

TOWN OF DAVIE FIREFIGHTERS' RETIREMENT TRUST
PENSION BOARD MEETING MINUTES
Monday, November 18, 2019 – 2:00 p.m.

1. Call to Order & Roll Call

The meeting was called to order at 2:10 p.m. by the Chairman, Alan Seldal. The following members were present: Irving Heller, Adam Konick, Scott Mogavero and Joe Valenzuela. Also present was Stu Kaufman, Plan Attorney, Don Dulaney, Plan Actuary, and Susy Pita, Plan Administrator. A few Plan members and Union members were also present.

2. Approval of Minutes

A motion was made by Adam Konick to approve the minutes from the regular meeting held on July 25, 2019. Seconded by Scott Mogavero, the motion carried unanimously.

3. Approval of Disbursements

A motion was made by Adam Konick to approve of the disbursement report as presented. Seconded by Scott Mogavero, the motion carried unanimously.

4. Investment Consultant's Report

Jeff Swanson began his report by handing out and reviewing the updated Investment Policy Statement. Following the review, and a notation regarding the rate of investment return on page 4, a motion was made by Scott Mogavero to approve of the updated IPS. Seconded by Alan Seldal, the motion carried unanimously.

Jeff continued his report by reviewing the asset allocations and values as of 11/08/2019:

Rhumblin	\$52,774,155	41.3%
Atlanta Capital (FMIVT)	\$10,006,331	7.8%
Vanguard Small Cap Index	\$5,648,484	4.4%
Int'l Growth & Income	\$4,810,153	3.8%
Oppenheimer Int'l Growth	\$4,541,463	3.6%
Oakmark Int'l Small Cap	\$1,962,815	1.5%
PIMCO RAE Fund	\$1,965,078	1.5%
American Core Realty	\$11,144,649	8.7%
Intercontinental Real Estate	\$6,252,114	4.9%
Garcia Hamilton – Fixed	\$15,476,058	12.1%
PIMCO Income Fund	\$6,420,726	5.0%
Receipts & Disbursements	\$6,917,887	5.4%
Mutual Fund Cash	\$4,051	
DROP at Mass Mutual	\$6,241,679	

The total portfolio value was \$134,165,644.

Jeff concluded his report by making some asset reallocation recommendations to the Trustees. The Oppenheimer International Growth Fund and the Oakmark International Small Cap Fund will both be terminated and the Fidelity Emerging Markets Fund will replace them. He also recommended that the Trustees add the PIMCO Investment Grade Fund which will receive a large allocation due to the Town making their prepaid contribution for 2020. Following the review a motion was made by Alan Seldal to approve of the Investment Consultant's recommendations to reallocate the assets. Seconded by Scott Mogavero, the motion carried unanimously.

Trustee Joe Valenzuela then led a discussion regarding the projections that are being made by investment professionals regarding the markets and the potential for a recession beginning in late 2020 and into the 2021 year. During the discussion, Jeff recommended that the Board invite Garica Hamilton to a future meeting to provide the Board with their insight regarding the future of the investment markets.

5. Actuary's Report

Don Dulaney began his report by discussing the mortality tables that the State mandates and the hand out he prepared regarding the life expectancy for special risk workers based on information he recently received at an actuarial conference.

Don continued his report by informing the Board that he is currently working on the 13th check spreadsheet with the assistance of Adam Konick and should be able to provide the final details to the Plan Administrator in early December. A motion was made by Alan Seldal to approve of the 13th check distribution for all retirees. Seconded by Adam Konick, the motion carried unanimously.

Don concluded his report by discussing the normal retirement options for married members (which is 60% Joint & Survivor) compared to the normal retirement option for single members (which is the 10 Year Certain) and the inequities as a result. Stu recommended that the Board consider correcting that matter by making it equal for all members, single and married, to avoid a potential legal issue. Following some discussion, the Trustees directed Don to conduct a review of members who have retired in the past 5 years so that a determination can be made regarding the impact of a potential change. This matter will be placed on the agenda for the next meeting for additional discussion and potential action by the Board.

Don concluded his report by reviewing a fee increase proposal which was detailed in his letter to the Board dated November 15th. Following some discussion, a motion was made Alan Seldal to approve of the fee increase and to authorize the Attorney to prepare the amended services agreement. Seconded by Scott Mogavero, the motion carried unanimously.

6. Attorney's Report

Stu Kaufman began his report by handing out and reviewing the drafted Cancer Presumption Ordinance. Following the review, a motion was made by Alan Seldal to approve the drafted Ordinance and to authorize the Actuary to prepare the required Actuarial Impact Statement. Seconded by Scott Mogavero, the motion carried unanimously.

He continued his report by recommending that the Board begin obtaining Cyber insurance quotes and concluded by reviewing his memo regarding the Uniformed Services Employment and Reemployment Rights Act of 1994.

7. Old Business

There was none.

8. New Business

(a) When the Summary Plan Description is updated to include the normal retirement options and the cancer presumption language changes the Attorney will advise the Plan Administrator and this matter will be placed on a future agenda.

(b) The Plan Administrator reviewed the Annual Expense Report for the Fiscal Year ending 09/30/19. A motion was made by Scott Mogavero to approve the report as presented. Seconded by Adam Konick, the motion carried unanimously. The Plan Administrator will see to the proper distribution.

(c) A motion was made by Scott Mogavero to approve of the DROP entry for Dean Richard effective 08/01/19. Seconded by Adam Konick, the motion carried unanimously.

(d) A motion was made by Scott Mogavero to approve of the DROP exit/retirement for Novel Varela effective 10/31/19. Seconded by Adam Konick, the motion carried unanimously.

(e) The 2020 meeting schedule was reviewed and approved.

Added On:

DROP member Robert Belizaire addressed the Board and asked for their consideration in amending the current DROP provisions to include a one-time option that would allow members to transfer their co-mingled DROP accounts to Mass Mutual prior to exiting the DROP. The Plan Administrator will reach out to Mass Mutual representatives to discuss this matter and report back to the Board at the next meeting.

The term of office for the Council Appointment position held by Irving Heller will expire at the end of December. Irving expressed his interest in serving another term. The Plan Administrator will send a letter to the Town Clerk requesting a re-appointment.

The term of office for the member elected position held by Alan Seldal will also expire at the end of December. Alan expressed his interest in serving another term. The Plan Administrator will work with Adam Konick, as the Board Secretary, to post the announcement at the Fire Department.

The term of office for the 5th member appointment held by Scott Mogavero will expire at the end of December. Scott expressed his interest in serving another term. A motion was made by Alan Seldal to reappoint Scott Mogavero to another 4-year term on the Board. Seconded by Adam Konick, the motion carried unanimously.

9. Public Comments

There were none.

10. Next Meeting Date

The next regular meeting date will be Thursday, January 23, 2019 at 2:00 p.m.

11. Adjournment

The meeting ended at 4:10 p.m.

For the Board _____