

***FINAL MINUTES***  
**MANAGEMENT AND GENERAL EMPLOYEES PENSION  
BOARD OF TRUSTEES MINUTES  
TOWN OF DAVIE  
Location: Council Chambers  
6591 Orange Drive  
December 1, 2020 at 10:00 A.M.**

**1. ROLL CALL**

The meeting was called to order at 10:05 a.m.

Present at the meeting were Chairperson Grace Hall (via Zoom), Vice Chairman William Ackerman, Secretary Evelyn Roig and Trustee Grace Garagozzo. Also present was Jeremy Langley, FMPTF and via Zoom were Robert Klausner & Cassandra Harvey, Klausner & Kaufman & Laura Underhill, FMPTF.

*Note: Cassandra Harvey left the meeting and Robert Klausner joined the meeting at 10:33 a.m.*

**2. NEW BUSINESS**

**2.1 MINUTES SEPTEMBER 1, 2020 MEETING**

Chairperson Hall asked for clarification on page 2 where Vice Chair Ackerman asked about the beneficiary payment returned by “her” bank. She asked who “she” was. Ms. Underhill responded “she” was Wendy Stewart and that she would add her name to the minutes. Vice Chair Ackerman asked about page 4 regarding a retiree who was terminated-vested and wanted clarification on who that was in reference to. Ms. Underhill stated that was regarding Taso Stavarakis and he was the deferred-vested member they have been trying to reach as he is due a benefit but that he was not yet 72 years old, so he didn’t fit in with the required minimum distribution. She stated she would update the minutes with his information.

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

**2.2 RATIFICATION OF INVOICE PAYMENTS**

Chairperson Hall asked Vice Chair Ackerman about a bill from the last meeting that had the incorrect charge. Ms. Harvey said she would check on that and get back to her.

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

**2.3 RETIREMENTS & LUMP SUMS FOR APPROVAL**

**A motion was presented by Secretary Roig and seconded by Vice Chair Ackerman to approve the lump sum distributions and monthly retirement benefits approved by Chairperson Hall. The motion carried unanimously.**

#### **2.4 QUARTERLY INVESTMENT RETURNS SEPTEMBER 30, 2020**

Mr. Langley reviewed the investment returns through September 30, 2020. The investment return for the quarter was 5.76%; the fiscal year to date return was 6.60%; the 3-year return was 6.48%; the 5-year return was 8.16% and the 10-year return was 7.87%.

#### **2.5 2020 ACTUARIAL VALUATION**

Mr. Carr was called in to the meeting. He provided an overview of the changes in the assumptions for the 2020 actuarial valuation. The mortality table had been changed to the PUB-2010. The interest rate was decreased from 7.5% to 7%. The expense loading was reduced from 1.25% of the present value of future benefits to 0.75% of the present value of future benefits. The method used to determine the actuarial value of assets was changed based on the market value adjusted to reflect a five-year phase-in of the unexpected investment gains and losses.

Vice Chair Ackerman asked Mr. Carr if the phase-in approach used would have any negative impact moving forward. Mr. Carr explained how he felt this would not have any adverse impact. He also explained this could be changed in the future if needed.

**A motion was presented by Vice Chair Ackerman and seconded by Trustee Garagozzo to approve the 2020 Actuarial Valuation as presented. The motion carried unanimously.**

Chairperson Hall asked Mr. Klausner if the Board needed to make a motion changing the assumption rate to 7%. Mr. Klausner stated that by approving the valuation with the change in the assumption rate, they did approve that change.

### **3. PLAN ATTORNEY COMMENTS**

#### **3.1 FINAL OPERATING RULES**

Mr. Klausner presented the amended Operating Rules & Procedures.

**A motion was presented by Vice Chair Ackerman and seconded by Trustee Garagozzo to approve the amended Operating Rules & Procedures. The motion carried unanimously.**

### **3.2 PROPOSED ORDINANCE**

Mr. Klausner provided an overview of the changes the proposed ordinance would make to the Plan. The ordinance added permissive service credit, changed the definition of Management Employee and amended the definition of Salary/Compensation by adding that employer and employee 457 contributions would be pensionable.

Vice Chair Ackerman spoke of his concerns of the Managerial Employee definition. Trustees discussed this, and Mr. Klausner would make this change. Vice Chair Ackerman then spoke of his concerns with the section on 457 employee contributions. Mr. Klausner would amend this section. Vice Chair Ackerman had concerns about the option to purchase permissive service credit. Mr. Klausner would break out the first 2 items in the proposed ordinance and regarding the change on purchasing permissive service credit, this would be negotiated with the Union and brought back at a later date.

**A motion was presented by Vice Chair Ackerman and seconded by Secretary Roig to send the proposed ordinance along to the Town regarding the definition of Management employee and salary/compensation. The motion carried unanimously.**

### **3.3 SPECIAL TAX NOTICE**

Mr. Klausner provided an overview of the change to the Special Tax Notice changing the required minimum distribution age from 70 ½ to 72.

**A motion was presented by Trustee Garagozzo and seconded by Vice Chair Ackerman to accept the amended Special Tax Notice. The motion carried unanimously.**

### **3.4 REQUIRED MINIMUM DISTRIBUTION POLICY**

This item was not discussed.

## **4. PLAN ADMINISTRATOR COMMENTS**

There were no additional comments.

## **5. PUBLIC COMMENTS**

There were no public comments.

Chairperson Hall asked Secretary Roig when the next election would occur for her seat. Secretary Roig stated it would occur in September 2021 for Chairperson Hall and Secretary

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Roig, and for Vice Chair Ackerman's appointment.

Mr. Klausner stated Florida was a hold over state and that their positions would hold over until the election was completed.

Mr. Klausner asked Chairperson Hall who should get the revised ordinance. He stated he would send to Ms. Underhill for general distribution.

**6. PROPOSED 2021 MEETING DATES:**

March 2<sup>nd</sup> 10:00 a.m.

June 1<sup>st</sup> 10:00 a.m.

September 7<sup>th</sup> 10:00 a.m.

December 7<sup>th</sup> 10:00 a.m.

**7. ADJOURNMENT**

With there being no further business to discuss, the meeting was adjourned at 11:48 a.m.