

**City of Lake Mary Firefighters' Retirement System**  
**Meeting of November 6, 2015**

**I. CALL TO ORDER**

Chairman Gabe Vella called the meeting to order at 7:34 A.M. Those persons present included:

**TRUSTEES**

Gabe Vella, Chairman  
Shawn Anastasia, Secretary  
(arrived 8:13 AM)  
Martin Bel (departed 8:59A AM)  
Jeff Koltun  
Karen Gudinas

**OTHERS**

Scott Christiansen, Christiansen & Dehner, PA  
Dianne Holloway, City of Lake Mary Finance Director  
Jeff Amrose, GRS  
Audrey Ross, Pension Resource Centers  
Frank Wan, Burgess Chambers & Associates

**II. APPROVAL OF MINUTES**

The Trustees reviewed the minutes from the regular meeting on August 14, 2015.

**Karen Gudinas made a motion to approval of the minutes from the regular meeting of August 8, 2014. Gabe Vella seconded the motion and passed by the Trustees 5-0.**

**III. REPORTS**

**Jeff Amrose, Gabriel, Roeder & Smith (GRS)**

Mr. Amrose noted that the required contribution dollar amounts that are reflected in the report are estimates only because the actual contributions should be based on the percentage of the actual payroll for the fiscal year. He reported that the employer contributions will slightly increase from 24.15% to 26.20% (about \$52,523) for the fiscal year ending 9/30/2017. The increase in employer contributions was due to lowering the expected rate of return from 7.6% to 7.5% which is now set, the change in the ammonization table, and lastly, higher than expected admin expenses. During the fiscal year the Plan had an actuarial net loss of \$10,251 which caused the Plan's funded ratio to slightly decrease this year from 86.2% to 86%, but overall this Plan's funded ratio is still high compared to most plans. Mr. Amrose reviewed the participant data and commented that there are now 37 active members, 1 DROP member, 9 retired members, 2 disabled members and 1 vested member. He reviewed the Plans administrative fees which increased this year to \$37,977 from \$25,374. Altogether the Plan is still only paying about 79 basis points for all their expenses which is still very minimal. Lastly Mr. Amrose discussed the new Bill that requires all defined benefit Plan's to change their mortality table effective October 1, 2016. He commented that this change will have very little impact compared to the table they are currently using.

**Martin Bel made a motion to approve the September 30, 2015 Actuarial Valuation Report as presented by the Actuary. Karen Gudinas seconded the motion and passed by the Trustees 4-0.**

**City of Lake Mary Firefighters' Retirement System**  
**Meeting of November 6, 2015**

**Frank Wan, Burgess Chambers and Associates (BCA)**

Mr. Wan reviewed the market during the quarter and fiscal year ending September 30, 2015. Overall it was a rough quarter but things have started to pick up since then. For the quarter the fund was down at -4.5% net of fees versus the index at -5.3%, which represents a loss of \$610K. For the fiscal year the fund was slightly positive at 0.1% net of fees versus the index -1%, but that resulted in an overall gain of \$76K. Mr. Wan reviewed each manager's performance and noted that the convertible bonds helped the portfolio on the downside, but the REITS were the ones that brought down the Fund. He discussed the MLP's which were down and had their worst performing quarter. Mr. Wan commented that overall the portfolio is doing well despite the market pull backs and he does not have any recommendations at this time for rebalancing or in regards to any of the managers. Mr. Bel discussed diversifying the portfolio out even a little more on the domestic equity side by splitting some of the index fund into active management. The Trustees discussed and Mr. Wan stated that he can bring more information back to the Board.

**Scott Christiansen, Christiansen & Dehner**

Mr. Christiansen stated that the board needs to declare their actuarial assumed investment rate of return for next year, the next several years and long term.

**Gabe Vella made a motion to declare that based upon their Investment Consultants advice, the Plan's actuarial assumed investment rate of return for the next year, next several years, and long term will be 7.5%. Shawn Anastasia seconded the motion and approved by the Trustees 5-0.**

Mr. Christiansen presented the Board with the 2016 meeting dates.

**Karen Gudinas made a motion to approve and accept the 2016 meeting dates as presented. Jeff Koltun seconded the motion and approved by the Trustees 5-0.**

Mr. Christiansen stated that the Plan' received their 2014 State money.

Mr. Christiansen notified the Board that the City adopted the Ordinance in regards to Share accounts and all the necessary documents have been filed with the Division of Retirement.

**Audrey Ross, Pension Resource Center**

N/A

**IV. NEW BUSINESS**

Ms. Ross notified the Board that Mr. Vella's term expires at the end of this year and Mr. Anastasia commented that an election will be held shortly. Also Ms. Gudinas and Mr. Bel's term also expires at the end of this year and they are appointed by the City. Both Trustees noted that they would again accept the position if reappointed.

The Trustees discussed the Plan's current buyback provisions and how frequent members can apply for a buyback calculation. Currently the Ordinance states that members can only apply to buyback time when they are newly hired and they can only apply for a calculation once in their career. The Board would like to open the language up and have it consistent with the Police Pension language. The new language would allow members to apply to buyback time at any time throughout their career and also

***City of Lake Mary Firefighters' Retirement System***  
***Meeting of November 6, 2015***

however many times they want to. Mr. Christiansen stated that the members pay for the cost of their buyback calculations, so in making this change there should be no cost impact to the Plan.

**Gabe Vella made a motion to direct Mr. Christiansen to draft ordinance language regarding the buyback provisions as discussed and pending City approval. Shawn Anastasia seconded the motion and approved by the Trustees 5-0.**

**V. PLAN FINANCIALS**

**Disbursements**

The Trustees then reviewed the Warrant dated November 6, 2015 for payment of invoices.

**Jeff Koltun made a motion to approve the Warrant dated November 6, 2015 for payment of invoices. Karen Gudinas seconded the motion and approved by the Trustees 4-0.**

**VI. PUBLIC COMMENTS**

Ms. Holloway stated that the City recently did a presentation on their interpretation of how to split the State money according to the new laws. A mutual agreement has not been reached yet between the City and the members, but Ms. Holloway stated that she will keep the Board updated throughout the process.

**VII. ADJOURNMENT**

There being no other business and the next meeting having previously been scheduled for Friday February 5, 2016 the meeting adjourned at 9:12 AM.

Respectfully submitted,

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Shawn Anastasia, Secretary