

City of Lake Mary Firefighters' Retirement System
Meeting of August 4, 2017

I. CALL TO ORDER

Chairman Gabe Vella called the meeting to order at 7:30 A.M. Those persons present included:

TRUSTEES

Gabe Vella, Chairman
Shawn Anastasia, Secretary
Jeff Koltun
Karen Gudinas

OTHERS

Scott Christiansen, Christiansen & Dehner, PA
Audrey Ross, Resource Centers
Connor Wisebaker, Eagle Asset Management
Crystal Smith, Eagle Asset Management
Frank Wan, BCA

II. APPROVAL OF MINUTES

The Trustees reviewed the minutes from the regular meetings on February 3, 2017 and May 5, 2017.

Jeff Koltun made a motion to approval of the minutes from the regular meetings of February 3, 2017 and May 5, 2017. Karen Gudinas seconded the motion and passed by the Trustees 4-0.

III. REPORTS

Connor Wisebaker & Crystal Smith, Eagle Asset Management

Mr. Wisebaker and Ms. Smith introduced themselves today and stated that they were filling in for Ed Rick as he had a meeting conflict this quarter. Ms. Smith will cover the SMID and Equity portfolio as Mr. Wisebaker will be covering fixed income. As far as a firm update, the merger with Scout is almost complete and again there is not impact to this portfolio. Ms. Smith reviewed the equity markets during the quarter and noted that health care lead as energy was the largest detractor. For the quarter ending June 30, 2017 the fund was up 2.96% versus the index at 2.13% and for the fiscal year to date they are up 23.94% versus 19.84%. She briefly reviewed the performance attribution and noted that financials hurt them the most during the quarter and they rallied in the health care sector. She reviewed the market outlook and commented that they feel comfortable with how the portfolio is positioned going forward and they are more worried about overtightening at this point. Mr. Wisebaker reviewed the fixed income side and stated that Eagle as firm feels like the economy is improving but not strong enough or fast enough to have an impact if rates do rise, although they do think there will be another rate hike this year. For the quarter they are slightly lagging the index at 1.35% versus 1.45% and for the one year they are negative but ahead of the index at -0.20% versus -0.31%. He explained their recent underperformance and that they are looking to add duration and yield to the portfolio to get closer to benchmark. The current average duration is about 5 years as the Corporate market remains resilient so they have not increased their exposure just yet. The Trustees discussed active management versus passive management and noted that active managers have more authority and time to review and manage the money. Mr. Wan stated that there is an overall concern with bonds now a days and that Eagle remains more on the conservative side. When you adjust their risk on returns, they are still adding value overall.

City of Lake Mary Firefighters' Retirement System
Meeting of August 4, 2017

Frank Wan, Burgess Chambers and Associates (BCA)

Mr. Wan stated that his firms does discuss inflation and they will continue to monitor it going forward, but he thinks they are nicely positioned where they are now. For the quarter ending June 30, 2017 the total fund net of fees was up 2.7% versus the index at 2.5% and for the fiscal year to date they are up 7.5% which is slightly behind the index at 7.7%. Mr. Wan stated that they recently transitioned from Miller Howard to Salient so next quarter they will have a full quarters worth of performances. He briefly reviewed each manager and noted that they all had a great quarter. Mr. Wan does not have any recommendations at this time for rebalancing or regarding any of the managers.

Scott Christiansen, Christiansen & Dehner

Mr. Christiansen stated that all Trustees have turned in their Annual Form 1 Disclosure Forms.

Mr. Christiansen stated that the SPD was approved at the prior meeting and Ms. Ross noted that she will get it distributed to all the active members.

Mr. Christiansen updated the Board on some Bills that passed during the recent Legislative session. Although no Bills passed that directly affect DB Plans, but there are other Bills that the Board should be aware of. Mr. Christiansen discussed the new amendment to the Public Records Act that now directs all public records request to go directly to the pension plans liaison, which in this case is the Plan Administrator. Another Bill regarding property tax exemption for disabled members passed. This applies to members that are receiving social security disability.

Mr. Christiansen presented the Board with the Plan's Operating Rules and Procedures. He noted that this document has not been updated since 2003. The Trustees tabled this document until the next meeting after they review it.

Audrey Ross, Pension Resource Center

N/A

IV. NEW BUSINESS

The Board reviewed the letter from GRS regarding their proposed fee for preparing the Share account statements that the State money will be allocated to. GRS is proposing a \$2K fee for the first setup and allocation and then \$1,500 per year thereafter.

Gabe Vella made a motion to approve the proposed GRS share accounting and statement fee of \$2K for the first year and \$1,500 per year thereafter. Karen Gudinas seconded the motion and approved by the Trustees 4-0.

V. PLAN FINANCIALS

Disbursements

The Trustees then reviewed the Warrant dated August 4, 2017 for payment of invoices.

Jeff Koltun made a motion to approve the Warrant dated August 4, 2017 for payment of invoices. Karen Gudinas seconded the motion and approved by the Trustees 4-0.

Benefit Approvals

City of Lake Mary Firefighters' Retirement System
Meeting of August 4, 2017

The Trustees then reviewed the benefit approval list dated August 4, 2017.

Shawn Anastasia made a motion to approve the benefit approval list dated August 4, 2017. Gabe Vella seconded the motion and approved by the Trustees 4-0.

Financial Statements

The Trustees reviewed the interim balance sheet and statement of income and expense as of June 2017.

The Trustees received and filed the June 2017 balance sheet and the statement of income and expense.

VI. PUBLIC COMMENTS

N/A

VII. ADJOURNMENT

There being no other business and the next meeting having previously been scheduled for Friday November 3, 2017 the meeting adjourned at 8:58 AM.

Respectfully submitted,

Shawn Anastasia, Secretary