

FINAL MINUTES
MANAGEMENT AND GENERAL EMPLOYEES PENSION
BOARD OF TRUSTEES MINUTES
TOWN OF DAVIE
Location: Council Chambers
6591 Orange Drive
September 5, 2017 at 10:00 A.M.

1. ROLL CALL

The meeting was called to order at 10:07 a.m.

Present at the meeting were Chairperson Grace Hall, Vice Chairman William Ackerman, Secretary Evelyn Roig, Trustee Giovanni Moss and Trustee John Phillips. Also present were Adam Levinson, Klausner & Kaufman and Jeff Blomeley, FMPT.

2. NEW BUSINESS

2.1 SWEARING IN OF TRUSTEES

Trustees Grace Hall, William Ackerman and Evelyn Roig were sworn in.

2.2 MINUTES JUNE 6, 2017 & SPECIAL MEETING AUGUST 8, 2017

Vice Chair Ackerman provided a change to the June 6, 2017 minutes on page 2 #4: 3 years should be changed to 4 years.

A motion was presented by Secretary Roig and seconded by Vice Chair Ackerman to approve the minutes with the correction above. The motion carried unanimously.

2.3 RATIFICATION OF INVOICE PAYMENTS

A motion was presented by Vice Chair Ackerman and seconded by Trustee Moss to ratify all invoice payments approved by Chairperson Hall. The motion carried unanimously.

2.4 RETIREMENTS & LUMP SUMS FOR APPROVAL

A motion was presented by Trustee Phillips and seconded by Secretary Roig to approve the retirement payments and lump sum distributions approved by Chairperson Hall. The motion carried unanimously.

2.5 QUARTERLY INVESTMENT RETURNS JUNE 30, 2017

Mr. Blomeley reviewed the investment returns through June 30, 2017. The investment return for the quarter was 3.18%, the fiscal year to date was 9.97%, the 5-year return was 8.48% and the 10-year return was 5.54%.

2.6 PENSION QUESTION REGARDING INSURANCE

Mr. Levinson spoke regarding fiduciary liability insurance.

He also spoke about DROP participants and their status on insurance from the Town. He stated their DROP status shouldn't affect their insurance status, but that this would be a question for the Human Resources Department.

2.7 PENSION QUESTION REGARDING DROP

Mr. Levinson stated the plan was for full-time employees only. If a DROP participant went to part-time status, they would cease their DROP status.

Trustee Phillips had a question about the effect of future raises after going into DROP. Mr. Levinson stated a DROP participant was considered retired and future pay increases would not affect their benefit as the benefit was already set.

Trustee Phillips asked if participants could purchase past service years for vesting. Mr. Levinson stated the plan could be amended to allow for this but it currently wasn't allowed. Trustee Phillips mentioned Mr. Halverson had a calculation for vesting.

2.8 SETTING A DATE FOR AN EMPLOYEE MEETING

Mr. Blomeley mentioned his office would like to do a presentation for employees. Chairperson Hall stated she would get with Laura Underhill to work out a date for the meeting.

3. OLD BUSINESS

3.1 SERVICE PURCHASE CALCULATIONS

Mr. Blomeley stated there was a spreadsheet provided by the actuary showing different scenarios of service purchase amounts. Vice Chair Ackerman questioned whether the scenarios were for tier 1 or tier 2. Mr. Blomeley stated he would get back with the actuary to provide scenarios for both tier 1 and tier 2.

3.2 NEW FUNDS – REAL ESTATE & EMERGING MARKETS

This item was discussed immediately after item 2.5 above.

Mr. Blomeley stated there would be 2 new additions. The emerging markets manager would be included in the international fund. 10% of the international fund would be moved to emerging markets. They would also be adding a core real estate fund. This fund would be slower to implement. This fund could take 6-9 months before being invested. The core real estate fund would consist of office buildings and multi-family buildings in major metropolitan areas. The emerging markets fund should be invested on October 1st.

Vice Chair Ackerman questioned what the new “60/40” plan would be called. Mr. Blomeley stated it would now be called the “60 equity” plan.

Mr. Blomeley would send out the asset allocation study to the board.

4. PLAN ATTORNEY COMMENTS

Mr. Levinson mentioned the Form 1 disclosures and the memo sent out by of his office regarding the legislature.

5. PLAN ADMINISTRATOR COMMENTS

Mr. Blomeley mentioned his office needed approval from the board to have the 2017 actuarial valuation prepared.

A motion was presented by Vice Chair Ackerman and seconded by Trustee Phillips to allow for the 2017 actuarial valuation to be prepared. The motion carried unanimously.

6. PUBLIC COMMENTS

There were no public comments.

7. 2017 MEETINGS –DECEMBER 5 AT 10: 00 A.M.

8. ADJOURNMENT

With there being no further business to discuss, the meeting was adjourned at 10:52 a.m.