

TOWN OF DAVIE POLICE PENSION PLAN

Minutes

October 3 2017

4:00 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 October 3, 2017 at 4:04 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 – Trustee & Mr. Thomas DiMeglio- Trustee

ABSENT:

Mr. Ed Taylor - Trustee

OTHERS PRESENT:

Mr. Adam Levinson Board Attorney; Mr. Don Dulaney – Board Actuary; Mr. Bob Dorn, Plan Administrator – Precision Pension Administration, Inc.; Patty Ostrander – Precision Pension Administration; Ken Kornheisl – Oakwater Technologies, Inc; Mark Leon – Union President;

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

PUBLIC DISCUSSION:

No public comments presented.

CONSENT AGENDA:

The following Warrants were reviewed and approved by the Board:

WARRANT 940

This Warrant is to the Clearbridge for investment fees for the 2nd quarter of 2017. The amount of this Warrant is for \$2,379.40. A Motion was made by Trustee DiMeglio to approve this Warrant. Trustee Mackie seconded the Motion. The Motion passed 4-0.

WARRANT 941

This Warrant is to the Dahab & Associates professional service to the Plan from 04-01-2017 to 06-30-2017. The amount of this Warrant is for \$17,397.30. A Motion was made by Trustee Mackie to approve this Warrant. Trustee DiMeglio seconded the Motion. The Motion passed 4-0.

WARRANT 942

This Warrant is to the Fiduciary Trust for custodial fees for the R & D account for the period ending 06/30/2017. The amount of this Warrant is for \$63.42. A Motion was made by Trustee Davis to approve this Warrant. Trustee DiMeglio seconded the Motion. The Motion passed 4-0.

WARRANT 943

This Warrant is to the Fiduciary Trust for custodial fees for the PNC account for the period ending 06/30/2017. The amount of this Warrant is for \$998.72. A Motion was made by Trustee DiMeglio to approve this Warrant. Trustee Mackie seconded the Motion. The Motion passed 4-0.

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WARRANT 944

This Warrant is to the Fiduciary Trust for custodial fees for the mutual fund account for the period ending 06/30/2017. The amount of this Warrant is for \$5,983.54. A Motion was made by Trustee Davis to approve this Warrant. Trustee DiMeglio seconded the Motion. The Motion passed 4-0.

WARRANT 945

This Warrant is to the Fiduciary Trust for custodial fees for the Lyrical account for the period ending 06/30/2017. The amount of this Warrant is for \$1,091.34. A Motion was made by Trustee DiMeglio to approve this Warrant. Trustee Davis seconded the Motion. The Motion passed 4-0.

WARRANT 946

This Warrant is to the Fiduciary Trust for custodial fees for the LMCG account for the period ending 06/30/2017. The amount of this Warrant is for \$791.75. A Motion was made by Trustee Mackie to approve this Warrant. Trustee Davis seconded the Motion. The Motion passed 4-0.

WARRANT 947

This Warrant is to the Fiduciary Trust for custodial fees for the Garcia Fixed Income account for the period ending 06/30/2017. The amount of this Warrant is for \$4,348.72. A Motion was made by Trustee Davis to approve this Warrant. Trustee DiMeglio seconded the Motion. The Motion passed 4-0.

WARRANT 948

This Warrant is to the Fiduciary Trust for custodial fees for the Clearbridge LRG account for the period ending 06/30/2017. The amount of this Warrant is for \$758.09. A Motion was made by Trustee DiMeglio to approve this Warrant. Trustee Davis seconded the Motion. The Motion passed 4-0.

WARRANT 949

This Warrant is to the Fiduciary Trust for custodial fees for the Clearbridge account for the period ending 06/30/2017. The amount of this Warrant is for \$954.28. A Motion was made by Trustee DiMeglio to approve this Warrant. Trustee Davis seconded the Motion. The Motion passed 4-0.

WARRANT 950

This Warrant is to the Klausner, Kaufman, Jensen & Levinson for legal fees through August/2017. The amount of this Warrant is for \$1,715.75. A Motion was made by Trustee Davis to approve this Warrant. Trustee DiMeglio seconded the Motion. The Motion passed 4-0.

WARRANT 951

This Warrant is to the FPPTA for Trustee DiMeglio to attend the pension conference in October/2017. The amount of this Warrant is for \$600.00. A Motion was made by Trustee Mackie to approve this Warrant. Trustee Davis seconded the Motion. The Motion passed 4-0.

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WARRANT 952

This Warrant is to the FPPTA for Daniel Perez to attend the pension conference in October/2017. The amount of this Warrant is for \$600.00. A Motion was made by Trustee DiMeglio to approve this Warrant. Trustee Mackie seconded the Motion. The Motion passed 4-0.

WARRANT 953

This Warrant is to the FPPTA for Trustee Brillant to attend the pension conference in October/2017. The amount of this Warrant is for \$600.00. A Motion was made by Trustee DiMeglio to approve this Warrant. Trustee Mackie seconded the Motion. The Motion passed 4-0.

WARRANT 954

This Warrant is to the FPPTA for Trustee Taylor to attend the pension conference in October/2017. The amount of this Warrant is for \$600.00. A Motion was made by Trustee DiMeglio to approve this Warrant. Trustee Davis seconded the Motion. The Motion passed 4-0.

WARRANT 955

This Warrant is to the FPPTA for Trustee Mackie to attend the pension conference in October/2017. The amount of this Warrant is for \$600.00. A Motion was made by Trustee DiMeglio to approve this Warrant. Trustee Davis seconded the Motion. The Motion passed 4-0.

WARRANT 956

This Warrant is to the FPPTA for Paul Ortenzo to attend the pension conference in October/2017. The amount of this Warrant is for \$1,500.00. Note: This fee is the CPPT course for certification in the FPPTA Association. Motion was made by Trustee DiMeglio to approve this Warrant. Trustee Mackie seconded the Motion. The Motion passed 4-0.

WARRANT 957

This Warrant is for a re-occurring monthly benefit payment to Jeffrey Corns starting 11/1/2017 and continuing until stopped by the Board of Trustees in the amount of \$4,239.50. This was a deferred vested retirement benefit. Motion was made by Trustee DiMeglio to approve this Warrant. Trustee Mackie seconded the Motion. The Motion passed 4-0.

WARRANT 958

This Warrant is to the Dulaney & Company for actuarial fees through July/2017. The amount of this Warrant is for \$1,791.25. A Motion was made by Trustee Davis to approve this Warrant. Trustee DiMeglio seconded the Motion. The Motion passed 4-0.

WARRANT 959

This Warrant is to the Klausner, Kaufman, Jensen & Levinson for legal fees through September/2017. The amount of this Warrant is for \$2,060.00. A Motion was made by Trustee Davis to approve this Warrant. Trustee DiMeglio seconded the Motion. The Motion passed 4-0.

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WARRANT 960

This Warrant was for the COLA increases to all retired members pursuant to Town Ordinance 2001-15 & 2006-13. The COLA calculations were completed by the actuary. A Motion was made by Trustee Davis to approve this Warrant. Trustee DiMeglio seconded the Motion. The Motion passed 4-0.

WARRANT 961

This Warrant was for Trustee Davis reimbursement for CLE education credits for a pension conference he didn't attend but paid for in advance through the Plan. A Motion was made by Trustee DiMeglio to approve this Warrant. Trustee Mackie seconded the Motion. The Motion passed 4-0.

NEW / UNFINISHED BUSINESS:

No New or Unfinished Business

ACTUARY REPORT:

Mr. Don Dulaney made the presentation to the Board for Dulaney & Company.

Mr. Dulaney presented to the Board the COLA increases for the retired members for the next fiscal year. Mr. Dulaney advised the Board that he did the calculations and spoke to the Town's Finance Director, Mr. Ackerman about the prepayment contributions for the Town towards the Plan for the new fiscal budget. Mr. Dulaney believes that the Town will make the prepayment as well as take some of the credit amount off this year's payment that the Town had overpaid the Plan in previous years.

Mr. Dulaney outlined some of the benefit calculations he is doing for some members currently.

ATTORNEY REPORT:

Mr. Adam Levinson made the presentation to the Board for the law firm of Klausner, Kaufman, Jensen & Levinson.

Mr. Levinson advised the Board that he has been speaking to Mr. Paul Ryder who is the Town of Davie's labor attorney regarding the proposed new Town Ordinance regarding (1) Share Plan, (2) transfer of rollover amounts to the Plan, (3) Benefit Calculations, (4) DROP Earnings, (5) Self-Directed DROP Options, (6) Terminal Leave Accounts and (7) Town Contributions to the Plan as well as with the Police Union about the Collective Bargaining Agreement (CBA) that is currently being negotiated with the Town. As Mr. Levinson was speaking about these topics, Mr. Ryder called via telephone and spoke to the Board, all parties present and Mr. Levinson about the proposed Town Ordinance. They agreed to try and get the new Ordinance to the Town Council Meeting for a first reading on October 18, 2017 and then the second reading on November 1, 2017. Mr. Leone agreed to this on the Union side of this issue of the dates would be possible if he could get the members to vote on the contract. Mr. Dulaney advised that he will work on an actuarial impact statement for the proposed Town Ordinance. The one topic the Board discussed in great detail was the time periods for the terminal leave accounts which they agreed would be up to ninety (90) days. Mr. Levinson advised that he would keep the Board posted on this issue.

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Mr. Levinson advised that at the next meeting he would have a memo regarding death benefits for active members.

Mr. Levinson spoke to the Board about an Administrative Policy that the Chairman suggested be put in place for members purchasing permissive service credit or any purchasing of time. The Board discussed this issue and one of the main points was that the Board will not take any responsibility or liability to the Member for any funds not received by the Plan or Plan Administrator that has been sent via regular mail or any other manner. The responsibility belongs with the member and not the Plan or its vendors. The Board outlined some issues for Mr. Levinson. Mr. Levinson advised that he will have a more detailed outlined for the Board to review at the next meeting.

PLAN ADMINISTRATOR:

Mr. Dorn advised that a death check has been conducted and it is sad to report the passing of Jennifer Wren. The benefit payment has stopped upon her death.

Mr. Ken Kornheisl of Oakwater Technologies, Inc reviewed the pension web site with the Board. Mr. Kornheisl requested from the Board a fee of \$50 dollars a month to host the pension web site and for the up grading the member section for the DROP statements. Mr. Kornheisl advised that he has been hosting the web site for several years for the Plan with no charge. Mr. Dorn advised that this fee is in line with other clients they have together with Ken's firm. Trustee Brilliant wanted to add a pension calculator to the web site that other sites that Ken has for the members to use when they want too. Ken advised that he could program this for the Plan but it will be a few hours of programing time based upon the Plan's benefits. A discussion occurred about using the Pension Manager program that is currently being used by Precision Pension Administration (PPA) for Plan functions. Ken advised that the program is just a record keeping program currently because the Board did not want PPA to do estimate benefit calculations when they first hired PPA. Ken advised that he has not charged for the use of his program for the Plan. The Board discussed the issue of having PPA do the estimated benefit calculations using the program supplied by Oakwater Technologies. The Board agreed to this. Mr. Dorn advised that PPA will need the use of the program to keep the data base for the new share plan. Ken advised that he would have to work with the Town's Payroll and IT Departments to obtain the current and historical payroll data for the members in order to conduct the benefit calculations. The cost of the program per month will be \$250. Mr. Dorn advised that this cost is lower than a majority other pension program fees. Trustee DiMeglio made a Motion to pay Oakwater Technologies \$250 a month for the pension program and \$50 a month for hosting the pension web site. Trustee Mackie seconded the Motion. The Motion passed 4-0.

The Board agreed to the meeting dates for the next fiscal year to be the second Tuesday of the month.

OPEN DISCUSSION:

Mr. Davis wanted to report and confirm to the Board that he no longer has a voting conflict with the real estate firms (American Realty Advisors or Intercontinental Real Estate Corporation) that invest some of the Plan's assets. Mr. Davis advised that the discussion with these real estate firms never reached a negotiation stage and was just

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telephone conversation. Mr. Davis advised that the value of his client's property was not large enough for their minimum purchasing thresholds for these real estate firms. The anticipated transaction referred to in the September 2016 notice to the Board regarding a potential conflict never materialized. The Board discussed this issue and Mr. Levinson agreed that there was no conflict for Mr. Davis and the aforementioned real estate firms.

ADJOURN:

Trustee Mackie made a Motion to adjourn the meeting. Trustee Davis seconded the Motion. Motion passed 4-0. The meeting was adjourned at 6:04 P.M.



Greg Brilliant, Chairman

FOR THE BOARD