

TOWN OF DAVIE POLICE PENSION PLAN MEETING MINUTES

September 10, 2019

4:00 P.M.

The regular meeting of the Town of Davie Police Pension Plan Board of Trustees was called to order on behalf of the Board by Mr. Greg Brilliant – **Precision Pension Administration** - on September 10, 2019 at 4:00 P.M. at 13790 N.W. 4th Street, Suite 105, Sunrise, Florida.

TRUSTEES PRESENT:

Mr. Thomas DiMeglio – Board Chairman; Mr. Larry Davis – Board Secretary; Mr. Jack Mackie, Mr. Paul Ortenzo and Mr. Ed Taylor – Board Trustees.

ABSENT and/or EXCUSED:

Mr. Daniel Perez – excused

OTHERS PRESENT:

Mrs. Patty Ostrander - Administrative Assistant; Mr. David Lee – Dahab Consulting; Mr. Don Dulaney - Dulaney & Company; Mr. Adam Levinson - Klausner, Kaufman, Jensen & Levinson; Sergeant Mark Leone and Officer John Strunk – Davie Police Department F.O.P. Lodge #100

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

PUBLIC DISCUSSION:

Officer John Strunk and Sergeant Mark Leone were present at the meeting to provide new Collective Bargaining Agreement language between the Town of Davie and F.O.P. Lodge #100. The language, which impacts the Pension Plan, is in the process of being finalized. On behalf of the Union, Officer Strunk requested that the language be reviewed by the Pension Attorney for any possible negative impacts upon the Plan. Mr. Levinson was provided a copy of the proposed changes for his review and interpretation.

CONSENT AGENDA:

None

APPROVAL OF THE MINUTES:

The Board reviewed the August 13, 2019 Town of Davie Police Pension Plan meeting minutes. Mr. Taylor made a motion to approve the minutes as amended, which was seconded by Mr. Davis. The Motion Passed 5-0.

WARRANTS APPROVED BY BOARD:

After review and consideration of warrants 1284 – 1289, a motion to approve was made by Mr. Taylor, seconded by Mr. Davis. Motion Passed 5-0.

After review and consideration of warrants 1290 - 1291, a motion to approve was made by Mr. Taylor, seconded by Mr. Davis. Motion Passed 5-0.

WARRANT #1284:

Payment of \$18,606.78 made to Dahab & Associates for 2Q2019 services.

WARRANT #1285:

Payment of \$767.23 made to Brown & Brown for \$1m Cyber Liability policy in effect 08/14/2019 to 08/14/2020.

WARRANT #1286:

Reoccurring payment of \$11,159.98 made to Richard Moore for monthly pension benefit in normal retirement status.

WARRANT #1287:

One-time adjustment payment of \$493.23 made to Richard Moore for the benefit change based upon FACC.

WARRANT #1288:

Payment of \$3,206.05 made to KKJ&L for legal services through August 2019.

WARRANT #1289:

Payment of \$1,100.00 made to Dulaney & Co. for services through July 2019.

WARRANT #1290:

Payment of \$2,197.00 made to American Express for statement closing 08/28/2019.

WARRANT #1291:

Reoccurring payment of \$6,421.97 made to Ronnie Martin for monthly pension benefit in normal retirement status.

NEW/UNFINISHED BUSINESS:

None

CUSTODIAL BANK:

Reporting on behalf of Fiduciary Trust Company International was Mr. Amed Avila. Mr. Avila advised that as FTCI is a part of Franklin Templeton, it provides them access to tremendous global information security resources, including comprehensive protective and detective controls against cyber threats. Mr. Avila further stated that while the security of their computer systems is essential, they have also developed robust policies, procedures, and training programs to identify when clients' computers or identities have been compromised. With these multiple programs in place to validate client identity and instructions, they have been able to identify dozens of unauthorized instructions in the past year. FTCI also carries Cyber Insurance with an annual aggregate limit of \$50 million. This coverage extends to all existing clients of the firm.

ATTORNEY REPORT - KKI&L:

Reporting on behalf of KKI&L was Mr. Adam Levinson. Mr. Levinson advised the Board that he was covering for Stu Kaufman who was out of town. Mr. Levinson reported that the Florida Retirement System had posted the 185 premium tax dollars and the amounts had gone up 12% or for the Davie Police Pension Plan, approximately \$112,000 higher than the previous year. The conversation turned to the topic of cyber insurance as Amed Avila had been speaking of and Mr. Davis inquired as to the coverage for PPA with regard to this liability. Mr. Brillant advised that he would research this and report back to the Board.

ACTUARY REPORT - DULANEY & CO:

Reporting on behalf of Dulaney & Company was Mr. Don Dulaney. Mr. Dulaney advised the Board he will be completing the 2020 COLA spreadsheet for the Plan and also briefly discussed the lowering of the Plan Assumption rate from the current 7.5% to 7.4% and going forward, attempting to lower this assumption rate annually by ten basis points (.10%) to reach the currently accepted rate of 7.0%.

Mr. Dulaney was given direction by the Board to include such language in a memorandum to Mr. Ackerman, Budget Director for the Town of Davie.

In closing, Mr. Dulaney advised the Board that as he has not had a rate increase since 2006, he would be presenting at the next meeting for a rate increase of approximately 15.2% from the current \$295 per hour for actuarial services to \$340 per hour for actuarial services. Additionally, he advised that this 15.2% increase would apply across the board to all facets of services performed by the firm. Mr. Levinson advised the Board that as hourly service fees are increased by the professionals providing services to the Plan, the billing presented by these professionals, to include his own legal billings, should be scrutinized by the Board for accuracy as mistakes are made from time to time in this regard.

DAHAB CONSULTING:

Reporting on behalf of Dahab & Associates was Mr. David Lee. Mr. Lee advised the Board that that they had completed their Small Cap Core Manager search as directed by the Board upon learning of the PNC decision to sell their fund to Federated Investors Incorporated. After Board discussion with Mr. Lee, it was determined that all four finalists; Aristotle, Crawford, Federated, and Wellington would be invited to appear before the Board of Trustees at the October 01, 2019 meeting to present their respective small cap core investment strategies. Mr. Lee concluded that his firm would be comfortable with any of the four as the small cap core manager for the Plan. He advised the Board that the prospective managers will all be invited to present and given approximately thirty minutes each for their respective presentations and follow up questions and answers.

PLAN ADMINISTRATOR - PPA:

Mr. Brilliant advised the Board of the DROP entry on 09/01/2019 and transition to Normal Retirement status of Richard Moore and the DROP entry on 10/01/2019 for Robert Choquette.

OPEN DISCUSSION:

None

ADJOURN:

Mr. Mackie made a Motion to adjourn the meeting. Mr. Taylor seconded the Motion. Motion passed 5-0. The meeting was adjourned at 5:35 P.M.

The next meeting is scheduled for October 01, 2019 at 4:00 PM.



Chairman
FOR THE BOARD