

**TOWN OF DAVIE POLICE PENSION PLAN**  
**Minutes**

July 09, 2013

The regular meeting of the Board of Trustees of the Town of Davie Police Officers' Pension Plan was called to order on behalf of the Board by the Plan Administrator, Bob Dorn, on July 9, 2013 at 5:03 p.m. at the Town of Davie Police Department, 1230 South Nob Hill Road in Davie, Florida.

**TRUSTEES PRESENT:**

Mr. Greg Brilliant- Chairman, Mr. Larry Davis-Secretary, Mr. Jack Mackie, Mr. Ed Taylor & Mr. Thomas DiMeglio-Trustees.

Note: There was a quorum present to conduct an official meeting.

**OTHERS PRESENT:**

Mr. Adam Levinson- Board Attorney; Mr. Bob Dorn – Precision Pension Administration, Inc. & Mr. Don Dulaney- Board Actuary.

**CONSENT AGENDA**

**APPROVAL OF MINUTES:**

The Board of Trustees reviewed the minutes for the June 11, 2013 meeting. Mr. Dorn asked if there were any changes that needed to be made. Mr. Davis requested that on page 5 of 5, second paragraph, sixth sentence- the word from used instead of. No other changes were requested by the Board. Mr. Mackie made a Motion to approve the minutes as amended. Mr. Taylor seconded the Motion. The Motion passed 5-0. Mr. Brilliant signed the minutes.

**WARRANT RATIFICATION/APPROVAL:**

Mr. Dorn presented to the Board Warrant 382, 383, and 384 for ratification because these Warrants were be processed prior to this meeting. Mr. Taylor made a Motion to approve Warrants 382, 383 and 384. Mr. DiMeglio seconded the Motion. The Motion passed 5-0.

**WARRANT 382:**

This Warrant was for payment to Dulaney & Associates for actuarial services rendered through April/2013. The amount of this Warrant is \$2,201.25. This Warrant was executed by Mr. Davis and Mr. Dorn.

**WARRANT 383:**

This Warrant was for payment to Mr. Davis for reimbursement for a pension conference in March/2013. The amount of this Warrant is \$1,881.78. This Warrant was executed by Mr. DiMeglio and Mr. Dorn.

**WARRANT 384:**

This Warrant was for payment to Mr. Davis for reimbursement for postage regarding the

**TOWN OF DAVIE POLICE PENSION PLAN - Minutes**

**July 9, 2013**

**Page 2 of 4**

mailing of his financial reporting form to Broward County. The amount of this Warrant is \$6.11. This Warrant was executed by Mr. Williams and Mr. Dorn.

**WARRANT 385:**

This Warrant was for payment to Dulaney & Associates for actuarial services rendered through May/2013. The amount of this Warrant is \$2,531.25. Mr. Mackie made the Motion to approve this Warrant. Mr. DiMeglio seconded this Motion. The Motion passed 5-0. This Warrant was executed by Mr. Davis and Mr. Brilliant.

**WARRANT 386:**

This Warrant was for payment to Klausner, Kaufman, Jensen & Levinson for legal services rendered through June/2013. The amount of this Warrant is \$1,135.00. The invoice number for this Warrant is 14841. Mr. Mackie made the Motion to approve this Warrant. Mr. Taylor seconded this Motion. The Motion passed 5-0. This Warrant was executed by Mr. Davis and Mr. Brilliant.

**WARRANT 387:**

This Warrant was for payment to Dahab Associates, Inc., for professional services rendered from 04-01-13 through 06-30-13. The amount of this Warrant is \$10,750.00. Mr. DiMeglio made the Motion to approve this Warrant. Mr. Davis seconded this Motion. The Motion passed 5-0. This Warrant was executed by Mr. Davis and Mr. Brilliant.

**OLD BUSINESS:**

Mr. Dorn advised the Board that Mr. Jenkins financial situation has not changed. The Board acknowledged this.

**NEW BUSINESS:**

There was no new business.

**ATTORNEY'S REPORT:**

Mr. Adam Levinson advised the Board of Senate Bill 534. This Bill made some important pension disclosure amendments. Mr. Levinson advised that compared to the original version of the bill, the final version of this Bill was paired down. The new Bill now incorporates the Government Accounting Standard Board (GASB) standards 67 and 68. The Bill also makes significant additional disclosure requirements. Some of the significant additions are as follows: (1) requiring the Boards to prepare annual financial statements using a rate of return of 200 basis points lower than the plan's assumed rate of return/discount rate, (2) requires a "run out date" for how long the current market value of assets can sustain the payment of expected retirement benefits ignoring employer contributions, member contributions, assumed investment earnings and receipt of premium taxes, (3) requires reporting as an annual dollar value and a percentage of valuation payroll, (4) requires comparisons of the plan's assumed rate of return compared to the actual rate of return for the previous 5 years beginning 2013, (5) requires

**TOWN OF DAVIE POLICE PENSION PLAN - Minutes**

**July 9, 2013**

**Page 3 of 4**

comparisons of percentages of cash, equity, bond and alternative investments in the plan's portfolio during the previous 5 years, (6) requires the reporting of the plan's funded ratio and (7) penalties for noncompliance. The Bill takes effect on July 1, 2013.

Mr. Levinson advised that the Senate Bill 50 requires each Board to have Administrative Rules to govern public participation in Board Meetings. Mr. Levinson then submitted to the Board a proposal of several Administrative Rules to govern this compliance. Mr. Levinson requested the Board to review these rules and to have a discussion on this topic in the September/2013 meeting. The Board agreed to review and discuss this issue in the September 2013 meeting.

Mr. Levinson advised that he had a discussion with Mr. Dorn regarding Retiree Nancy Cook. The issue is that Nancy Cook retired without having a Beneficiary Form completed. Mr. Levinson advised that the current beneficiary form that was recently submitted can be used for her DROP money and the remaining portion of her funds available for her benefit designation. Mr. Levinson advised that Nancy Cook can't change her type of benefit because of the limitation in F.S. 185/175. The Board agreed with Mr. Levinson. She is receiving a life annuity.

**ACTUARY'S REPORT:**

Mr. Don Dulaney advised that he is working on two calculations of benefits that have been requested and should be completed prior to the next meeting.

Mr. Dulaney advised that Mr. Dorn spoke to him at the previous meeting regarding an issue of annual distributions to the retirees from their DROP accounts without the Board or the Plan Administrative knowledge or approval. Mr. Dulaney advised that under the rules from the IRS, several members must take annual distributions from their DROP accounts. Mr. Dulaney notified the Board that the following members take annual distributions: William Bamford, William Coyne, James Ewing, Robert McDaniel, Edward Taylor and Mr. Greg Tomasich. Mr. Dulaney advised that these annual distributions will stop if the retiree transfers all of their funds in the DROP or the funds are completely disbursed.

Mr. Brilliant requested Mr. Dulaney to determine what it would cost for adding police officers academy time to their pension? Mr. Brilliant advised that the amount of time is not more than six months. Mr. Dulaney advised that he would work on this.

Mr. Brilliant asked Mr. Dulaney what impact on the plan if the DROP accounts were direct investment by the employees. Mr. Levinson advised that the current ordinance for the plan has no self-directed language. Mr. Dulaney advised that he would respond back on these issues at the next meeting. Mr. Dorn and Mr. Levinson each advised the Board of the many different issues of the self-directed DROP. Some of the issues discussed were selecting a firm, rules for self-direction, and selecting the type of various investment funds. Mr. Levinson advised that the Town of Davie Fire Pension Plan just added a self-directed DROP to their plan. No other discussion occurred on this issue.

**PLAN ADMINISTRATOR'S REPORT:**

Mr. Dorn advised that Mr. Williams is working on obtaining fiduciary insurance renewal for the Board. This should be completed and presented to the Board at the next meeting. Mr. Dorn advised that he is working on the insurance payments with the Town and Salem Trust for retirees. Mr. Dorn advised that he is waiting on a response from Mr. Olenchak before payment is rendered. There was no discussion on these topics.

**OPEN DISCUSSION:**

There were no items in open discussion.

**ADJOURNMENT:**

Mr. Mackie made a Motion to adjourn the meeting. Mr. Taylor seconded the Motion. The Motion passed 5-0. The meeting was adjourned at 6:05 p.m. The next meeting date is August 13, 2013 at 5:00 p.m.



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Greg Brilliant, Chairman