

TOWN OF DAVIE POLICE PENSION PLAN
Minutes

December 09, 2014
5:00 P.M.

The regular meeting of the Board of Trustees of the Town of Davie Police Pension Plan was called to order on behalf of the Board by the Plan Administrator, Bob Dorn on November 11, 2014 at 5:02 p.m. at 13790 N.W. 4th Street, Suite 105, Sunrise, Florida.

TRUSTEES PRESENT:

Mr. Greg Brilliant – Chairman; Mr. Larry Davis – Secretary; Mr. Jack Mackie, Mr. Thomas DiMeglio & Mr. Ed Taylor - Board Trustees.

ABSENT:

None

OTHERS PRESENT:

Mr. Adam Levinson - Board Attorney; Mr. David Lee - Board Investment Monitor; Mr. Don Dulaney – Board Actuary; Mr. Bob Dorn & Mrs. Patty Ostrander – Precision Pension Administration, Inc.

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

CONSENT AGENDA:

APPROVAL OF THE MINUTES:

The Board of Trustees reviewed the minutes for the November 11, 2014 meeting. Mr. Dorn asked if there were any changes required to the cited minutes. Changes were offered by Mr. Taylor & Mr. Davis and duly noted. Motion by Mr. Taylor to approve the minutes as amended, seconded by Mr. Mackie. Motion passed 5-0.

WARRANT 558

Partial DROP Distribution for Mr. Bamford & Mr. Coyne was presented at the November meeting but not approved, therefore resubmitted at this meeting for approval. This DROP distribution was per the Board's Administrative Rule that a member must take a minimum of a ten dollar distribution per year. Each of these members did not take the required distribution in 2014. Motion by Mr. Mackie to approve as outlined, seconded by Mr. Davis. Motion passed 5-0.

WARRANT 566

Payment of \$824.14 to Larry Davis for FPPTA Trustee School Reimbursement (October 2014). Motion by Mr. Taylor to approve as outlined, seconded by Mr. DiMeglio. Motion passed 4-0.

WARRANT 567

Payment of \$30.00 to FPPTA for Re-Certification fees for 2015 – Greg Brilliant. Motion by Mr. DiMeglio to approve as outlined, seconded by Mr. Mackie. Motion passed 5-0.

WARRANT 568

Payment of \$1,750.00 to Dulaney & Company, Inc. for Actuarial services through October 2014. Motion by Mr. DiMeglio to approve as outlined, seconded by Mr. Mackie. Motion passed 5-0.

WARRANT 569

Payment of \$7,444.03 (As per our Board Actuary) to Ruben Sampedro as a Return of

TOWN OF DAVIE POLICE PENSION PLAN - Minutes

December 09, 2014

Page 2 of 4

Contribution for a non-vested member. The funds are being disbursed for a rollover into a Qualified Plan. Motion by Mr. DiMeglio to approve as outlined, seconded by Mr. Mackie. Motion passed 5-0.

WARRANT 570

Payment of \$1,000.00 to Goldstein, Schechter & Koch for Audit Services in connection with the year ended 09-30-13. Motion by Mr. DiMeglio to approve as outlined, seconded by Mr. Mackie. Motion passed 5-0.

WARRANT 571

Payment of \$2,300.00 to Klausner, Kaufman, Jensen & Levinson for legal services through November 2014. Motion by Mr. DiMeglio to approve as outlined, seconded by Mr. Davis. Motion passed 5-0.

WARRANT 572

Payment of \$30.00 to FPPTA for Re-Certification fees for 2015 – Thomas DiMeglio. Motion by Mr. Davis to approve as outlined, seconded by Mr. Mackie. Motion passed 5-0.

WARRANT 573

Payment of \$58.80 to Robert Dorn for reimbursement for postage from September 2014 to October 2014. Motion by Mr. Taylor to approve as outlined, seconded by Mr. DiMeglio. Motion passed 5-0.

NEW / UNFINISHED BUSINESS:

There was no new or unfinished business.

ATTORNEY REPORT:

Mr. Levinson briefed the Board regarding the IRS Updates for rollover notices which the Board is currently in compliance.

Mr. Levinson spoke to the Board regarding the definition of beneficiary and COLA issues that was discussed at the previous meeting. Mr. Dulaney advised that there would be no actuarial impact for the Plan if a member selected a spouse or another person as their beneficiary for COLA purposes. Mr. Levinson advised that pursuant to 99-1 the definition of beneficiary is very broad and Ordinance 2001-15 does not define exactly who should get the member's COLA or for how long. It will be up to the Board to determine if a non-spouse will receive a COLA and for how long. The Board first discussed whether to have a non-spouse receive a COLA. The Board decided that a non-spouse should receive a COLA. Motion was made by Mr. Mackie that the Board will include non-spouses in the definition for beneficiaries for COLA purposes. The Motion was seconded by Mr. DiMeglio. The Motion passed 5-0. The Board then discussed how long should a spouse or non-spouse receive a COLA. Ordinance 2001-15 does not define the length of time for the COLA benefit, just the over-all total percentage. The Board took input from the actuary and attorney during this discussion. The Board decided that the beneficiary shall receive the COLA for the amount of time that the member would have received. For example, if the member would have received five more years of the COLA at the time of his / her death, then the beneficiary would receive COLA increases for five more years. Mr. Dulaney advised that this decision would have no actuarial impact on the plan. Motion was made by Mr. Mackie that a beneficiary shall receive the

COLA increases that the member would have received if he /she was alive. The Motion was seconded by Mr. DiMeglio. Mr. Davis then inquired as to the effective date of the aforementioned decisions. The Board discussed this issue and decided to make the effective date, the date of Ordinance 2001-15, which is February 7, 2001. Mr. DiMeglio made a Motion for the effect dates of above Motions to be February 7, 2001. The Motion was seconded by Mr. Mackie. The Motion passed 5-0. The Board then directed Mr. Levinson to develop an Administrative Rule regarding this issue for the next meeting.

Mr. Levinson provided a CommVault Litigation update and stated that the deadline has passed and some additional filings were received. We are no longer the lead Plaintiff and possibly mixed in with Arkansas.

Mr. Levinson discussed the possibility of a fact sheet being created pursuant to FS 112.664. Mr. Brillant doesn't feel we need a fact sheet, and that we should use existing FPPTA documentation. Mr. Levinson stated that in his view, we should have something ready to go when calls for reports come in. Mr. Davis then agreed that we should have a document prepared in case it is needed. Mr. Brillant stated that it should be ready but not marketed. The Board agreed. Mr. Levinson advised that he will supply the Board with an outline for the fact sheet.

DAHAB ASSOCIATES:

Mr. Lee stated that as of the end of November, our Fund was valued at \$128,602,770.

Mr. Lee presented a Large Cap Search to the Board for consideration. He recommended that the Board interview the following four companies at the January meeting: Buckhead Capital, Dimensional Fund Advisors, Lyrical Asset Management and Snow Capital Management. The Board reviewed each company and inquired to Mr. Lee on a various of topics of discussion regarding each company. The Board decided to interview the managers at the next meeting. Each manager will be given 30 minutes. The January meeting start time will be changed to 4:00 p.m. Another possible candidate is Mass Mutual that Mr. Lee will gather information on for the Board.

ACTUARY:

Mr. Dulaney stated that he spoke to Gloria at GSK and has given them everything they need to create a DRAFT Financial Statement report. She will create a trial balance, which Mr. Dulaney will use to create the GASB67.

Mr. Dulaney distributed a copy of his letter dated October 22, 2014 for Actuarial Assumption changes. The Board discussed this topic. Mr. Brillant advised that he sought and received input from the Town of Davie, and that they were in favor of the changes. After discussion, Mr. DiMeglio made a Motion to change the Assumed Rate of Return from 7.90% to 7.60%. This Motion was seconded by Mr. Mackie. The Motion passed 5-0. Mr. DiMeglio made a Motion to change the Annual Salary Increase from 6.25% to 5.50%. This Motion was seconded by Mr. Mackie. The Motion passed 5-0. Mr. DiMeglio made a Motion to change Termination Rates to 20% Reduction table. This Motion was seconded by Mr. Mackie. The Motion passed 5-0. Mr. DiMeglio made a Motion to change the Mortality Table from GAM-1983 to RP-2000. This Motion was seconded by Mr. Mackie. The Motion passed 5-0. Mr. Dulaney advised that the Impact of these changes equates to 0.4% or approximately \$59,900.00.

PLAN ADMINISTRATOR:

Mr. Dorn presented a Robbins Geller form for on-line banking access (read only) for execution. This is for security monitoring for the Plan. Mr. Davis made a Motion to execute said form. The Motion was seconded by Mr. DiMeglio. Motion passed 5-0.

Mr. Dorn suggested that the Board consider numbering each Administrative Rule in chronological order. The Board agreed to this. Mr. Levinson advised that he will number each of the rules and present them to the Board at the next meeting.

OPEN DISCUSSION:

No Open Discussion.

ADJOURN:

Mr. Davis made a Motion to adjourn the meeting, seconded by Mr. Taylor. Motion passed 5-0. The meeting was adjourned at 6:38 p.m.



Greg Bellant, Chairman