

**TOWN OF DAVIE POLICE PENSION PLAN
MEETING MINUTES
March 08, 2022
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 March 08, 2022, at 1:32 P.M. The meeting was conducted remotely due to on-going health concerns (Covid/Omicron) and there was a quorum present to conduct an official meeting of the Davie Police Pension Plan Board of Trustees.

TRUSTEES PRESENT:

Mr. Paul Ortenzo – Chairman; Mr. Larry Davis – Board Secretary; Mr. Jack Mackie; Mr. Danny Perez and Mr. Ed Taylor - Trustees. All Trustees were in attendance remotely for the meeting.

ABSENT and/or EXCUSED:

None

OTHERS PRESENT:

Mrs. Patty Ostrander – PPA Administrative Assistant; Mr. Stu Klausner (remote appearance) – Klausner, Kaufman, Jensen, & Levinson; Mr. Don Dulaney; (remote appearance) – Dulaney & Company; Ms. Jeanine Bittinger and Mr. Chuck Landers – Saltmarsh, Cleaveland, & Gund (remote appearance – arrived at 1:48 P.M. and left at 2:10 P.M.); Ms. Lily Hafter, Mr. John Strunk, and Mr. David Haines – Davie Police FOP (remote appearance – left at 1:50 P.M.); Mr. William Ackerman – Town of Davie (remote appearance); and Mr. Kevin Balaod – With. Intelligence (remote appearance – left at 1:45 P.M.).

PUBLIC DISCUSSION:

None

CONSENT AGENDA:

None

Town of Davie Police Pension Plan Minutes
March 08, 2022
Page 2 of 5

APPROVAL OF THE MINUTES:

The Board reviewed the minutes as amended from the February 08, 2022, Town of Davie Police Pension Plan Board of Trustees meeting. A Motion was made to approve the minutes as amended by Mr. Davis, seconded by Mr. Mackie. The Motion passed 5/0.

WARRANTS APPROVED BY BOARD:

After review and consideration of warrants # 1607 – 1624 inclusive, a Motion to approve was made by Mr. Taylor and seconded by Mr. Mackie. The Motion passed 5/0.

SALTMARSH, CLEVELAND, & GUND:

Reporting on behalf of the audit firm of Saltmarsh, Cleaveland, and Gund was Ms. Jeanine Bittinger and Mr. Chuck Landers.

Ms. Bittinger presented to the Board of Trustees, the Town of Davie Police Pension Plan Independent Auditor's Report & Financial Statements September 30, 2021, and 2020. The opinion stated, "In our opinion, the financial statements referred to above present fairly, in all material respects, the fiduciary net position of the Town of Davie Police Pension Plan as of September 30, 2021, and 2020, and the changes in fiduciary net position for the year then ended in accordance with accounting principles generally accepted in the United States of America." Ms. Bittinger concluded by advising the Board that the audit established the Plan Fiduciary Net Position as a percentage of total pension liability to be 100.23%, as noted on page 28 of the financial statements. A motion was made to accept the "DRAFT" Audit results by Mr. Mackie and seconded by Mr. Davis, subject to the answer on the participant contribution question posed by Mr. Ackerman on behalf of the Town of Davie. The Motion passed 5/0. This concluded the report.

The report may be viewed in its entirety on the Pension Plan website at:
<https://www.mydpdpension.org/>

NEW/UNFINISHED BUSINESS:

None

Town of Davie Police Pension Plan Minutes
March 08, 2022
Page 3 of 5

ATTORNEY REPORT – KKJ&L:

Reporting on behalf of KKJ&L was Mr. Stu Kaufman. Mr. Kaufman advised that there were no new Plan related developments but on the legislative side, the COVID Presumption Bill which was believed to be headed for passage and addition to the presumptive duty related list, died in committee presumably as the result of decreased COVID cases and deaths.

The Florida Retirement System has extended their DROP from five to eight years.

Legislators also changed the requirements for the first report of injury dealing with PTSD considering the impact of the Pulse Nightclub shootings in Orlando, FL. The previous requirement of sixty days from the date of injury/illness was changed to sixty days from the date the member is diagnosed with PTSD. This concluded the report.

ACTUARY REPORT – DULANEY & CO:

Reporting on behalf of Dulaney & Company was Mr. Don Dulaney. Mr. Dulaney presented the Actuarial Valuation Report. The Actuarial Valuation develops the required minimum Retirement Plan payment for the fiscal year beginning October 1, 2021, and ending September 30, 2022, under the Florida Protection of Public Employee Retirement Benefits Act and Chapter 185. The minimum payment consists of payment of annual normal cost, plus amortization of the unfunded actuarial accrued liability over various periods, and interest, as prescribed by law.

Mr. Dulaney stated that to the best of his knowledge, this report fairly and accurately represents the liabilities of the fund as of October 1, 2021, based on the participant data and asset information provided by the Plan administrator, the Plan provisions, and actuarial assumptions set forth therein. On page 16 of the report, Mr. Dulaney noted that as per GASB #25 schedule of funding progress, the Plan now had a funded ratio of 88.7%. It should be noted that based upon different funding ratio calculation standards, this funded ratio varies from each respective version.

With the Board having no further questions regarding the Actuarial Valuation, a Motion to approve the Actuarial Valuation Report as presented was made by Mr. Taylor and seconded by Mr. Perez. Motion passed 5/0. The report may be viewed in its entirety on the Pension Plan website at: <https://www.mydpdpension.org/>

Town of Davie Police Pension Plan Minutes
March 08, 2022
Page 4 of 5

Mr. Dulaney next discussed with the Board the self-imposed directive to lower the Plan assumption rate each fiscal year by at least ten basis-points, with the goal being to remain financially prudent with regard to projected market returns. The Florida Retirement System, considered somewhat of a benchmark for municipal pension plans, has indicated that with the uncertainty in the markets and widely projected lower investment returns, it would be prudent policy to lower plan assumption rates with a long-term goal of around 6.5%.

Mr. Dulaney had received direction at the February meeting to begin calculating possible rates of return going forward, being sensitive to the Town funding impact as well as representative of the projected investment returns. After much discussion and debate by the Board with Mr. Dulaney and Mr. Kaufman, it was decided to continue along the path of lowering the current 7.4% funding rate while attempting to mitigate the funding impact upon the Town. Based upon the compiled data presented, the Board decided that the rate going forward would be 6.95%. Mr. Dulaney advised the Board that he felt this to be a very prudent decision.

As there were no further inquiries from the Board, a Motion to confirm an assumed rate of return of 6.95% for the current year, each of the next several years and for the long term thereafter was made by Mr. Taylor and seconded by Mr. Mackie. The Motion passed 5/0. This concluded the report.

PLAN ADMINISTRATOR - PPA:

Mr. Brilliant advised the Board that there is a pending disability application case being compiled by Counsel and they will advise when they are prepared to move forward with a presentation for consideration.

Mrs. Ostrander reminded the trustees about the annual Form 1 and the need to have it submitted in a timely manner to avoid financial penalty.

This concluded the report.

OPEN DISCUSSION:

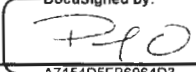
None

Town of Davie Police Pension Plan Minutes
March 08, 2022
Page 5 of 5

ADJOURN:

Mr. Taylor made a Motion to adjourn which was seconded by Mr. Mackie. Without dissent, the meeting was officially adjourned at 2:52 P.M. The next meeting is tentatively scheduled for April 10, 2022, at 1:30 P.M.

CHAIRMAN FOR THE BOARD

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Paul Ortenzo