per diem and reimbursement for other reasonable expenses are automatically approved for any Board member who is available to attend programs offered by the Florida Public Pension Trustees Association (FPPTA), the National Conference on Public Employee Retirement Systems (NCPERS), the International Foundation of Employee Benefit Plans (International Foundation) and the Florida State University Annual Police Officers' and Firefighters' Trustees' School. Other conferences and schools may be approved by a majority vote of the Board on a case-by-case basis. Following the conference, Board members are expected to report to the Board at the next scheduled meeting on topics of interest from the conference along with any educational information that may be relevant to the operation of the Plan.

1.9 OPERATING RULES AND PROCEDURES

The Board of Trustees is authorized by law to establish rules of procedure for the operation of the Plan. No rule or regulation of the Plan may conflict with any lawful ordinance, charter provision, federal or state law. All rule changes shall occur at a regular meeting of the Board. Prior to any rule change, an opportunity shall be offered to members and

beneficiaries of the Plan to comment on any rule change and to make appearance before the Board as they shall desire. All rules to be adopted by the Plan shall be in writing and shall be adopted by a majority vote of the Board. The Board shall review its rules and regulations on a periodic basis. The rules and regulations of the Plan shall be reproduced and distributed, upon request, to any Plan member.

RULE 2

COMMUNICATIONS AND RELATIONS WITH THE TOWN

2.1 INDEPENDENT ENTITY

The Board of Trustees is an independent entity established by state law and Town ordinance. The Board of Trustees shall not be considered a component part of nor subordinate to the Town of Davie government. However, the Board members shall establish and maintain communications with Town departments as is necessary for the management of the plan.

2.2 TOWN AS INDEPENDENT CONTRACTOR

In accepting services from the Town of Davie, the Board

shall treat the Town as an independent contractor. To this end, the Board may deem it advantageous to reduce the precise duties of the Town to writing the same as any other contract for services entered into by the Board.

2.3 PENSION ORDINANCE

The Town Council has continuing power to amend or supplement the ordinances affecting the pension plan. The Board may make recommendations to the Town Council or Union concerning amendments. Proposed ordinances shall be reviewed by the Board's attorney who shall pass on the form and correctness of the ordinance. All proposed ordinance changes that carry an economic benefit shall be reviewed by the Board's actuary to determine the cost. No benefit change shall occur without an actuarial impact study as required by state law. All such actuarial impact studies shall be at the expense of the Plan.

2.4 COLLECTIVE BARGAINING

The Board of Trustees acknowledges that it is neither an employee organization nor an employer as defined by Chapter 447, Part II, Florida Statutes. Therefore, the Board does not engage in collective bargaining on behalf of the Town of Davie or on behalf of any employee organization. The Board shall make itself available as a resource to labor organizations and the Town for

all matters relating to pensions and retirement. The Board may make its professional advisors available as a resource in the collective bargaining process and in this event will assume responsibility for professional fees incurred.

2.5 ACTUARIAL IMPACT STUDIES

When a change in actuarial assumptions is considered by the Board, reasonable notice shall be given to the Town prior to the first meeting of the Board to consider any such change or any proposal or recommendation related thereto. Notice by agenda publication and the forwarding of a copy of the agenda to the Town's attention shall constitute notice hereunder. Reasonable notice shall be given of any subsequent meetings at which the issue of a change in the actuarial assumptions or a related proposal or recommendation is to be considered.

2.6 APPEARANCE AT TOWN COUNCIL MEETINGS

The Board of Trustees may, through one of its members, its administrator or its attorney, be represented at all Town Council meetings where a discussion of matters of interest to the Board is scheduled to occur. The Board may, prior to said meeting, designate an official spokesman to speak on behalf of the Plan.

RULE 3

MEETINGS

3.1 SCHEDULE

The Board of Trustees shall set its own schedule of meetings, which shall be held at least quarterly. As of the date of the adoption of these Rules, the Board has scheduled regular meetings on the second Tuesday of each month. The regular meeting held at the end of each calendar quarter is designated as the quarterly meeting for receipt of investment reports. Special meetings may be called by the Chairman or by a majority of the Board members upon notice as set forth in these Rules.

3.2 ATTENDANCE AT MEETINGS

In recognition of the importance of the work of the Board, regular attendance at Board meetings is expected of all Trustees. Any Board member who fails to attend two consecutive meetings of the Board or who misses 3 meetings in a 6-month period without an excuse acceptable to the other Board members shall be warned in writing of the Board's attendance policy. In the case of a Town-appointed Board member, notice shall also be sent to the Town Council. Board members who are called into the active service of the Town at the time of a Board meeting shall automatically be deemed excused. After a Board member has been warned by the

Board regarding their attendance, any further unexcused absences shall result in remedial action by the Board.

3.3 GOVERNMENT IN THE SUNSHINE

All meetings of the Board shall be held in a location where public access is reasonably available. An adequate meeting room in the Town of Police Department located at 1230 S. Nob Hill Road shall be the preferred location; however the Board members may select another location as long as it is accessible to the public. All meetings of the Board shall be conducted in accordance with the provisions of Section 286.011, Florida Statutes, the Government in the Sunshine Act. No Board member shall engage in communications with another Board member outside of a public meeting on any matters of official Board business. Committees consisting of two or more Board members shall hold meetings in accordance with the Government in the Sunshine Law.

3.4 PUBLIC RECORDS

Records of all Board and Committee proceedings shall be maintained and open to public inspection in accordance with Chapter 119, Florida Statutes, the Public Records Law. Such records shall reflect a complete and comprehensive account of the discussions and actions taken by the Board. Copies of the minutes shall be sent promptly to the Town Clerk, as custodian of

the Town's records. Medical records of any plan participants are excepted by law and shall be maintained so as to insure security of privileged information concerning participants' medical records.

3.5 NOTICES

Notices of all regular and special Board meetings, as well as meetings of committees of two or more members, shall be posted in advance of the meeting as required by Town ordinance and state law. Notices shall contain, at a minimum, the meeting agenda and the date, time and place of the meeting. Notices shall be posted in a prominent place in the Police Department and shall be provided at least five business days in advance of the meeting to the Town Clerk for posting at Town Hall.

3.6 AGENDAS; MEETING MATERIALS

An agenda shall be prepared for each regular and special meeting of the Board. The agenda shall set forth those items upon which the Board anticipates having discussion or taking action. Each agenda item shall if possible have included with it backup material necessary for consideration by the Board. Agendas shall also inform members of the public that should they wish to appeal any decision made by the Board they will need a record of the proceedings and that they may need to insure a

verbatim record which includes testimony and evidence upon which the appeal is based. All agendas and meeting materials are public records as defined by Chapter 119, Florida Statutes.

3.7 WORKSHOPS

The Board may from time to time wish to conduct workshop meetings for the purpose of developing policies or procedures of the Board or for review of investment or other data. Workshops shall be conducted in a public forum the same as any other meeting and shall have a published agenda in advance of the workshop.

3.8 RULES OF ORDER

In recognition of the importance of accomplishing the objectives of the Board in an orderly manner, the Board may establish parliamentary rules of order for the conduct of its meetings. In the event that a question of procedure should arise for which no rule has been previously established, the Board may rely on rules and procedures contained in the current edition of Roberts Rules of Order Newly Revised. No rule or procedure adopted by the Board members may conflict with any Town ordinance or state law.

RULE 4

INVESTMENT OF PLAN ASSETS

4.1 INVESTMENT POLICY STATEMENT

The Board shall establish written goals and objectives. The goals and objectives shall set forth the allocation of the Plan to be distributed to each investment category and shall establish expected rates of return. Review of the Board's investment policy shall take place at least annually.

4.2 INVESTMENT MANAGERS

In recognition of the importance of professional guidance in the investment of the assets of the Plan, all investments shall be performed by qualified, professional investment managers. The Board may employ a multi-manager team in order to diversify plan assets and minimize the risk associated with dependence on the success of one enterprise.

- Managers shall be selected at official meetings of the Board of Trustees by a majority vote of the Board. All proposals for investment manager services shall be presented in writing. Such written proposals shall be made a part of the records of the Board.

- Managers may be selected to provide diversification of orientation (e.g., value versus growth) as well as for their expertise in the investment of stocks versus bonds.
- Each investment manager shall enter into a written contract with the Board. All contracts shall be reviewed by the Board's legal counsel. The contract shall set forth the written investment standards and performance goals and objectives applicable to that manager. Each contract shall include an acknowledgment by the manager that it is familiar with the ordinances of the Town of Davie and the provisions of Chapters 112 and 185, Florida Statutes. The contract shall also provide that the manager shall make no purchases that are prohibited by law and in the event such purchase is made, the plan shall be made whole for any loss incurred in the divestiture of said investment.
- Managers shall agree in writing that they are fiduciaries.
- The Board members shall direct each manager to provide monthly written reports of the status of the portion of the Plan under their management to the Chairman. Quarterly reports shall be presented in person as requested by a representative of the investment manager who has authority to make discretionary decisions with regard to the plan's account and to settle any claims or disputes arising from

their contract. Attendance at Board meetings shall be at the manager's expense.

- The Board shall give all investment managers proxy-voting responsibility, which the Board members shall monitor. Records of all proxy votes shall be maintained and made available to the Board members. The managers acting on behalf of the Board shall vote all proxies to the benefit of Plan assets.
- In an effort to recapture a portion of brokerage commissions paid by managers in connection with transactions in the Plan's account, the Trustees may arrange with one or more firms to provide such services for the plan. Commission recapture programs are not intended to hamper the effectiveness of the managers. Funds received from the commission recapture program shall be set aside in a separate account and used for educational or administrative purposes.
- No manager shall be compensated with other than hard dollars.
- Termination of any manager may be with or without cause.

4.3 PERFORMANCE MONITOR

The Town of Davie Pension ordinance provides that the Board may retain a professionally qualified independent consultant to

evaluate the performance of its investment managers. The Board may, in its discretion, engage a performance monitor on an ongoing basis.

- The performance monitor shall attend at least 1 meeting per quarter and shall report on the performance of each manager. The report shall include a comparison of the relative performance of each manager to the various stock and bond indices, as appropriate. The performance monitor shall recommend in writing to the Board the retention or discharge of investment managers and the reasons supporting its recommendations. Attendance at Board meetings shall be at the performance monitor's expense.
- As the investment advisor to the Plan, the performance monitor shall continuously monitor the investments to be certain that they are in compliance with the Board's investment guidelines, Town ordinances and applicable laws, and shall promptly alert the Board members of any deviation.
- The performance monitor shall recommend to the Board a transfer of assets between managers to achieve the desired balance, shall assist in a periodic review of the goals and objectives of the Plan and shall conduct a manager search as directed by the Board members.
- The performance monitor shall be compensated with hard dollars.

- The performance monitor shall agree in writing that it is a fiduciary.
- Termination may be with or without cause.

4.4 RETAINING NEW INVESTMENT MANAGERS AND ADVISORS

In the event the Board elects to consider retaining a new manager or performance monitor, a Request for Proposal (RFP) may be prepared and distributed to candidates known for their expertise in the public pension field. The Board members may consult their legal counsel, present investment advisor or other professionals for advice on the language of the RFP. The initial screening of prospective managers and investment advisors may be performed by the Board or a committee of the Board as well as such professionals as the Board deems advisable. A short list of at least three candidates in each category the Board members seek to fill may be invited to make personal presentations to the Board. The Board may develop a weighted list of attributes including proposed fees to be used in making its final selection, which shall be by majority vote. All contracts for services shall be prepared by Plan counsel.

4.5 CUSTODIAN

The Board shall be authorized to use the services of a

custodian who shall have custody of the assets of the Plan and who shall perform the banking functions of the Board. The custodian shall be duly licensed, insured and bonded and shall meet all requirements of Florida Statutes. The custodian shall keep accurate and detailed accounts of all investments, receipts, disbursements and other transactions pertaining to assets of the Plan. All accounts, books and records relating to the Plan shall be open for inspection and audit at all reasonable times by the Town, the Board or their designees. The Board members shall provide written instructions authorizing the custodian to accept direction as to disbursements or other Plan transactions and shall identify those individuals or officers from whom direction may be accepted.

- Termination may be with or without cause.
- The custodian shall agree in writing that they are a Fiduciary of the Plan.

RULE 5

PROFESSIONAL SERVICES

The Board of Trustees has authority to retain professional advisors for assistance in the performance of its duties. In engaging professional services, the Board shall conduct an

appropriate investigation into the qualifications and reputation of the applicants. While seeking competitive bids is a good general rule in the fulfillment of its fiduciary responsibility, the Board shall not be required to obtain competitive bids for professional services unless in its own discretion it shall choose to do so. All professional service providers may be terminated with or without cause.

5.1 ACTUARIAL SERVICES

- The Board of Trustees shall retain the services of an enrolled actuary. An enrolled actuary shall mean an actuary who is enrolled under Subtitle C of Title II of the Employment Retirement Income Security Act of 1974 (ERISA) and who is a member of the Society of Actuaries or the American Academy of Actuaries.
- An actuarial valuation shall be performed annually. All actuarial reports shall be in accordance with the Town of Davie ordinance and state law.
- The actuary shall report to the Board on not less than an annual basis sufficient actuarial data so that the Board may establish the adequacy of employer and employee contribution rates. The amount of the employer contribution shall be certified in writing to the Town in accordance with provisions of the ordinance.

- No proposed change in retirement benefits shall be made without an actuarial determination of the cost impact of said change.
- Other actuarial services shall include attendance at one or more Board meetings each year, as may be deemed appropriate by the Board, preparation of individual employee benefit statements and calculation of benefits for those leaving the plan. The actuary shall also annually review the Board's actuarial assumptions and recommend any changes.
- In order to avoid conflicts of interest in the delivery of actuarial services, the Board shall not retain actuaries who are employed by the Town of Davie, unless the Board is determined to be the client.
 - Termination may be with or without cause.
 - The actuary shall agree in writing that they are a Fiduciary of the Plan.

5.2 ACCOUNTING SERVICES

The Board shall retain the services of a Certified Public Accountant who is familiar with Trust Plan accounting to perform an annual audit of the assets and liabilities of the plan. The auditor shall attend at least one meeting of the Board to review the final report and discuss the findings developed in the course of the audit. The auditor shall promptly provide a complete copy

of the audit report to the actuary for use in determining the current assets and future liabilities of the plan. In addition, a copy shall be provided to the Board of Trustees, the State of Florida Department of Insurance, Board Counsel, and the custodian of the Plan's assets. In order to avoid conflicts of interest, the Board shall not retain auditors who are employed by the Town of Davie unless the Board shall be determined to be the client.

- Termination may be with or without cause.
- The accountant shall agree in writing that they are a Fiduciary of the Plan.

5.3 ADMINISTRATIVE SERVICES

The Board may, in its discretion, retain the services of a qualified administrative manager to assist the Board members, members of the plan and other professional advisors engaged by the Board members. The administrator shall exercise no discretionary authority or control respecting the Plan but shall serve solely at the direction of the Board members. The administrator shall be principally charged with assisting the Board members in the discharge of their duties, maintaining necessary Plan records, responding to the participants' inquiries and needs for service, and public records requests made to the

Plan. In order to avoid conflicts of interest, the Board shall not retain administrators who are employed by the Town of Davie.

- Termination may be with or without cause.
- The administrator shall agree in writing that they are a Fiduciary of the Plan.

5.4 LEGAL SERVICES

- The Board shall select and appoint a general counsel who shall be licensed to practice law in the State of Florida. Such counsel shall have demonstrated experience in the area of public employee retirement systems in the State of Florida. Counsel for the Board members or a qualified attorney from the firm shall attend all meetings of the Board, unless otherwise instructed.
- In order to avoid conflicts of interest and in recognition of the responsibilities of the Town Attorney to the Town of Davie and the potential for representing competing interests, the office of the Town Attorney may not serve in any legal capacity on the part of the Plan.
- In all dealings between its attorney and the Board, the Board shall be deemed the client rather than any individual member of the Board. All communications between the Board and its attorney shall be privileged communications except where otherwise governed by the Government in the Sunshine

Law.

- The attorney shall take direction from the Board of Trustees as may be given at the various meetings of the Plan. In between meetings of the Plan, direction to the attorney shall be given by the Chairman. All files of the Plan in the possession of the attorney shall be open for inspection by any member of the Board.
- Termination may be with or without cause.
- The attorney shall agree in writing that they are a Fiduciary of the Plan.

RULE 6

PAYMENT OF BENEFITS

6.1 BOARD EXAM

The Board of Trustees is authorized by law to conduct its own physical examination in addition to or in conjunction with the Town employment physical. Employees shall, as a condition of membership in the plan, undergo such additional physical examination as the Board shall deem appropriate. Applicants for membership in the plan shall execute such releases as are necessary for the Board to review the results of said medical

examination in the event that a member applies for a disability retirement. The examination by the Pension Board shall be conducted by a licensed physician and the results shall be sealed unless requested by the Board.

6.2 PRE-EXISTING CONDITIONS

Any condition or impairment of health found to exist at the time of employment may not be the source of disability or death benefits under the Plan.

6.3 SELECTION AND COMPENSATION OF PHYSICIANS

The Board shall select and compensate physicians the same as any other independent contractor of the Board. All such contracts shall be in writing and approved by the Board.

6.4 MAINTENANCE OF PARTICIPANTS' RECORDS

The Administrator shall maintain a file for each current, terminated and retired participant. All new active employees shall be asked to provide a beneficiary designation and general information form to be kept on file by the Plan Administrator. In anticipation of vesting in the plan, members are also asked to elect a payout option in the event they should die before retirement.

6.5 APPLICATION FOR BENEFITS

All applications for benefits shall be in writing on a form established by the Board of Trustees. Application forms shall be maintained in the Plan office and shall be available upon request by any member. Upon receipt of an application for benefits, the Administrator shall contact the Town's payroll department to determine the employee's final day of employment and to obtain sufficient payroll data. The applicant's benefit options shall then be calculated and presented to the applicant for his or her election. In addition, the applicant shall be asked to furnish a birth certificate (or other proof of age), beneficiary's birth certificate (or other proof of age), indication of federal income tax withholding, direct deposit preference and any other matters to complete the application file. All of the pertinent information shall then be presented to the Board members for approval. The first benefit payment shall be effective the first of the month following the member's eligibility for benefits, termination of employment and receipt of notice that the member wishes retirement benefits to begin. At the applicant's option, the latest actuarial report may be used as the basis for approving the initial benefit amount, which shall be adjusted retroactively to the retirement date when data is available to calculate the final correct benefit.

6.6 ADMINISTRATIVE HEARINGS

In the event that any member of the Plan shall make a request to the Board concerning any matter other than disability, said proceeding shall be conducted in accordance with the following procedure.

- In the event that any person shall be denied membership or any benefit in the Plan, other than disability, the member shall be advised in writing of the reason for denial. The member shall be advised of the right to appeal to a full hearing before the Board. All such notices shall be by certified or registered mail.
- Should the member elect a full hearing before the Board, the member shall be advised in writing as to the time, place and date of the meeting. The member shall have the right to be accompanied by counsel and to present such witnesses and evidence as the member deems probative of the claim.
- The Chairman shall be the presiding officer in any such hearing and shall make all rulings regarding evidence. In any such proceeding strict rules of evidence shall not apply and the Board shall be guided by general principles for the conduct of hearings under the Florida Administrative Procedures Act.
- Following the close of any such hearing, the Board shall conduct a public discussion and vote either granting or

denying the request of the employee. The ruling of the Board shall be reduced to writing and mailed to the member by certified mail or registered mail. Said notice shall advise the member of the motion made, the vote and the stated reason for said vote. The letter shall also advise the member of any existing appellate rights and the time limits for said rights.

- In the event that any employee wishes to have the proceedings before the Board stenographically recorded, said recording shall be at the expense of the employee. Any notice of hearing shall advise the applicant of the right to make a stenographic record and of the applicant's responsibility to make arrangements for same.

6.7 PARTICIPANT INQUIRIES

In the course of administering the plan, the Board members, administrator and other providers of service to the plan receive inquiries from members. The Board is desirous of maintaining cost control over fees charged by providers of services to the plan. No participant is authorized to incur expenses on the part of the administrator, attorney, accountant, actuary, investment manager or performance monitor without the express approval of the Chairman or the Board of Trustees. In the event that any such providers receive a direct inquiry from a plan member, the

inquiry shall be referred to the Chairman or to the Board of Trustees who shall determine the appropriate response to be made. No provider of services to the plan is authorized to bill the plan for any services incurred in direct response to a participant inquiry without the approval of the Chairman or the Board of Trustees.

- Each member will receive one free calculation in each of the following areas: permissive credit calculation, military buy-back calculation, previous law enforcement buy-back and benefit calculation. If a member decides to have another calculation he / she will be responsible for the cost of this calculation. All payments shall be paid in advance prior to the second calculation being completed.

6.8 Retiree

All members are required to complete all necessary documentation prior to receiving their pension benefit or DROP distributions. The Board may delay all payments until the necessary forms are received from the member.

- The Board may require retired members who are receiving their monthly benefit payment to complete various forms on an annual basis. If after the third attempt to have the retiree complete the necessary forms and the retiree fails

to do so, the Board may stop all pension benefits until the retiree completes the necessary documentation. Once the forms have been received, then the retiree will be reimbursed all benefit payments without interest.

RULE 7

DISABILITY PROCEEDINGS

7.1 APPLICATION FOR BENEFITS

All applications for benefits for disability retirement shall be in writing. The form of the disability application shall be uniform and established by the Board of Trustees. Applications shall be maintained in the office of the Pension Plan and shall be available upon request by any member.

Each application for benefits for disability must be accompanied by a certificate of a physician or physicians of the employee's choosing as to whether the employee is permanently and totally disabled from further performance of services for the Town, and the cause of such disability. The employee's application must include a statement indicating whether the employee has asked the Town to make a reasonable accommodation under the Americans with Disabilities Act, and the Town's response thereto.

7.2 MEDICAL RELEASES

Each application for disability benefits shall be accompanied by release of medical information authorizing the Board or any of its agents to have full access to all medical records of the applicant whether or not the subject of the particular claim of disability, including Town pre-employment and post conditional offer of employment physicals given by the Town and/or the Board. In addition, all applicants shall authorize the Board of Trustees to conduct a public discussion of the medical condition of the applicant and shall release the Board from any liability for the public discussion of the medical condition of the applicant.

7.3 EXAMINATION BY A PHYSICIAN

The Board may establish a medical committee consisting of physicians of various disciplines who shall, upon request of the Board, examine applicants for disability retirement. Upon receipt of a complete application for disability retirement benefits, the Board may refer the applicant to a physician(s) of the Board's choosing for evaluation of the applicant's medical condition. The physician appointed by the Board will review the applicant's records and examine the applicant, if necessary, and shall file a written report of his findings to the Board. The term "physician" as utilized in these rules shall mean any

licensed medical doctor, or as otherwise determined by the Board. All such examinations shall be conducted at the expense of the Board.

7.4 PRIVATE INVESTIGATORS

The Chairman, after consultation with Board Counsel, shall have the authority to retain a Private Investigator to conduct surveillance on applicants for disability benefits. The Investigator shall enter into a written contract with the Chairman on behalf of the Board which shall be reviewed by the Board's legal counsel. The contract for services shall be at a reasonable and competitive rate. The Investigator shall file a written report of the surveillance with the Chairman upon the conclusion of the surveillance. Once the report is filed, the Board shall be apprised of the surveillance and approve the expenditure related to the surveillance at the next Board meeting.

7.5 DISABILITY HEARINGS

All questions relating to eligibility for initial payment and continuance of disability benefits will be determined by the Board. Following receipt of a completed application, the Board will consider, at a public meeting, the reports of its physician, those of the applicant's treating physician and any other statements which the applicant or his representative choose to

make or present to the Board. The Board will thereafter conclude whether the employee is permanently and totally disabled within the meaning of the ordinance, and the cause of such disability. In reaching this determination, the Board may consider not only the physicians' reports presented, but can also consider the type of work that the employee is capable of performing, if any, whether the employee has requested the Town to make a reasonable accommodation for him or her under the Americans with Disabilities Act, the Town's response to such requests, and any other evidence deemed pertinent by the Board.

If the Board determines that the employee is permanently and totally disabled, it will grant the disability. If the pension application is denied following this preliminary review, the employee will be informed in writing as to the denial and the reasons therefor. The employee shall also be advised that he or she may request a full evidentiary review by the Board.

If the applicant requests such evidentiary hearing, the Board will schedule a public hearing. Written notice will be sent to the applicant, advising the applicant of the date, time and place of the hearing, and that the applicant has the right to be represented by an attorney, to present evidence and to cross-examine witnesses. The applicant will also be told that if he or she chooses to have a verbatim transcript of the hearing, the applicant will need to engage the services of a court reporter.

At the hearing, the burden of proof is on the applicant to demonstrate that he or she is entitled to a disability retirement.

At the hearing, the Board will consider the reports of the physicians, any evidence offered by the employee or employer, whether or not the employee has requested a reasonable accommodation under the Americans with Disabilities Act, and the Town's response thereto. At the hearing, the employee may call such witnesses as are deemed appropriate and shall have the right to examine or cross-examine the physician appointed by the Board. In the event that a physician cannot attend the meeting of the Board, the Board shall authorize the use of deposition testimony.

7.6 APPEAL PROCEDURES AND JUDICIAL REVIEW

In the event that the Board shall deny disability benefits to an applicant, the applicant shall be informed in writing of the specific reason or reasons for the denial. The applicant shall have 30 days from the date of the written order of the Board in which to appeal the decision of the Board to the Circuit Court of the Seventeenth Judicial Circuit of Florida in and for Broward County. Said review shall be by certiorari as set forth in the Florida Rules of Appellate Procedure.

7.7 EFFECTIVE DATE FOR DISABILITY RETIREMENTS

As a result of the above proceedings, the final date of determination by the Board of Trustees is often several months after the filing of the application. In the event that a disability proceeding results in a grant of benefits to the employee, the Board hereby establishes as a policy that the effective date of the disability shall be the date of the application unless a delay in the proceedings was attributed to the member's refusal to cooperate with medical examinations or providing of requested information. In such circumstances, the amount of time attributable to the delay shall be added to the date of application and that adjusted date shall be the effective date of the disability payment, subject to appropriate offsets for periods when cooperation was received.

7.8 RE-EXAMINATION OF DISABILITY RETIREES

Until such time as a disability retiree reaches normal retirement age, the Board may cause such disability retiree to undergo periodic physical examinations, on not more than an annual basis, to determine the continued existence of the disabling condition. Said re-examination shall be at the expense of the Board. Any disability retiree who refuses a re-examination may be subject to denial of future pension benefits. All disability retirees who are to be re-examined shall be advised in writing, by certified mail, return receipt requested

of the date and time of their re-examination. Disability retirees shall be required to execute such releases as the Board shall deem necessary to conduct the medical examination and to discuss the results. In the event that a disability retiree is found to have recovered, the retiree shall be restored to employment with the Town of Davie in the same position and pay rate that the retiree would have occupied but for the disability. In such event, disability benefits shall be terminated. In the event that a disability retiree refuses an offer of re-employment with the Town, disability benefits shall be discontinued.

RULE 8

CODE OF ETHICS FOR TRUSTEES

8.1 PURPOSE

This section shall set forth a code of ethical conduct for Trustees in the course of their dealings on behalf of the Pension Plan.

8.2 STANDARD

The Trustees in all transactions shall abide by the "Prudent Person Rule" as generally recognized in the American Law of

Trusts.

8.3 EXISTING LAW

The Board members recognize that in addition to the provisions of these rules, they are governed by Florida Statutes, Chapter 112, Part III, the Code of Ethics for Public Officials and Employees, Chapter 185, and all applicable local ordinances.

8.4 CONFLICTS OF INTEREST

No Board member shall engage in any transaction or vote in any matter in which the Board member shall receive any direct or indirect personal gain. This shall not include, however, employee Board members voting on benefit increases applicable to all Pension Plan members and beneficiaries.

8.5 DISCLOSURE OF CONFLICTS

Prior to voting on any matter in which a fiduciary would reasonably believe a conflict of interest exists, the Board member shall publicly announce the conflict and refrain from voting. The conflict statement required by law shall be recorded in the minutes of the Board meeting. In determining whether a conflict exists, Board members shall in all actions endeavor to avoid the appearance of impropriety.

8.6 PRIOR COMMUNICATION WITH BENEFIT APPLICANTS

Board members shall not engage in prior communications with any applicant for benefits on any matter that is currently pending a hearing before the Board of Trustees. This shall not preclude Board members from answering questions of general application to members where the information provided involves a restatement of benefits under the Trust and does not involve consideration of matters which will be presented in any evidentiary proceeding. All requests for information in conflict with this rule shall be referred in writing to the administrator or other appropriate staff member for a written response.

8.6(i) STANDARD OF CARE

Board members should remain cognizant that statements regarding benefits may be relied upon by applicants to their detriment thereby creating an estoppel for the Board. Board members in addressing benefit questions by members should clearly indicate that they are in no way capable of binding the Plan and that all questions are ultimately settled by the Board.

8.7 PRIOR COMMUNICATION WITH POTENTIAL CONTRACTORS

All contacts by potential contractors shall be referred to the administrator or to the Board.

8.8 COMMUNICATION WITH INVESTMENT MANAGERS

All communications between individual Board members and investment managers shall be for information purposes only. No individual Board member may bind or promise any consideration on behalf of the Pension Plan except as approved by the Board.

8.9 APPLICABILITY TO STAFF AND CONTRACTORS

All staff members and contractors shall be bound by this Code of Ethics in their dealings with the Board members and the Plan. All such persons are responsible to the Board of Trustees and Pension Plan and not to any individual Board member.

8.10 REPORTING OF GIFTS

Any Board member, staff or fiduciary receiving anything of value, excepting meals under \$100.00, shall disclose said gift in writing and the disclosure shall be made a part of the records of the Plan.

ADOPTED BY THE BOARD OF TRUSTEES OF THE TOWN OF DAVIE POLICE PENSION PLAN this ____ day of _____, 2014.

Chairman

Secretary

Board member

Board member

Board member