

**TOWN OF DAVIE POLICE PENSION PLAN
MEETING MINUTES
August 08, 2023
1:30 P.M.**

The regular meeting of the Town of Davie Police Pension Plan Board of Trustees was called to order remotely on behalf of the Board by Mr. Greg Brilliant – Precision Pension Administration – on August 08, 2023, at 1:35 P.M. There was a quorum present remotely to conduct an official meeting of the Davie Police Pension Plan Board of Trustees.

TRUSTEES PRESENT:

Mr. Paul Ortenzo – Chairman; Mr. Larry Davis – 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 Kaufman – Klausner, Kaufman, Jensen, & Levinson; Mr. David Lee – Dahab and Associates; Mr. Don Dulaney – Dulaney & Company; Ms. Julie Pierro - UBS (arrived at 1:47 P.M. and left at 2:20 P.M.); Ms. Elise Jadhav (arrived at 2:20 P.M. and left at 2:37 P.M.) and Ms. Lucy Schiller – Wellington (arrived at 2:20 P.M. and left at 2:37 P.M.); Mr. Patrick DiCintio – Town of Davie Police Department. All attendees were remote.

All attendees were remote for this meeting.

PUBLIC DISCUSSION:

None submitted.

NEW/UNFINISHED BUSINESS:

None

CONSENT AGENDA:

None

Town of Davie Police Pension Plan Minutes
August 08, 2023
Page 2 of 5

WARRANTS APPROVED BY BOARD:

After review and consideration of Plan warrants #1777 – #1812 inclusive, a Motion to approve was made by Mr. Taylor, seconded by Mr. Davis. Motion passed 5/0.

APPROVAL OF THE MINUTES:

The Board reviewed the minutes from the May 09, 2023, Town of Davie Police Pension Plan Board of Trustees meeting. A Motion was made to approve the minutes by Mr. Davis, seconded by Mr. Perez. Motion passed 5/0.

DAHAB ASSOCIATES:

Reporting on behalf of Dahab Consulting was Mr. David Lee. Mr. Lee advised the Board that as of Q.E. June 30, 2023, the Davie Police Pension Plan was valued at \$208,758,564, representing an increase of \$1,780,237 over the Q.E. March 31, 2023, valuation. For the quarter the Plan posted withdrawals totaling \$3,698,265, which offset the portfolio's net investment return of \$5,478,502.

For the quarter, the Composite portfolio returned 2.7%, which was 0.6% below the shadow index and ranked in the 70th percentile of the Public Fund universe. Over the trailing year, the portfolio returned 8.2%, which was 0.3% below the benchmark's 8.5% return and ranked in the 64th percentile. Since June 2013, the portfolio returned 7.4% annualized and ranked in the 36th percentile. The portfolio remains allocated as follows; 31.2% in large cap equities, 7.5% in mid cap equities, 11.5% in small cap equities, 11.7% in international equities, 17.1% in real estate, 20.1% in fixed income, and 0.8% in cash and equivalents. It should be noted that due to decimal rounding, the actual listed total may not actually equal 100%. This concluded the Consultant's report.

UBS – TRUMBULL PROPERTY FUND:

Reporting on behalf of UBS Core Plus was Ms. Julie Pierro. Ms. Pierro advised that although the market has been mired with instability, returns for FY 2023 have continued to exceed their previous expectations. For the Q.E. 6/30/2023, the UBS Trumbull Property portfolio lost 3.4%, which was 0.7% below the NCREIF NFI-ODCE Index's return of -2.7%. Over the trailing twelve-month period, the portfolio underperformed the index by 4.8%, -14.8% versus -10.0% respectively. As noted in the Dahab report, the performance of this TPF portfolio has consistently been outperformed by the index on a FYTD, three-year, five-year, and since inception on both a gross and net basis. This concluded the TPF report.

Town of Davie Police Pension Plan Minutes
August 08, 2023
Page 3 of 5

UBS – TRUMBULL PROPERTY GROWTH & INCOME:

Presenting on behalf of UBS Realty Investors was Ms. Julie Pierro. Ms. Pierro thanked the Board for their trust in the TPG process, even though investment returns have been sub-par. The amount of real estate transactions across the board are down roughly 64% year over year. Investors have shied away from many investment opportunities as there are no longer any low percentage interest rates to act as a safety net for failing investments.

For the Q.E. 6/30/2023, the UBS Trumbull Property Growth and Income portfolio lost 4.7%, which was 2.0% below the NCREIF NFI-ODCE Index's return of -2.7%. Over the trailing twelve-month period, the portfolio returned -17.2%, which was 7.2% below the benchmark's -10.0% return. Since March 2020, the UBS TPGI portfolio returned 5.5% on an annualized basis, which trailed the benchmark NCREIF NFI-ODCE annualized return of 6.8%. This concluded the TPGI report.

WELLINGTON TRUST COMPANY – SMALL CAP OPPORTUNITIES:

Presenting on behalf of Wellington was Ms. Elise Jadhav and Ms. Lucy Schiller. Ms. Jadhav advised that it is their belief that an opportunistic investment approach can result in differentiated sources of alpha, making it less dependent on the market environment.

For the Q.E. 6/30/2023, the Davie Police Pension Plan's Wellington Trust Company Small Cap Opportunities portfolio was valued at \$13,081,665, representing an increase of \$520,744 from the Q.E. 3/31/2023 value of \$12,560,921.

For the Q.E. 6/30/2023, the Davie Police Pension Plan's Wellington Trust Company Small Cap Opportunities portfolio gained 4.1%, which was 1.1% below the Russell 2000 Index's return of 5.2% and ranked in the 64th percentile of the Small Cap Core universe. Over the trailing twelve-month period, this portfolio returned 14.5%, which was 2.2% above the benchmark's 12.3% return, and ranked in the 61st percentile. Since December 2019, the portfolio has returned 6.8% per annum and ranked in the 57th percentile. Comparatively, the Russell 2000 benchmark returned an annualized 5.0% for the same period. This concluded the Wellington Trust report.

Town of Davie Police Pension Plan Minutes
August 08, 2023
Page 4 of 5

KLAUSNER, KAUFMAN, JENSEN, & LEVINSON:

Mr. Kaufman advised the Board that they are awaiting further guidance from the State of Florida regarding the particulars of HB 3 prior to making any substantive changes to Plan documents. Any investment manager contracts amended and/or rewritten after 7/01/2023 will require a disclaimer as per this legislation.

Mr. Kaufman spoke briefly regarding the Clarivate litigation and advised that attorneys would be filing amended complaints in response to the Judge's ruling. He will keep the Board advised as the pleadings progress. This concluded the attorney's report.

DULANEY & COMPANY ACTUARIAL:

Mr. Dulaney advised the Board that the State has reported the 185 premium tax dollar amounts. The amount coming back to the Town of Davie Police Pension Plan has gone from \$1,043,000 last year to \$1,247,409 for this year, an increase of just over \$204,000.

Further, Mr. Dulaney presented for the Board the 112.664 Report as required by Florida Statutes. This report is not mandated by actuaries or accountants but instead required by State Legislators. This concluded the actuarial report.

NEW/UNFINISHED BUSINESS:

None

PLAN ADMINISTRATOR - PPA:

PPA / CPI Increase – Mr. Brillant advised the Board that although the Consumer Price Index has risen by over 13% since the last fee increase, PPA was requesting a much more modest fee increase of just less than 7½%. While this increase does not capture the past and projected CPI increases, it does help to offset some of the additional costs experienced in administering the Pension Plan in a prudent and professional manner as the Board and Plan members have come to expect of our team. A Motion was made by Mr. Perez with a Second by Mr. Mackie to approve the fee increase and the Motion was passed 5/0.

Mr. Brillant presented the proposed 2023–2024 Administrative Budget as required by the State. A motion to accept the Administrative Budget was made by Mr. Davis, seconded by Mr. Mackie. The motion passed 5/0. This concluded the administrator's report.

Town of Davie Police Pension Plan Minutes
August 08, 2023
Page 5 of 5

OPEN DISCUSSION:

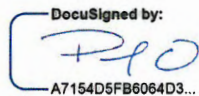
None

ADJOURN:

A Motion was made at 3:24 p.m. to adjourn by Mr. Davis with a Second by Mr. Mackie. The Motion passed without dissent, 4/0. Mr. Taylor was not present for this vote.

The next meeting is scheduled for November 14, 2023, at 1:30 P.M.

CHAIRMAN FOR THE BOARD

DocuSigned by:

A7154D5FB6064D3...

Paul Ortenzo