

TOWN OF DAVIE POLICE PENSION PLAN

Minutes

April 14, 2015

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 April 14, 2015 at 5:01 p.m. at 13790 N.W. 4th Street, Suite 105, Sunrise, Florida.

TRUSTEES PRESENT:

Mr. Larry Davis – Secretary; Mr. Jack Mackie, Mr. Thomas DiMeglio & Mr. Ed Taylor – Trustees.

ABSENT:

Mr. Greg Brilliant – Chairman

OTHERS PRESENT:

Mr. Paul Daragjati - Board Attorney; Mr. Don Dulaney & Ms. Corinne Paull – 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 February 10, 2015 meeting. Mr. Dorn inquired if there were any changes required to the cited minutes. A motion was made by Mr. DiMeglio to approve the minutes. The Motion was seconded by Mr. Mackie. Motion passed 4-0.

WARRANT 594

DROP Rollover Payment of \$59,578.68 to Mr. Ronald Batterson (as calculated by our Board Actuary). Motion by Mr. Taylor to approve as outlined, seconded by Mr. Mackie. Motion passed 4-0.

WARRANT 595-596

Approved at February 10, 2015 meeting.

WARRANT 597

Payment of \$711.08 to Mr. Thomas DiMeglio for Reimbursement for attendance at FPPTA February Conference. Motion by Mr. Mackie to approve as outlined, seconded by Mr. Taylor. Motion passed 4-0.

WARRANT 598

Transfer from Active DROP to Normal Retirement effective April 01, 2015. Monthly Retirement Payment of \$5,115.53 to Mr. John Stokes (as calculated by our Board Actuary). Motion by Mr. DiMeglio to approve as outlined, seconded by Mr. Mackie. Motion passed 4-0.

Warrant 599

Payment of \$25,114.69 to Garcia Hamilton - Fixed Income Account for period 10-01-14 through 12-31-14. Motion by Mr. Mackie to approve as outlined, seconded by Mr. DiMeglio. Motion passed 4-0. (Note: This warrant replaces warrant 590 which was voided)

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Warrant 600

Payment of \$14,281.97 to Garcia Hamilton - Equity Account for period 10-01-14 through 12-31-14. Motion by Mr. DiMeglio to approve as outlined, seconded by Mr. Mackie. Motion passed 4-0. (Note: This warrant replaces warrant 589 which was voided)

Warrant 601

Payment of \$9,495.00 to Dulaney & Company, Inc. for Actuarial services through January 2015. Motion by Mr. Taylor to approve as outlined, seconded by Mr. Mackie. Motion passed 4-0.

Warrant 602

Payment of \$10,711.19 to Fiduciary Trust International for Quarterly custodial fees for the period ending 12-31-14. Motion by Mr. DiMeglio to approve as outlined, seconded by Mr. Mackie. Motion passed 4-0.

Warrant 603

Payment of \$9,754.36 to Fiduciary Trust International for Quarterly custodial fees for the period ending 09-30-14. Motion by Mr. DiMeglio to approve as outlined, seconded by Mr. Mackie. Motion passed 4-0.

WARRANT 604

Partial Lump Sum DROP Distribution of \$35,000.00 to Mr. Kelly Drum. Motion by Mr. DiMeglio to approve as outlined, seconded by Mr. Mackie. Motion passed 4-0.

WARRANT 605

DROP Rollover Payment of \$345,130.18 to Mr. Kelly Drum (as calculated by our Board Actuary). Motion by Mr. Mackie to approve as outlined, seconded by Mr. DiMeglio. Motion passed 4-0.

WARRANT 606

Partial Lump Sum DROP Distribution of \$10,000.00 to Mr. Scott Kiso. Motion by Mr. DiMeglio to approve as outlined, seconded by Mr. Mackie. Motion passed 4-0.

Warrant 607

Payment of \$2,817.75 to Klausner, Kaufman, Jensen & Levinson for legal services through 02-28-15. Motion by Mr. DiMeglio to approve as outlined, seconded by Mr. Mackie. Motion passed 4-0.

WARRANT 608

DROP Rollover Payment of \$343,179.30 to Mr. John Stokes (as calculated by our Board Actuary). Motion by Mr. DiMeglio to approve as outlined, seconded by Mr. Mackie. Motion passed 4-0.

WARRANT 609

DROP Rollover Payment of \$76,060.25 to Mr. William Bamford (as calculated by our Board Actuary). Motion by Mr. DiMeglio to approve as outlined, seconded by Mr. Mackie. Motion passed 4-0.

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Warrant 610

Payment of \$9,965.00 to Dulaney & Company, Inc. for Actuarial services through February 2015. Motion by Mr. DiMeglio to approve as outlined, seconded by Mr. Mackie. Motion passed 4-0.

WARRANT 611

Partial Lump Sum DROP Distribution of \$35,000.00 to Mr. John George. Motion by Mr. Mackie to approve as outlined, seconded by Mr. DiMeglio. Motion passed 4-0

WARRANT 612

Partial Lump Sum DROP Distribution of \$30,000.00 to Mr. James Carney. Motion by Mr. DiMeglio to approve as outlined, seconded by Mr. Mackie. Motion passed 4-0

Warrant 613

Payment of \$590.00 to Klausner, Kaufman Jensen & Levinson for Legal services through March 2015. Motion by Mr. DiMeglio to approve as outlined, seconded by Mr. Mackie. Motion passed 4-0.

Warrant 614

Payment of \$2,500.00 to FPPTA – Conference fee for Trustees Brilliant, Taylor, Davis, DiMeglio, and Mackie to attend 31st Annual Conference. Motion by Mr. Taylor to approve as outlined, seconded by Mr. Mackie. Motion passed 4-0.

Warrant 615

Payment of \$912.05 to Lawrence Davis for Reimbursement for FPPTA Trustee School in February 2015. Motion by Mr. DiMeglio to approve as outlined, seconded by Mr. Mackie. Motion passed 4-0.

Warrant 616

Payment of \$8,654.29 to Buckhead Capital Management for period 01-01-15 through 02-20-15 (Final invoice). Motion by Mr. DiMeglio to approve as outlined, seconded by Mr. Mackie. Motion passed 4-0.

Warrant 617

Payment of \$2,987.00 to Rhumblin Advisors for the first quarter 2015. Motion by Mr. DiMeglio to approve as outlined, seconded by Mr. Mackie. Motion passed 4-0.

WARRANT 618

Partial Lump Sum DROP Distribution of \$10,000.00 to Mr. Scott Kiso. Motion by Mr. DiMeglio to approve as outlined, seconded by Mr. Taylor. Motion passed 4-0.

Warrant 619

Pro-rata Payment of \$4,500.00 to Lyrical Asset Management for the first quarter 2015. Motion by Mr. Mackie to approve as outlined, seconded by Mr. DiMeglio. Motion passed 4-0.

Warrant 620

Payment of \$11,091.32 to Lyrical Asset Management for the second quarter 2015. Motion by Mr. DiMeglio to approve as outlined, seconded by Mr. Mackie. Motion passed 4-0.

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NEW / UNFINISHED BUSINESS:

The SSGA Security Agreement will be tabled for the May meeting. See Plan Administrator's report for further information.

PERFORMANCE MONITOR'S REPORT:

Tabled for May Meeting

ATTORNEY REPORT:

Mr. Daragjati made the presentation for Klausner, Kaufman, Jensen & Levinson. Mr. Daragjati gave an overview of the audit report and issues regarding Salem Trust. Mr. Daragjati advised that the Board changed custodians prior to the report and at this time there are no issues for the Board regarding Salem Trust. Mr. Daragjati informed the Board that several of the firm's clients are looking to replace Salem Trust due to their issues.

Mr. Daragjati informed the Board that Mr. Levinson would like to discuss the administrative rule on COLA's at the May meeting when he is in attendance.

Mr. Daragjati updated the Board on Senate Bill 172 (Ring Bill), Senate Bill 242 and the Division of Retirement Regulation 60T has been finalized and goes into effect this month. Mr. Daragjati gave an overview of each of these Bills and Regulation 60T. Mr. Daragjati advised that Mr. Levinson will be speaking to the Board more in depth at the next meeting regarding Regulation 60T.

ACTUARY:

Mr. Dulaney made the presentation for Dulaney & Associates. Mr. Dulaney introduced his new employee, Ms. Corinne Paull to the Board. Mr. Dulaney gave a brief background of Ms. Paull's work experience and education.

Mr. Dulaney advised the Board that the Employee Benefit Statements have been delivered to the Plan Administrator. Mrs. Ostrander prepared them for distribution. The Employee Benefit Statements was placed in the members mailboxes at the Davie Police Department. Mr. Dulaney submitted an updated benefit statement for Cherie Wasteny which shows her benefit multiplier purchase.

Mr. Dulaney discussed the Actuarial Valuation Report and the required supplementary information under GASB number 67. Mr. Dulaney stated that he reported incorrect numbers in January and re-stated the correct numbers at the February meeting. Mr. Dulaney submitted to the Board the new report for review. (Note: Mr. Dulaney discovered the issue at the last meeting and made the changes verbally to the Board and then the Board approved the report.) Mr. Dulaney reviewed the highlights of the report to the Board again, specifically page three of the report which shows the plan fiduciary net position as a percentage of total pension liability is at 97.50%. Mr. Dulaney also reviewed the long-term rate of return on plan assets which is new to the report because of the GASB 67 rule. The expected normal long term rate of return is 9.17% which does include rate of inflation.

Mr. Dulaney presented a sample of a new DROP Statement format for the Board to review. Mr. Dulaney advised that Ms. Paull will be taking on this task going forward for the plan.

PLAN ADMINISTRATOR:

Mr. Dorn advised that Lyrical Asset Management and Snow Capital Management were funded as per the Board's instructions. There were no issues with the fund reallocations according to both Investment firms. The Buckhead Capital Management account at Fiduciary Trust was closed.

Mr. Dorn advised the Board that U.S. Real Estate Investment Fund, LLC, has made a capital call in the amount of \$1,366,382.20. Mr. Dorn reminded the Board that during the September 9, 2014 meeting, the Board approved the transfers for capital calls for U.S. Real Estate Investment Fund, LLC. Mr. Dorn advised (per previous Board direction) that the funds will be taken from the Garcia Hamilton & Associates Fixed Income account and transferred to U.S. Real Estate Investment Fund, LLC. The transfer will take place on April 21, 2015.

Mr. Dorn advised that ConvergeEx (one of the recapture brokers for plan) sent a new rate addendum which lowered their price and increased the amount recaptured for the plan. Mr. Levinson reviewed and approved the new addendum and the current rate/contract from ConvergeEx. Mr. Dorn advised that he contacted Mr. Lee (Dahab & Associates) who also concurred with the new agreement. Mr. Taylor made a Motion to approve and execute the new ConvergeEx contract. The Motion was seconded by Mr. Mackie. Motion passed 4-0.

Mr. Dorn advised that State Street Global Advisors submitted a transaction security agreement for the Board to execute. Mr. Dorn advised that he sent the agreement to Mr. Levinson and Mr. Lee for review and approval. Mr. Dorn advised that both, Mr. Levinson and Mr. Lee approved the agreement. Mr. Davis advised that he would like to review and possibly execute this agreement at the next meeting. The Board approved this item to be on the next agenda.

Mr. Dorn advised that the Auditor sent the original State Report to the State of Florida Division of Retirement without approval and signatures. Mr. Dorn presented to the Board the State Report for review. Mr. DiMeglio made a Motion to accept the State Report and to have the Chairman and secretary execute the document. Mr. Mackie seconded the Motion. The Motion passed 4-0. Mr. Dorn advised that he will send the State Report to the Division of Retirement, Town Manager, Town Finance Director and the Town's Clerk.

Mr. Dorn advised that Mr. John Stokes has submitted his retirement documents and will start collecting his pension on April 1, 2015. The Board reviewed his documents and accepted these documents.

Mr. Dorn advised the following members have made requests to transfer their entire DROP account funds out of the plan: Drum, Stokes, and Bamford.

Mr. Dorn advised the Board that Mr. Joseph Squarini has submitted all of the necessary DROP forms and will enter the DROP on April 1, 2015. The Board reviewed and accepted his request.

Mr. Dorn advised the Board that Mr. Mike Davis has submitted all of the necessary DROP forms and will enter the DROP on June 1, 2015. The Board reviewed and accepted

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his request.

Mr. Dorn advised that there were five DROP disbursements since the last meeting. The following members made DROP disbursements: Kiso (two), George, Drum, and Carney.

Mr. Dorn advised that Unum Life Insurance Company of America requested several records and responses to several questions regarding Mrs. Tiffany Richards. Mr. Dorn advised that he gathered the information and completed the responses. Mr. Dorn advised that he had the Board's Attorney (Mr. Levinson) review the information and the responses prior to submitting them to Unum Life Insurance Company of America. Mr. Dorn advised that he notified Mrs. Richards of the request.

Mr. Dorn advised that a death check was completed and there were no changes.

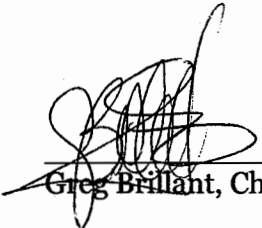
Mr. Dorn advised that the Audit and Valuation Reports were sent to the State of Florida Division of Retirement and Town of Davie (Finance Director and Clerk's Office).

OPEN DISCUSSION:

No Open Discussion.

ADJOURN:

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



Greg Brilliant, Chairman