

**TOWN OF DAVIE POLICE PENSION PLAN  
MEETING MINUTES  
July 6, 2021  
1:30 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 July 6, 2021 at 1:30 P.M. The meeting was conducted remotely and there was a quorum present to conduct an official Board of Trustees meeting.

**TRUSTEES PRESENT:**

Mr. Paul Ortenzo – Chairman; Mr. Larry Davis – Board Secretary; Mr. Jack Mackie; Mr. Danny Perez (arrived at 1:50 p.m.); Mr. Ed Taylor. All Trustees were in attendance remotely for the meeting.

**ABSENT and/or EXCUSED:**

None

**OTHERS PRESENT:**

Mrs. Patty Ostrander – PPA Administrative Assistant; Mr. Stuart Kaufman (remote appearance) – Klausner, Kaufman, Jensen, & Levinson; Mr. Don Dulaney, Ms. Lindsay Singer, and Ms. Corinne Paull (remote appearance) – Dulaney & Company; Mr. David Lee – Dahab Associates (remote appearance).

**NEW/UNFINISHED BUSINESS:**

Following the May meeting where the buyback status of a member was discussed, Mr. Dulaney was able to provide some clarity and a Plan neutral calculation methodology as to the handling of the situation without the member or Plan incurring any penalty. Following a motion by Mr. Ortenzo and a second by Mr. Taylor to approve the resolution proposed by Mr. Dulaney and accepted by the member, Mr. Brilliant independently polled each of the trustees as to their approval/disapproval of the proposed methodology. The vote was as follows; Mr. Ortenzo – yes, Mr. Davis – yes, Mr. Perez – yes, Mr. Mackie – yes, and Mr. Taylor – yes. The Motion passed 5-0 and the member has submitted the agreed upon payment to be credited to their account.

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**PUBLIC DISCUSSION:**

None

**CONSENT AGENDA:**

None

**APPROVAL OF THE MINUTES:**

The Board reviewed the minutes from the May 11, 2021 Town of Davie Police Pension Plan Board of Trustees meeting. Mr. Davis requested a sentence be restated for clarification of the minutes pertaining to the Bloomfield report. With that correction in place, Mr. Taylor made a motion to approve the minutes as amended. Mr. Mackie seconded the motion. The Motion Passed 5-0

**WARRANTS APPROVED BY BOARD:**

After review and consideration of warrants 1528 - 1539, a motion to approve was made by Mr. Davis and seconded by Mr. Taylor. The Motion Passed 5-0

**DAHAB AND ASSOCIATES:**

Reporting on behalf of Dahab & Associates was Mr. David Lee. Mr. Lee advised that the Plan portfolio was valued at approximately \$225m to date, a testament to the processes in place to grow the fund. He then advised the Board regarding the manager review of WEDGE Capital Management, the mid cap value manager for the Plan. A combination of investment strategies and market trends have left WEDGE struggling to consistently perform against their benchmark, the Russell Mid Cap Value. This struggle has led to repeated underperformance by the manager. As such, Mr. Lee suggested to the Board of Trustees for the Plan that they terminate the relationship with active manager WEDGE Capital Management and once the holdings have been liquidated to cash, that this cash be reinvested in the Vanguard CRSP Mid-Cap Index Fund. After a brief discussion, a motion to accept the recommendation of Mr. Lee was made by Mr. Taylor and seconded by Mr. Davis. The Motion passed 5-0. Mr. Lee will notify WEDGE of the decision and assist Mr. Brilliant with guidance for the custodial bank. As the Plan R&D account has limited funds available, should any additional funds need to be moved into the account, those dollars will come from the Vanguard Large Cap Index Fund with a \$1m cap on moving said additional funds. A motion approving the funding directions as laid out by Mr. Lee was made by Mr. Davis and seconded by Mr. Taylor. The Motion passed 5-0.

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**ATTORNEY REPORT – KKJ&L:**

Reporting on behalf of KKJ&L was Mr. Stu Kaufman. Mr. Kaufman advised that the firm is gradually returning to the office and attending some meetings in person.

**ACTUARY REPORT – DULANEY & CO:**

Reporting on behalf of Dulaney & Company was Mr. Don Dulaney. Mr. Dulaney discussed the report prepared by Horizon Actuarial Services, LLC. concerning the expected long-term (20-year) rates of return for asset classes. What Mr. Dulaney extrapolated from this report is that going forward, the expected rates of return over all asset classes will continue to decrease gradually. Mr. Dulaney advised that this anticipated decrease in investment returns across all asset classes coincides with the plan to continue to adjust downward by the Plan assumption rate to reach the current goal of 7.0%.

**PLAN ADMINISTRATOR - PPA:**

Mr. Brilliant discussed with the Board the upcoming remote FPPTA conference as well as the live attendance summer program. All members chose to attend the remote conference and defer any live attendance at this time. As there is currently no pending business before the Board, it was decided to cancel the June meeting.

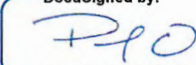
**OPEN DISCUSSION:**

None

**ADJOURN:**

Mr. Davis made a motion to adjourn which was seconded by Mr. Mackie. Without dissent, the meeting was officially adjourned at 2:30 P.M. The next meeting is tentatively scheduled for August 10, 2021 at 1:30 P.M.

***CHAIRMAN FOR THE BOARD***

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***Paul Ortenzo***