

City of Lake Mary Firefighters' Retirement System
Meeting of February 2, 2018

I. CALL TO ORDER

Chairman Gabe Vella called the meeting to order at 7:37 A.M. Those persons present included:

TRUSTEES

Gabe Vella, Chairman
Shawn Anastasia, Secretary
(arrived 7:43am)
Jeff Koltun
Karen Gudinas
Martin Bel

OTHERS

Scott Christiansen, Christiansen & Dehner, PA
Audrey Ross, Resource Centers
Crystal Smith, Eagle Asset Management
Frank Wan, BCA
Brent Mason, City of Lake Mary Finance Director

Ms. Ross notified the Board that all the Trustees have recently been reappointed by the City or reelected by the active members for another term.

II. APPROVAL OF MINUTES

The Trustees reviewed the minutes from the regular meeting held on November 3, 2017.

Gabe Vella made a motion to approve the minutes from the regular meeting held on November 3, 2017. Gabe Vella seconded the motion and passed by the Trustees 4-0.

III. REPORTS

Crystal Smith, Eagle Asset Management

Ms. Smith gave a brief market update and noted that the equities slightly lagged the index this quarter at 4.09% versus 5.24%. She explained that consumer discretionary was always their top performing sector, but at the end of last year things turned around and that sector went down and in return hurt their performance. Since the quarter end they have made some of that back and they will continue with their strategy. Ms. Smith reviewed the asset allocation and noted that they had a slight overweight to utilities and a slight underweight to healthcare. She reviewed the stocks that added to their performance during the quarter, as well as the ones that detracted but overall the fund is doing well and is nicely positioned. On the fixed income side things remain flat and they were slightly positive for the quarter at 0.30% versus the index at 0.30%. During the quarter they shortened their duration and they will also continue to overweight corporates due to the market place, although they did trim back on some during the quarter. Ms. Smith stated that they are well positioned going forward despite the market environment, although they are keeping an eye on the new Fed Chair and what changes may come out of that.

Frank Wan, Burgess Chambers and Associates (BCA)

Mr. Wan stated that he and Burgess Chambers recently went out to Texas and discussed the energy/oil sector as a whole and commented that they will continue to monitor it. The Plan is starting out with a great fiscal year as they are already up 3.2% net of fees, which is a gain of \$533K for the quarter. He briefly reviewed the Plan's asset allocation and noted that there was an overweight to domestic equity and

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underweight to fixed income, but both are still in line with their relative ranges. Ended the quarter with \$16.8M in assets and he briefly reviewed each manager's performance. All did well and Mr. Wan stated that he does not have any recommendations at this time, although the Eagle fixed income account is on watch because net of fees they are not outperforming their benchmark and they will continue to monitor that. Mr. Bel discussed the current market place and what the Board should be monitoring or looking out for in the near future due to the high markets and what downside protection do they have in place. Mr. Wan discussed rebalancing to the more conservative side in anticipation of the market place pulling back. It would reduce some of the Plan's risk to rebalance some more out of the equities and into fixed income because it would be less of a loss if the market was to pull back. The Trustees had a very lengthy discussion on the market place and what they should do going forward. Mr. Wan recommended rebalancing back to the target allocations to start with.

Martin Bel made a motion to authorize the transfer of 2.5% from the Eagle SMID cap account to the Eagle fixed income account to be in line with the Plan's policy targets. Gabe Vella seconded the motion and passed by the Trustees 5-0

Scott Christiansen, Christiansen & Dehner

Mr. Christiansen gave a brief update regarding the Legislative session that just recently started. There is a proposed Bill for cancer in relation to Chapter 112 which effects the 175/185 and all municipal pension plans. This Bill proposes for all types of cancers to be considered presumed. Mr. Christiansen stated that he will keep the Board updated as more information becomes available.

Mr. Christiansen stated that he had the updated Administrative addendum with him today to be executed as the Board approved the financial statement fee increase last meeting.

Mr. Christiansen presented the Board with an updated Actuary agreement. Over the years GRS has had a couple of fee increases that the Board has approved due to the new GASB reporting requirements and therefore he wanted to make sure their contract was up to date as well.

Jeff Koltun made a motion to approve the GRS fee addendum as presented. Shawn Anastasia seconded the motion and passed by the Trustees 5-0.

Mr. Christiansen presented the Board with the updated Operating Rules and Procedures. He noted that he will add in a section referencing the service provider review process once a year.

Jeff Koltun made a motion to approve the operating rules and procedures as amended. Shawn Anastasia seconded the motion and passed by the Trustees 5-0.

Audrey Ross, Pension Resource Center

N/A

IV. NEW BUSINESS

The Trustees discussed implementing some kind of service provider review at least once a year. The Board can review one service provider a year and stated that they will start with the administrator at the next meeting.

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V. PLAN FINANCIALS

Disbursements

The Trustees then reviewed the Warrant dated February 2, 2018 for payment of invoices.

Martin Bel made a motion to approve the Warrant dated February 2, 2018 for payment of invoices. Karen Gudinas seconded the motion and approved by the Trustees 5-0.

Benefit Approvals

The Trustees then reviewed the benefit approval list dated February 2, 2018.

Shawn Anastasia made a motion to approve the benefit approval list dated February 2, 2018. Gabe Vella seconded the motion and approved by the Trustees 5-0.

Financial Statements

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

The Trustees received and filed the December 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 May 4, 2018 the meeting adjourned at 9:19 AM.

Respectfully submitted,

Shawn Anastasia, Secretary