

SANFORD FIREFIGHTERS' RETIREMENT SYSTEM
PENSION BOARD MEETING MINUTES
Thursday, May 9, 2013 – 9:00 A.M.

1. Call to Order and Roll Call

The meeting was called to order at 9:00 a.m. by the Vice-Chairman, Craig Radzak. The following members were present: John Smith, and Robert Vaughn. Chairman Tom Hickson and Sylvester Chang were excused. The following service providers were also in attendance: Scott Christiansen, Plan Counsel, David Lee, Investment Consultant and Jeff Detwiler, Investment Manager. Also present was member John Ludwig, Union Representatives David Frost and Kyle Jones, and Karen Simpkins, from the Finance Department.

2. Approval of Minutes

A motion was made by John Smith to approve the minutes from the regular meeting held February 7, 2013 and the special meeting held March 20, 2013. Seconded by Robert Vaughn, the motion carried unanimously.

3. Disbursements

The Plan Administrator made note of one add-on item to the Disbursement Report. A motion was then made by Robert Vaughn to approve the disbursement report as amended. Seconded by John Smith, the motion carried unanimously. (*Copy is attached for the record.*)

4. Investment Manager's Report – Garcia Hamilton & Associates

Jeff Detwiler presented the Garcia Hamilton portfolio results for the period ending March 31, 2013. The total market value of the Plan portfolio was \$6,749,939.76 with a yield of 1.9%.

5. Investment Consultant's Report – Dahab Associates

David Lee began his report by reviewing the Plan's performance as of March 31, 2013. Asset allocation for the period: Large Cap Equities – 36.7%, Mid Cap Equities – 10.2%, Small Cap Equities – 9.4%, International Equity – 10.0%, Fixed Income – 30.4% and Cash – 3.3%. Total portfolio value was \$22,202,195.

6. Attorney's Report

Scott began his report with a legislative update. Senate Bill 458 never made it to the floor during the legislative session and died. However, Senate Bill 534 did pass and is awaiting the Governor's signature. This bill imposed additional filing and disclosure requirements by the Plan Actuaries. If the Governor signs the bill, and he is expected to, Foster & Foster will be required to report additional information in the Annual Valuation Reports. Scott concluded his report by reminding the Trustees to file their Financial Disclosure Forms by July 1st.

7. Old Business

There was none.

8. New Business

(a) Scott reviewed his memo, dated April 22, 2013, detailing the addendum to the Operating Rules and Procedures: *Rule 15.1 Extent of Confidentiality Permitted*. Following a brief discussion, a motion was made by Robert Vaughn to adopt the Addendum. Seconded by John Smith, the motion carried unanimously. The Vice-Chairman affixed his signature to the document and the Plan Administrator will see to the proper distribution.

(b) Scott reviewed the drafted IRC Compliance Ordinance with the Board. Following a brief discussion, a motion was made by Robert Vaughn to authorize the Attorney to submit the Ordinance to the City for subsequent Adoption. Seconded by John Smith, the motion carried unanimously.

(c) A motion was made by John Smith to approve of the DROP exit/retirement for Gerard Ransom, effective 04/26/13. Seconded by Robert Vaughn, the motion carried unanimously.

(d) A motion was made by John Smith to approve of the DROP entry for Robert Thornton, effective 02/01/13 and David Myers, effective 03/01/13. Seconded by Robert Vaughn, the motion carried unanimously.

David Frost, Union President, asked to address the Board. The Union would like to ask the Plan Actuary to perform a cost study analysis. Following a brief discussion, a motion was made by John Smith to authorize the Actuary to work with the Union to perform a cost study analysis and the Union will bear the expense of such study. Seconded Robert Vaughn, the motion carried unanimously.

A discussion then ensued with regard to the possibility of the Pension Board holding a joint meeting with the City Commissioners. The Union is concerned that, in light of the Bolton Partners report to the City, there is strong need to provide additional education and information to the City Commissioners. Some of the educational information would be with regard to the investment policies and procedures, actuarial assumptions, and legal matters. The Pension Board asked Union President David Frost to take the first step in reaching out to the City Manager to see if there would be an interest on behalf of the Commission in the two groups getting together for a workshop session. David agreed to do so and will keep in touch with the Plan Administrator regarding the possibility of coordinating this event.

9. Next Meeting Date

The next regular meeting date was set for Thursday, August 8, 2013 at 9:00 a.m.

10. Adjournment

The meeting ended at 10:10 a.m.

A handwritten signature in black ink, appearing to read "Robert Vaughn", written over a horizontal line.

(For the Board)

CITY OF SANFORD
FIREFIGHTERS' PENSION FUND

Disbursement Report
May 9, 2013

<u>Date</u>	<u>Issued to:</u>	<u>Issued for:</u>	<u>Amount</u>
02/11/13	Foster & Foster	Actuarial Svcs.	\$3,000.00
02/19/13	Dahab	Consulting Svcs.	\$2,616.04
02/19/13	Polen Capital	Investment Svcs.	\$5,733.00
02/20/13	Christiansen & Dehner	Legal Services	\$105.30
03/01/13	Susy Pita	Adm. Svcs.-March	\$1,000.00
03/19/13	Christiansen & Dehner	Legal Services	\$1,019.29
04/01/13	Susy Pita	Adm. Svcs.-April	\$1,000.00
04/09/13	Lee Munder Capital	Management Svcs.	\$4,247.75
04/17/13	Polen Capital	Investment Svcs.	\$6,095.00
04/23/13	Garcia Hamilton	Management Svcs.	\$5,062.45
04/30/13	Salem Trust	Custody Svcs.	\$4,601.54
04/30/13	Dahab	Consulting Svcs.	\$2,775.47
04/30/13	Christiansen & Dehner	Legal Services	\$561.62
05/01/13	Susy Pita	Adm. Svcs.-May	\$1,000.00
<i>Add On: 05/07/13</i>	<i>C+D</i>	<i>Legal Svcs.</i>	<i>\$638.92</i>

<u>Date</u>	<u>Contribution Refunds:</u>	<u>Amount</u>
02/11/13	Ernest Singleton	\$16,803.92
03/14/13	Shari Brown	\$21,455.70