

TOWN OF DAVIE POLICE PENSION PLAN

Minutes

June 21, 2016
5:00 P.M.

The regular meeting of the Board of Trustees of the Town of Davie Police Pension Plan was called to order on behalf of the Board by the Plan Administrator, Mr. Bob Dorn on June 21, 2016 at 5:01 P.M. at 13790 N.W. 4th Street, Suite 105, Sunrise, Florida.

TRUSTEES PRESENT:

Mr. Greg Brilliant – Chairman; Mr. Larry Davis – Secretary; Mr. Thomas DiMeglio & Mr. Ed Taylor - Trustees.

ABSENT:

Mr. Jack Mackie - Trustee

OTHERS PRESENT:

Mr. Adam Levinson Board Attorney; Mr. Bob Dorn, Plan Administrator – Precision Pension Administration, Inc.; Patty Ostrander – Precision Pension Administration, Inc. (left at 6:10 PM); Mr. Don Dulaney – Dulaney & Associates.

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

PUBLIC DISCUSSION:

No public comments presented.

CONSENT AGENDA:

APPROVAL OF THE MINUTES:

The Board of Trustees reviewed the minutes for the May 10, 2016 meeting. Mr. Dorn inquired if there were any changes required to the cited minutes. Several changes were offered which were duly noted. A Motion was made by Mr. Davis to approve the minutes. The Motion was seconded by Mr. Taylor. The Motion passed 4-0.

APPROVAL OF WARRANTS

WARRANT 770

This Warrant is to Fiduciary Trust for custodial fees regarding the Lyrical account for the period ending 03/31/16. The amount of this Warrant is \$858.62. A Motion was made by Mr. Davis to approve this Warrant. Mr. DiMeglio seconded the Motion. The Motion passed 4-0.

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WARRANT 771

This Warrant is to Fiduciary Trust for custodial fees regarding the ClearBridge account for the period ending 03/31/16. The amount of this Warrant is \$569.99. A Motion was made by Mr. DiMeglio to approve this Warrant. Mr. Taylor seconded the Motion. The Motion passed 4-0.

WARRANT 772

This Warrant is to Dulaney & Company for actuarial services rendered through April/2016. The amount of this Warrant is \$1,781.25. A Motion was made by Mr. Davis to approve this Warrant. Mr. DiMeglio seconded the Motion. The Motion passed 4-0.

WARRANT 773

This Warrant is to ClearBridge Investments, LLC for investment fees for the period of 04/-1/16 through 05/13/16. The amount of this Warrant is \$2,360.20. A Motion was made by Mr. DiMeglio to approve this Warrant. Mr. Taylor seconded the Motion. The Motion passed 4-0.

WARRANT 774

This Warrant is to Mr. Scott Kiso for a DROP disbursement. The amount of this Warrant is \$10,000.00. A Motion was made by Mr. Taylor to approve this Warrant. Mr. DiMeglio seconded the Motion. The Motion passed 4-0.

WARRANT 775

This Warrant is to Mr. Michael Davis for the transfer of his DROP account to him. Per the Administrative Rules, this transfer will occur in two transfers, the first will be 80% of his total account and then the second will be 20% after the quarter investment returns are posted. The amount of this Warrant is \$86,846.17. A Motion was made by Mr. Davis to approve this Warrant. Mr. DiMeglio seconded the Motion. The Motion passed 4-0.

WARRANT 776

This Warrant is to Fiduciary Trust for custodial fees for the period ending 03/31/16. The amount of this Warrant is \$858.62. A Motion was made by Mr. Davis to approve this Warrant. Mr. DiMeglio seconded the Motion. The Motion passed 4-0.

WARRANT 777

This Warrant is to Klausner, Kaufman, Jensen & Levinson for legal services rendered through May/2016. The amount of this Warrant is \$3,305.00. A Motion was made by Mr. Taylor to approve this Warrant. Mr. DiMeglio seconded the Motion. The Motion passed 4-0.

WARRANT 778

This Warrant is to Mr. Greg Brilliant for the July/16 Intercontinental Conference for reimbursement of travel expenses. The amount of this Warrant is \$1,338.99. A Motion was made by Mr. Taylor to approve this Warrant. Mr. Davis seconded the Motion. The Motion passed 4-0.

WARRANT 779

This Warrant is to Mr. Thomas DiMeglio for the July/16 Intercontinental Conference for reimbursement of travel expenses. The amount of this Warrant is \$1,338.89. A Motion was made by Mr. Taylor to approve this Warrant. Mr. Davis seconded the Motion. The Motion passed 4-0.

WARRANT 780

This Warrant is to Mr. Larry Davis for the NCPERS Pension Conference for reimbursement of expenses. The amount of this Warrant is \$1,386.13. A Motion was made by Mr. Taylor to approve this Warrant. Mr. DiMeglio seconded the Motion. The Motion passed 4-0.

WARRANT 781

This Warrant is to Mr. Leslie Mathis for his re-occurring monthly benefit payment which will start on July 1, 2016. The amount of this Warrant is \$6,247.82. A Motion was made by Mr. Taylor to approve this Warrant. Mr. DiMeglio seconded the Motion. The Motion passed 4-0.

WARRANT 782

This Warrant is to Mr. Leslie Mathis for the transfer of his DROP account to another qualified plan. Per the Administrative Rules, this transfer will occur in two transfers, the first will be 80% of his total account and then the second transfer will be 20% after the quarter investment returns are posted. The amount of this Warrant is \$203,736.29. A Motion was made by Mr. Taylor to approve this Warrant. Mr. DiMeglio seconded the Motion. The Motion passed 4-0.

NEW / UNFINISHED BUSINESS:

Mr. Dorn advised the Board that there was a capital call for funding from American Reality Advisors in the amount of \$ 261,000.00 which will be due on July 1, 2016. Mr. Dorn reminded the Board that they had previously approved the funding during the November 10, 2015 meeting. Mr. Dorn advised that instructions were given to Fiduciary Trust to make the transfer on July 1, 2016.

ACTUARY REPORT:

Mr. Dulaney discussed with the Board the recent cost study he conducted pertaining to an increase in the benefit multiplier for Tier 2 members for years 16-20, from 3.0% to 3.5%, and for years 21-15, from 2.0% to 2.5%. The total benefit multiplier would increase from 60.0% to 62.5% (at 20 years of credited service) and from 70.0% to 75.0% (at 25 years of credited service). The total Town cost increase (\$28,006.00, less than 0.2% of total payroll cost) would go from \$5,713,188 to \$5,741,194 for the aforementioned benefit increase. Mr. Dulaney advised the Board that these calculations were based upon the October 1, 2015 Actuarial Valuation Report for the Town of Davie Police Pension Plan.

Mr. Dulaney advised that he worked on the impact statement for the proposed new Town of Davie Ordinance regarding the rehiring of retired members to school resource positions. Mr. Dulaney advised that there would be no actuarial impact to the Plan regarding this proposed ordinance.

ATTORNEY REPORT:

Mr. Levinson advised that he is working on making the changes to the Frequency Asked Questions regarding the DROP document. There were some minor changes to the document that pertained to the member's contribution rates.

Mr. Levinson advised that Mr. Dorn brought to his attention a mistake in the Tier 2 Summary Plan Description (SPD) regarding the DROP entry time period for Tier 2 members. The document has Tier 2 members entering the DROP starting in their 25th year and this should state that Tier 2 members can enter the DROP in their 20th year. Mr. Levinson advised that he will work on making the changes to the Tier 2 Summary Plan Description.

Mr. Levinson advised that he had a discussion with Mr. Dorn regarding how the Board of Trustees classified Mr. Wesley (Wes) Griffin's death in 2001. Mr. Dorn gave a brief summary to the Board regarding Mr. Griffin. Mr. Dorn advised that Mr. Griffin was hired by the Town of Davie Police Department on August 1, 1975. On August 23, 2001, Mr. Griffin had a fatal heart attack. The Board of Trustees requested a legal opinion from the Board's legal firm regarding the benefit options that are available for Mr. Griffin's beneficiary. Mr. Klausner wrote an opinion letter to the Board regarding the situation. Mr. Klausner stated that the Florida Statutes gives a presumption that any condition for heart disease which results in disability or death shall be presumed accidental and suffered in the line of duty. The death certificate filed with the Plan stated that the cause of death was due to a heart attack. The Board of Trustees held a special meeting on August 27, 2001 to consider the application of Mr. Griffin for retirement based upon disability suffered in the line of duty and/or normal retirement. The Board found that the disability was presumed accidental and duty related. The Board also found that Mr. Griffin's beneficiary (Linda Griffin) was also eligible for a normal retirement. The Board approved both retirement benefit options for Linda Griffin and gave her the option of making the selection. The reason this issue had to be reviewed is that the Griffin family is trying to have Wes' name posted on the Town of Davie memorial. The Board directed Mr. Dorn to send a letter to Linda Griffin outlining the Board's decision along with sending copies of

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the August 27, 2001 meeting minutes, the Klausner opinion letter and the death certificate. Mr. Dorn advised that he would send the aforementioned items along with a letter before the next meeting to Linda Griffin.

PLAN ADMINISTRATOR REPORT:

Mr. Dorn advised that a death check has been conducted. Mr. Dorn advised that Mr. Carl Fitzgerald passed away on June 3, 2016. Mr. Dorn advised that Mr. Fitzgerald selected the 10-year certain benefit option and the 10-year period passed in 2006. Mr. Dorn advised that he instructed the custodian bank to stop all future payments starting with the July 1, 2016 payment. Mr. Dorn advised that Mr. Carl Fitzgerald did not have a DROP account with the Plan.

Mr. Dorn advised that Mr. Michael Davis has requested a transfer of all of his DROP funds. Mr. Dorn advised that Mr. Davis has submitted all the necessary forms and the first transfer will occur. Mr. Dorn advised that Mr. Scott Kiso submitted the necessary documents for a partial DROP disbursement. The Board reviewed the forms and approved them. Mr. Dorn advised that Mr. Leslie Mathis has submitted all the necessary documents for his retirement on July 1, 2016. The Board reviewed the documents and approved them. Mr. Mathis will receive his first retirement payment on July 1, 2016. Mr. Mathis also submitted documents to transfer his entire DROP account. Mr. Dorn advised that the first transfer of his DROP funds will occur on or after July 1, 2016. Mr. Dorn advised that Mr. Ronald Bradley has submitted all the necessary documents to enter the DROP on September 1, 2016. The Board reviewed the documents and approved him in entering the DROP on the aforementioned date.

Mr. Dorn advised that the liability insurance for the Board expires on August 1, 2016. Mr. Dorn submitted several quotes for renewal that he obtained from the Board's insurance agent. The Board reviewed the quotes and then discussed this issue. Mr. Davis asked Mr. Dorn a plethora of questions regarding the fiduciary liability policy. Mr. Dorn advised that he would request to have the insurance agent attend the next meeting and also offer her to respond to the questions in writing. The Board agreed to have this topic at the next meeting.

Mr. Dorn presented the proposed 2016/2017 budget for the Plan. The Board reviewed the proposal and decided to have this topic at the next meeting.

OPEN DISCUSSION:

None

ADJOURN:

Mr. Davis made a Motion to adjourn the meeting. Mr. Taylor seconded the Motion. Motion passed 4-0. The meeting was adjourned at 6:31 P.M.



Greg Brilliant, Chairman