

TOWN OF DAVIE POLICE PENSION PLAN

Minutes

January 14, 2014

The regular meeting of the Board of Trustees of the Town of Davie Police Officers' Pension Plan was called to order on behalf of the Board by the Plan Administrator, Bob Dorn, on January 14, 2014 at 5:03 p.m. at the Town of Davie Police Department, 1230 South Nob Hill Road in Davie, Florida.

TRUSTEES PRESENT:

Mr. Greg Brilliant –Chairman, (arrived at 5:40 p.m.) Mr. Larry Davis-Secretary, Mr. Jack Mackie-Trustee, Mr. Ed Taylor-Trustee and Mr. Thomas DiMeglio-Trustee.

Note: There was a quorum present to conduct an official meeting.

OTHERS PRESENT:

Mr. Adam Levinson- Board Attorney; Mr. Bob Dorn and Mrs. Patty Ostrander – Precision Pension Administration, Inc.: Mr. Don Dulaney- Actuary for Dulaney & Company: Clement Johns– Auditor for Goldstein, Schechter, Koch P.A.: Mr. Ken Kornheisl of Oakwater Technologies: Shana Rodriguez, Citizen.

CONSENT AGENDA

APPROVAL OF MINUTES:

The Board of Trustees reviewed the minutes for the December 10, 2013 meeting. Mr. Dorn asked if there were any changes that needed to be made. Mr. Davis made several changes to the minutes. Mr. Taylor made a Motion to approve the minutes as amended. Mr. DiMeglio seconded the Motion. The Motion passed 4-0.

WARRANT RATIFICATION/APPROVAL

WARRANT 440:

This Warrant was for payment to Trustee Greg Brilliant for reimbursement for expenses in attending FPPTA pension conference in Sept/Oct 2013. This Warrant amount is for \$920.02. Mr. DiMeglio made a Motion to approve all this warrant. Mr. Taylor seconded this Motion. The Motion passed 4-0.

WARRANT 441:

This Warrant was for payment to FPPTA for Trustee Greg Brilliant recertification fees for 2013. This Warrant amount is for \$30.00. Mr. Taylor made a Motion to approve this warrant. Mr. DiMeglio seconded this Motion. The Motion passed 4-0.

WARRANT 442:

This Warrant was for payment to Precision Pension Administration for September quarterly newsletter. This Warrant amount is for \$600.00. Mr. Taylor made a Motion to approve this warrant. Mr. DiMeglio seconded this Motion. The Motion passed 4-0.

TOWN OF DAVIE POLICE PENSION PLAN - Minutes

January 14, 2014

Page 2 of 6

WARRANT 443:

This Warrant was for payment to all retired members who is scheduled to receive a COLA increase for 2014. Mr. DiMeglio made a Motion to approve this warrant. Mr. Mackie seconded this Motion. The Motion passed 4-0.

WARRANT 444:

This Warrant was for payment to retiree Michael Allen for a retro COLA payment for January/2014. This Warrant amount is for \$127.23 Mr. DiMeglio made a Motion to approve this warrant. Mr. Mackie seconded this Motion. The Motion passed 4-0.

WARRANT 445:

This Warrant was for payment to retiree Wayne Boulier for a retro COLA payment for January/2014. This Warrant amount is for \$127.82. Mr. DiMeglio made a Motion to approve this warrant. Mr. Taylor seconded this Motion. The Motion passed 4-0.

WARRANT 446:

This Warrant was for payment to retiree Ronald Marseco for a retro COLA payment for January/2014. This Warrant amount is for \$106.38. Mr. DiMeglio made a Motion to approve all of this warrant. Mr. Taylor seconded this Motion. The Motion passed 4-0.

WARRANT 447:

This Warrant was for payment to Dulaney & Company, Inc for actuarial services rendered through December/2013. This Warrant amount is for \$5,648.75. Mr. Taylor made the Motion to approve this Warrant. Mr. DiMeglio seconded this Motion. The Motion passed 4-0.

WARRANT 448:

This Warrant was for payment to Klausner, Kaufman, Jensen & Levinson for legal services rendered through December/2013. This Warrant amount is for \$1,070.00. Mr. DiMeglio made the Motion to approve this Warrant. Mr. Taylor seconded this Motion. The Motion passed 4-0.

WARRANT 449:

This Warrant was for payment to Dahab Associates, Inc for professional services from 10-01-13 to 12-31-13. This Warrant amount is for \$10,750.00. Mr. DiMeglio made a Motion to approve this Warrant. Mr. Taylor seconded this Motion. The Motion passed 4-0.

WARRANT 450:

This Warrant was for payment to new retired member Kristopher Kilpatrick for reoccurring monthly retirement payment starting December 1, 2013. (Note: the delay in this payment is because of the delay in retiree documents being submitted). This Warrant amount is for \$5,523.80. Mr. DiMeglio made a Motion to approve this Warrant. Mr. Taylor seconded this Motion. The Motion passed 4-0.

WARRANT 451:

This Warrant was for payment to FPPTA for Trustee Mackie attendance during the conference in February/2014. This Warrant amount is \$450.00. Mr. DiMeglio made a Motion to approve this Warrant. Mr. Taylor seconded this Motion. The Motion passed 4-0.

WARRANT 452:

This Warrant was for payment to FPPTA for Trustee DiMeglio attendance during the conference in February/2014. This Warrant amount is \$450.00. Mr. Taylor made a Motion to approve this Warrant. Mr. Mackie seconded this Motion. The Motion passed 4-0.

WARRANT 453:

This Warrant was for payment to TAMRO Capital Partners Inc., for management fees for the third quarter 2013. This Warrant amount is \$22,870.75. Mr. Taylor made a Motion to approve this Warrant. Mr. Mackie seconded this Motion. The Motion passed 4-0.

OLD BUSINESS:

Mr. Dorn advised the Board that Mr. Jenkins financial situation has not changed. The Board acknowledged this.

Mr. Ken Kornheisl of Oakwater Technologies discussed with the Board members various different types of equipment and procedures used in paperless meeting. The Board decided at this time to table this topic after a long discussion.

NEW BUSINESS:

There was no new business.

AUDITOR'S REPORT:

Mr. Clement Johns gave the audit presentation for Goldstein, Schechter, & Koch, P.A. The firm audited the financial statements of the Town of Davie Police Pension Plan which comprise the statements of the plan net position as of September 30, 2013 and 2012, and the related statements of change in plan net position for the years then ended,

TOWN OF DAVIE POLICE PENSION PLAN - Minutes

January 14, 2014

Page 4 of 6

and the related notes to the financial statements. The firm's opinion, the financial statements present fairly, in all material respects the financial position of the Town of Davie Police Pension Plan and the changes in its plan net position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Mr. Johns advised that the plan's assets exceeded its liabilities at the close of the fiscal year. The net position is held in trust to meet future benefit payments. The Plan's funded ratio, a comparison of the actuarial value of assets to the actuarial accrued pension benefit liability, changed from 73.2% as of October 1, 2010 valuation, to 68.1% as of October 1, 2011 valuation and 75.4% as of October 1, 2012. This is a large jump in funded ratio terms and very good for the plan.

The Town of Davie's contributions to the Plan decreased by \$452,837 based on the actuarial valuation. The actual Town of Davie contributions were \$5,750,247 and \$6,203,084 for 2013 and 2012. The member contributions were \$872,880 and \$882,927 for 2012 and 2013. The Plan's expenses decreased by 1.7% for 2013.

The relative return for the portfolio was 11.2% for 2013. The return for 2012 was 18.3%. The total assets of the Plan is \$110,235,315. The liabilities for the Plan is \$9,398,252. The net position held in trust for pension benefits is \$100,837,063.

The Plan's net position for pension benefits at the beginning of the year was \$88,219,142. The contributions for the State, Town and Members was \$7,445,695. The net investment income was \$10,203,670. The benefits paid to members was \$4,850,525. The refund of contributions to former members was \$9,457.00. Administrative expenses were \$171,462.00.

The total investments were allocated as follows: \$14,194,116 in Debt Securities, \$18,363,100 in U.S. Government Securities, \$8,462,987 in Domestic Equity Fund, \$43,040,720 in Domestic Equity Securities, \$11,159,816 in International Equity Funds and \$8,225,452 in Real Estate Funds.

Mr. Johns advised that during the audit process there were no audit issues discovered. All materials and information was submitted timely to the auditors. Mr. Johns advised that all fees reviewed for payment for 2013 were all reasonable. Mr. Johns advised that he would send six copies to the Plan Administrator of this report.

ATTORNEY'S REPORT:

Mr. Adam advised that Levinson Elizabeth Legacki was going to retire in December/2013 and then the Town of Davie was going to rehire her as a school resource officer in January/2014. The problem is that Elizabeth Legacki did not finish her entire allocated DROP, she is under the age of 50 and the rehiring a police office for a same or similar position. This may cause a problem with the IRS for the plan. The Town and the Union agreed to allow Elizabeth Legacki to finish her DROP and retire in April/2014 instead of December 2013. The Board agreed with this decision between the Town and

Police Union. Mr. Dorn requested the Board to make a motion to void Warrant 434 since this was going to be Elizabeth Legacki's reoccurring monthly retirement payment. Mr. Taylor made a Motion to void Warrant 434. Mr. DiMeglio seconded this Motion. The Motion passed 4-0. Mr. Brillant arrived for the meeting at 5:40 p.m.

Mr. Levinson advised that the Town of Davie is providing Police and Fire services to City of South West Ranches. Mr. Levinson advised that the Davie Fire will be receiving the 175 funds from South West Ranches. Mr. Levinson advised that Chapter 185 does not have similar language like Chapter 175 to collect these funds from another city.

Mr. Levinson advised that he is working on the new custodian contract and should have this completed soon.

ACTUARY'S REPORT:

Mr. Dulaney advised that he completed the COLA list for 2014 in January and sent this information to the Plan Administrator. Mr. Dulaney asked Mr. Brillant in his opinion if the salary increase this year and overtime will be over 3%. Mr. Brillant advised that he does not believe that it will be that high, and probably a lot lower.

Mr. Dulaney advised that he is working on several calculations for members for various reasons.

PLAN ADMINSTRATOR'S REPORT:

Mr. Dorn advised that Salem Trust has agreed to reimburse the fund for the actuarial fees and DROP miscalculations. Mr. Dorn gave each member a copy of the letter. The reimbursement will be a reduction in the next fee payment.

Mr. Dorn advised that Mr. Brillant will be entering the DROP on February 1, 2014. All necessary documents have been completed and the Town notified.

Mr. Dorn advised that he spoke to Betty Smith (member Jimmy Smith's wife) and gave her all necessary information for retirement for her husband if that is what they decide upon.

Mr. Dorn advised that Mr. Frailing is retiring on February 1, 2014 and he has submitted all necessary documents.


Mr. Dorn advised that Mr. Kilpatrick retired on November 30, 2013, but he did not submit all his necessary forms until January 10, 2014. This is the reason for his delay in him receiving his monthly retirement payment.

OPEN DISCUSSION:

Miss Shana Rodriguez advised the Board that she is completing a paper for college on public policy and public boards. Shana asked the Trustees various questions on their responsibilities and duties as well as the attorney, actuary and plan administrator.

ADJOURNMENT:

Mr. Mackie made a Motion to adjourn the meeting. Mr. Davis seconded the Motion. The Motion passed 5-0. The meeting was adjourned at 6: 34 p.m.
The next meeting date is February 11, 2014 at 5:00 p.m.



Greg Brilliant, Chairman