

# TOWN OF DAVIE POLICE PENSION PLAN

## Minutes

September 18, 2012  
5:00 P.M.

The regular meeting of the Board of Trustees of the Town of Davie Police Pension was called to order on behalf of the Board by the Plan Administrator Bob Dorn on September 18, 2012 at 5:03 p.m. at the Town of Davie Police Department, 1230 South Nob Hill Road in Davie, Florida

### **TRUSTEES PRESENT:**

Mr. Larry Davis - Secretary, Mr. Jack Mackie - Board Trustee, Mr. Ed Taylor – Board Trustee and Mr. Thomas DiMeglio - Board Trustee (arrived at 5:35 p.m.).

It should be noted that there was a quorum for the Board to have an official meeting.

### **ABSENT:**

Mr. Greg Brilliant - excused

### **OTHERS PRESENT:**

Mr. Adam Levinson - Board Attorney; Mr. Don Dulaney – Board Actuary; Mr. Bob Dorn, Plan Administrator & Mrs. Patty Ostrander, Administrative Assistant

### **CONSENT AGENDA FOR APPROVAL:**

#### **WARRANT 282:**

Warrant payable to State Street Global Advisors for investment fees for April – June 2012. The amount for this warrant is \$1,161.32. Mr. Taylor made a motion to approve this warrant. Mr. Mackie seconded this motion. The motion passed 3-0.

#### **WARRANT 283:**

Warrant payable to Lawrence Davis for Conference Reimbursement. The amount for this warrant is \$716.06. Mr. Taylor made a motion to approve this warrant. Mr. Mackie seconded this motion. The motion passed 3-0.

#### **WARRANT 284:**

Warrant payable to FPPTA for Lawrence Davis' Trustee School Registration. The amount for this warrant is \$450.00. Mr. Taylor made a motion to approve this warrant. Mr. Mackie seconded this motion. The motion passed 3-0.

#### **WARRANT 285:**

Warrant payable to FPPTA for Jack Mackie's Trustee School Registration. The amount for this warrant is \$450.00. Mr. Taylor made a motion to approve this warrant. Mr. Davis seconded this motion. The motion passed 3-0.

**WARRANT 286:**

Warrant payable to William Coyne for a DROP Distribution Request. The amount for this warrant is \$38,000.00. Mr. Don Dulaney – Board Actuary advised accordingly. Mr. Taylor made a motion to approve this warrant. Mr. Mackie seconded this motion. The motion passed 3-0.

**WARRANT 287:**

Warrant payable to Klausner, Kaufman, Jensen & Levinson for attorney fees through August 31, 2012. The amount for this warrant is \$1,965.25. Mr. Taylor asked about the \$600.00 charge on August 15<sup>th</sup> regarding an e-mail from Konigsburg. Mr. Levinson will check this and bring documentation to the next meeting. Mr. Taylor made a motion to approve this warrant (and if charge is not applicable we will have a credit). Mr. Mackie seconded this motion. The motion passed 3-0.

**WARRANT 288:**

Warrant payable to Trustee and Fiduciary Insurance Services, Inc. for Fidelity Bond Insurance from October 01, 2012 – October 01, 2015. The amount for this warrant is \$838.00. Mr. Taylor made a motion to approve this warrant. Mr. Mackie seconded this motion. The motion passed 3-0.

**WARRANT 289:**

Warrant payable to Dulaney & Company, Inc. for actuary fees through August 31, 2012. The amount for this warrant is \$3,480.00. Mr. Taylor made a motion to approve this warrant. Mr. Mackie seconded this motion. The motion passed 3-0.

**WARRANT 290:**

Warrant payable to Mr. James Carney for a recurring Monthly retirement payment. The amount for this warrant is \$6,871.70. Mr. Davis made a motion to approve this warrant. Mr. Mackie seconded this motion. The motion passed 3-0.

**APPROVAL OF THE MINUTES:**

The Board of Trustees reviewed the minutes for the August 14, 2012 meeting. Mr. Dorn asked if there were any changes required to the minutes of the August 14, 2012 meeting. No changes were offered. Mr. Taylor made a motion to approve the August 14, 2012 meeting minutes. Mr. Mackie seconded the motion. The motion passed 3-0. Mr. Davis signed the approved minutes.

**OLD BUSINESS:**

Mr. Dorn advised that Mr. Jenkins did not make the September 2012 payment as of this time. Mr. Dorn advised that he will keep the Board notified of this issue. Mr. Levinson inquired whether the Administrator notified Mr. Jenkins and requested to also keep him posted. Mr. Dorn advised that Mr. Williams has e-mailed Mr. Jenkins each week of notification of non-payment.

**NEW BUSINESS:**

A discussion occurred regarding October's board meeting date because there will not be a quorum for this meeting of Board members. The Board discussed several other dates, but could not have a date in which a quorum would occur. Mr. Levinson advised that the Board does not have to have a meeting next month if the Board decides not to. Mr. Davis advised that if a meeting is necessary an emergency meeting would be called. Mr. Dorn called Mr. Brillant regarding the issue of next month's meeting and he advised Mr. Dorn that he would agree with the Board's decision on this issue. The Board decided to cancel the October 2012 meeting.

Mr. Dorn advised the Board that Mr. James Carney retired from the Davie Police Department on September 5, 2012. Mr. Dorn advised that Mr. Carney has completed all the necessary documents to start receiving his monthly retirement payment starting October 1, 2012. Mr. Dorn referred to Warrant 290. There was no discussion on this topic.

**ATTORNEY REPORT:**

Mr. Levinson advised that he reviewed the Summary Plan Description (SPD) for the Board. Mr. Levinson advised that he is incorporating the Board's Standard Operating Procedures and the administrative rules. Mr. Levinson also advised that he will be updating the pertinent actuarial information that Mr. Dulaney provided him. (It should be noted that Mr. Dulaney gave all Board members a copy of this information). Mr. Levinson advised that he is preparing this for the Board and he will bring this to the Board for review and then have the revised SPD put on the Board's website.

Mr. Levinson advised the Board of a change in the Division of Retirement interpretation concerning eligibility for Chapter 175/185 premium tax revenues. Mr. Levinson advised that for the past 12 years the Division has taken the position that if a city reduced any pension benefit below the statutory minimum benefits or below the plan benefits in effect in 1999, the city would be ineligible for future premium tax revenues. Mr. Levinson advised that this interpretation was written to the City of Naples. Mr. Levinson advised that the letter then stated that the Division of Retirement acknowledges that its prior interpretation "appears inaccurate". Mr. Levinson gave the Board members a copy of this letter for their review.

Mr. Levinson advised that this interpretation appears to open the door to pension reform for many Florida cities, without the threat of loss of all future premium taxes. Each city will need to obtain an actuarial analysis to determine the extent to which the Division's new interpretation will be beneficial.

*(NOTE: Mr. Tom DiMeglio arrived at the meeting at 5:35 p.m.)*

**ACTUARY:**

Mr. Dulaney stated that his firm is still working on a spreadsheet which outlines Cost of Living Increases for each retiree for the year 2013. Mr. Dulaney advised that they should have this completed before the end of the month. Mr. Dulaney advised that some retirees are capped at 15% and some are capped at 30%. Mr. Dulaney advised that he would give the administrator the spreadsheet once they check their work so that the increases can go in affect in a timely manner.

Mr. Dulaney presented the Board with a copy of the letter for the Town Contributions update through September 11, 2012. Mr. Dulaney advised that the total Town of Davie contributions from 10-1-2011 to 09-11-2012 is \$6,101,192. The total State contributions for this time period are \$644,262 and the accumulated interest is \$202,206. The total for all contributions is \$6,947,660. Mr. Dulaney advised that the required total from the Town and State is \$7,032,069. Mr. Dulaney advised that the Town is required to make a payment of \$84,409 before the end of the month. Mr. Dulaney advised that he is monitoring this situation and will report back to the Board at the next meeting.

Mr. Dulaney presented the Board with the Pertinent Actuarial Information sheet for October 01, 2010 vs. October 01, 2011. The Board reviewed this data. There were no questions regarding this issue.

Mr. Dulaney advised his firm should complete any actuary study, analysis or other actuary questions the Town needs to be answered and not an outside actuary if the Division of Retirement sticks to their decision regarding the "Naples letter" that Mr. Levinson presented to the Board. Mr. Dulaney gave a brief overview of House Bill 99-1 regarding the use of state premium monies. Mr. Dulaney advised the Board how the money was used prior to House Bill 99-1 and the use after the Bill. There were no questions at this time regarding this issue.

**PLAN ADMINISTRATOR:**

Mr. Dorn presented the updated Beneficiary form to the board for their approval. This form was updated with the wording to include House Bill 401. Mr. Levinson advised that he worked with Mr. Williams on the revised beneficiary form to incorporate the necessary language from House Bill 401.

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Mr. Davis offered a change he identified, which was duly noted. A motion to accept the new beneficiary form as amended was made by Mr. Davis. The motion was seconded by Mr. Taylor. Motion passed 4-0. Mr. Dorn advised that once the form is revised, it will be put on the website. A reminder will also be posted in the newsletter.

Mr. Dorn presented the Board with the Letters of Engagement from the Auditor to include the Bookkeeping, Audit and compilation of information for the State Report. A motion to authorize Mr. Davis to sign all three Letters of Engagement was made by Mr. Taylor. The motion was seconded by Mr. DiMeglio. Motion passed 4-0.

**OPEN DISCUSSION:**

No issues in open discussion.

**ADJOURN:**

Mr. DiMeglio made a motion to adjourn the meeting. Mr. Davis seconded the motion. The Motion passed 4-0. The meeting was adjourned at 6:00 p.m.



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Greg Brilliant, Chairman