

***City of Lake Mary Firefighters' Retirement System
Meeting of February 10, 2012***

I. CALL TO ORDER

Trustee Jeff Koltun called the meeting to order at 7:42a.m. Those persons present included:

TRUSTEES

Ronald (Andy) Russi, Secretary
(arrived 8:45A)
Helene Beeler
Jeff Koltun
Karen Gudinas
Gabe Vella

OTHERS

Audrey Ross, Pension Resource Center
Dianne Holloway, City of Lake Mary Finance Director
Frank Wan, Burgess Chambers & Associates
Alan Ashworth, Eagle Asset Management

II. APPROVAL OF MINUTES

The Trustees reviewed the minutes from the regular meetings on November 11, 2011.

Jeff Koltun made a motion to approval of the minutes from the regular meeting of November 11, 2011 as amended. Karen Gudinas seconded the motion and passed by the Trustees 4-0.

III. REPORTS

Alan Ashworth, Eagle Asset Management

Mr. Ashworth notified the board that Eagle Assets is a subsidiary of Raymond James and Raymond James was just recently bought out by Morgan Keegan Trust. He stated that there is no impact to the plan or the portfolio. In addition Eagles CEO just retired, but that will not have any impact on the fund either because they were already training someone and preparing them for his retirement.

Mr. Ashworth explained that there was a huge market rally during the quarter and the Russell 2500 index was leading at 14.5%. Also energy was the leading sector and telecommunication and utilities were lagging. The equities were slightly behind for the quarter ending December 31, 2011 at 13.37% versus 14.52%, and the one year was in the same situation at -3.99% versus -2.51%. Mr. Ashworth reviewed the performance attribution and stated that the biggest detractor during the quarter was materials, and also being underweighted in energy hurt them as well.

Mr. Ashworth reviewed the fixed income portfolio and commented that fixed income had a better quarter then equities. They out performed the index at 1.28% versus 1.12% for the quarter and also the one year at 8.54% versus 7.86%. He explained that the rates are still low and there is still a lot of havoc overseas so when they look for a way out of the mess they can only turn to the US fixed income.

Lastly Mr. Ashworth commented that he thinks it will be an interesting year especially since its an election year. He thinks equity markets will continue to be volatile during the year and fixed income will fluctuate.

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Frank Wan, Burgess Chambers and Associates (BCA)

Mr. Wan discussed inflation and whether they think it will happen soon or not. He commented that he does not see it happening anytime soon, especially by the end of this year. There is still a lot of cash on balance sheets that are not being used because of the lack of confidence in investors. Mr. Wan stated that he thinks all things will coincide at once when banks and corporate start using their cash.

During the quarter the Plan gained \$510,913 which brought their total assets to \$8,427,252, but they were still slightly behind the benchmark net of fees at 6.5% versus 6.9%. For the one year they are in the same position at 0.2% versus 0.6%. Mr. Wan reviewed the funds asset allocation and commented that they are inline with their policy and he does not have any recommendations at this time for rebalancing.

Mr. Wan notified the board that SSI was funded recently therefore we will see their performance on the next report. Also he noted that BCA will be monitoring Eagle Assets for any changes and/or recommendations because they have underperformed 3 out of the last 4 quarters. Lastly Mr. Wan gave an update as of January 2012 and stated that they were up another 4%, which brings their fiscal year to date number up to about 10%.

Scott Christiansen, Christiansen & Dehner

It was noted that Mr. Christiansen was not present today due to a death in his family. Ms. Ross will be reviewing his memo with the board.

Ms. Ross notified the board that Ms. Beeler and Ms. Gudinas were reappointed by the City to serve another term on the pension board.

Ms. Ross notified the board that their VCP letter was approved by the IRS. Ms. Helene recommended that the fee associated with preparing the VCP letter should be paid for by Mr. Christiansen's office. Ms. Holloway commented that she will research to see what party paid for that bill and will report back to the board.

Ordinance 1452 has been adopted by the City and has also been filed with the State.

Ms. Ross passed out the disability presumption Report that was provided by the State Task Form. She commented that no legal action is necessary here.

Ms. Ross presented the board with the addendum to the GRS contract to be executed.

Audrey Ross, Pension Resource Center

Ms. Ross notified the board that she prepared and sent off the letter to the Division of Retirement declaring the Plans future expected returns.

IV. SELECTION OF CHAIR AND SECRETARY

Ms. Ross explained that since we have a new Trustee on the board and he took place of the prior Chair, the board now needs to reselect the Chair and Secretary.

Karen Gudinas made a motion to select Gabe Vella as Chairman of the Lake Mary Firefighters Pension Fund. Andy Russi seconded the motion and passed by the Trustees 5-0.

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Helene Beeler made a motion to select Andy Russi as Secretary of the Lake Mary Firefighters Pension Fund. Jeff Koltun seconded the motion and passed by the Trustees 5-0.

V. PLAN FINANCIALS

Financial Statements

Ms. Ross provided an interim financial statement for the plan. She noted that, as required by GASB, the financial statement reported the investments on a trade-date basis rather than settlement date for securities transactions in the portfolio. **The Trustees received and filed the interim financials statements through the month of December 2011.**

Disbursements

The Trustees then reviewed the Warrant dated February 10, 2012 for payment of invoices.

Jeff Koltun made a motion to approve the Warrant dated February 10, 2012 for payment of invoices. Helene Beeler seconded the motion and approved by the Trustees 5-0.

Benefit Approvals

The Trustees then reviewed the application to enter the DROP for Lawrence Mason.

Gabe Vella made a motion to approve the application to enter the DROP for Lawrence Mason. Andy Russi seconded the motion and approved by the Trustees 5-0.

Adjournment

There being no other business and the next meeting having previously been scheduled for Friday May 11, 2012 the meeting adjourned at 9:18AM.

Respectfully submitted,

Ronald Russi, Secretary