

CITY OF VENICE
MUNICIPAL FIREFIGHTERS' PENSION TRUST FUND
BOARD MEETING
MINUTES

Monday, September 12, 2016 - 4:00 P.M.
First Floor Meeting Room
5300 East Laurel Road, Venice, FL

Members Present:	Rich Lanigan, Secretary Barbara Fraser Shawn Carvey Nick Pachota
Members Absent:	Ed Van Deusen
Plan Attorney:	Scott Christiansen
Plan Consultant:	Tim Nash, The Bogdahn Group
Investment Managers:	None
Plan Administrator:	Shelly Baumann
City Staff:	None

CALL TO ORDER/ ROLL CALL

The meeting was called to order at 4:10 P.M.; by Chairman Pro-Tem Lanigan who stated that a quorum was present with four (4) members in attendance.

HEAR THE AUDIENCE – No one in the audience spoke.

WELCOME NEW BOARD MEMBER – Nick Pachota was appointed by Council to complete the term of Anthony Pinzone, said term will expire September 30, 2019.

APPROVAL OF MINUTES – Regular meeting of June 13, 2016.

Barbara Fraser made a motion to approve the minutes of the June 13, 2016 quarterly meeting; Nick Pachota seconded the motion. Motion carried unanimously.

CONSENT AGENDA –

**A. Approval of Payments:
Voucher No.**

• 811 – Christiansen & Dehner – Services for May 2016	\$ 197.00
• 812 – Pension Adm. Services – Service for June 2016	\$ 1,000.00
• 813 – Bogdahn Group – April-June 2016	\$ 4,375.00
• 814 – Christiansen & Dehner – Services for June 2016	\$ 996.75
• 815 – Salem Trust – April-June 2016 with discount	\$ 3,121.64
• 816 – Pension Adm. Services – Service for July 2016	\$ 1,000.00
• 817 – Garcia Hamilton & Assoc. – Quarterly Fees April-June 2016	\$ 3,502.58
• 818 – Great Lakes Advisors – April-June 2016	\$ 2,171.60
• 819 – Dana Investment Advisors – April-June 818ca	\$ 4,171.43
• 820 – Dana Investment Advisors – April-June 818cb	\$ 2,822.22
• 821 – Pension Adm. Services – Service for August 2016	\$ 1,000.00
• 822 – Foster & Foster – e-mails, 18 calculations, review Ord.	\$ 4,275.00

Barbara Fraser made a motion to approve Consent Agenda vouchers #811-822 as presented; Nick Pachota seconded the motion. Motion carried unanimously.

B. 2017 Meeting Schedule – all meetings are on Monday at 4:00 p.m.

- March 13, 2017
- June 12, 2017
- September 11, 2017
- December 11, 2017

Barbara Fraser made a motion to approve the 2017 meeting schedule as presented; Nick Pachota seconded the motion. Motion carried unanimously.

PLAN ADMINISTRATOR

Plan Administrator – Shelly Baumann

Administrator Baumann then addressed the following:

1. A proposal from Moore Stephens Lovelace to provide audit services and their fee schedule for FY's 2016, 2017, 2018, and 2019 was presented. Attorney Christiansen stated that he would like to recommend a change to the proposed agreement to allow for the Board to terminate the agreement at the Board's discretion.

Shawn Carvey made a motion to approve executing the audit agreement with the inclusion of a section as recommended by the Plan attorney to allow the Board to opt out of the agreement and to authorize the chairman to sign it when received from the Plan attorney; Rich Lanigan seconded the motion. Motion carried unanimously.

PLAN ADMINISTRATOR Cont.

2. Administrator Baumann informed the Board that the 2015 State Funds in the amount of \$196,721.06 were received and deposited into the Plan's account. The amount received last year was \$189,697.45. Attorney Christiansen noted that the same amount of \$196,721.06 will get added to the educational trust fund; however the actual amount the Plan will get has not yet been determined by the state and will come in after the new fiscal year begins.
3. Administrator Baumann presented the Fiscal Year 2015-2016 3rd Quarter Expenditure Report. This report is informational only and does not require any action.
4. Administrator Baumann then presented the proposed FY 2016-2017 Budget for Board approval and adoption. The proposed budget is \$7,055 higher than the FY 2015-2016 Budget with increases to the actuary, attorney, travel and performance monitor line items. This does not mean that the costs will actually be increased; however it does provide additional funding if needed.

Barbara Fraser made a motion to approve the FY 2016-2017 Budget as presented; Shawn Carvey seconded the motion. Motion carried unanimously. Shelly will send a copy to the city as the Plan's sponsor and to Chairman Ed Van Deusen for distribution to all active members as required.

FINANCIAL REPORTS

The following are portfolio holdings as of 06/30/2016 as presented in the financial reports received by the Board.

Investment Manager - Dana Investment Advisors, Inc. No one from Dana was in attendance.

Portfolio Holdings as of 06/30/2016 are summarized as below:

Total Portfolio 9/30/2015	\$4,092,599.02
Contributions/Withdrawals	(20,617.17)
Investment Income	65,149.13
Unrealized Gain/Loss	288,955.90
Realized Gain/Loss	(122,323.64)
Change in Accrued Income	<u>21.66</u>
Total Portfolio with Accruals & Receivables	<u>\$4,303,784.90</u>

The regular full Second Quarter 2016 Report for Dana Investment Advisors, Inc. was included in the Board's agenda packet and a copy of the report is filed with these minutes.

FINANCIAL REPORTS Cont.

Investment Manager – American Core Realty Fund, LLC. No one from American Core Realty Fund was in attendance.

Portfolio Holdings as of 06/30/2016 for Account No. 1151 are summarized as below:

Beginning Net Asset Value 03/31/2016	2,187,279.60
Contributions	-0-
Withdrawals	-0-
Net Income Before Fees	23,402.40
Distributions Declared	
Asset Management Fees	(6,093.09)
Available for Reinvestment/Distribution	(26,690.70)
Amount Reinvested	26,690.70
Distributions Payable	-0-
Unrealized Gain/(Loss)	10,397.35
Realized Gain/(Loss)	(6,284.91)
Ending Net Asset Value 06/30/2016	<u>2,208,701.35</u>

The regular full Second Quarter 2016 Report for American Core Realty Fund was included in the Board's agenda packet and a copy of the report is filed with these minutes.

Investment Manager – Garcia Hamilton. No one from Garcia Hamilton was in attendance.

Portfolio Holdings as of 06/30/2016 are summarized as below:

Portfolio Value on 10/31/2012	\$4,986,207.85
Accrued Interest	37,472.09
Net Additions/Withdrawals	(878,887.21)
Realized Gains/Losses	(112,723.78)
Unrealized Gains/Losses	33,843.24
Income Received	625,088.99
Change in Accrued Interest	(20,891.95)
Portfolio Value on 06/30/2016	4,653,529.10
Accrued Interest	16,580.14
Total Portfolio on 06/30/2016	<u>\$4,670,109.24</u>

The regular full Second Quarter 2016 Report for Garcia Hamilton was included in the Board's agenda packet and a copy of the report is filed with these minutes.

FINANCIAL REPORTS Cont.

Investment Manager – Great Lakes Advisors. No one from Great Lakes Advisors was in attendance.

Portfolio Holdings as of 06/30/2016 are summarized as below:

Portfolio Value on 02/09/2015	\$1,600,000.00
Net Flows	(21,203.00)
Appreciation	(9,227.00)
Ending Value 06/30/2016	<u>\$1,588,024.00</u>

The regular full Second Quarter 2016 Report for Great Lakes Advisors was included in the Board's agenda packet and a copy of the report is filed with these minutes.

Performance Monitor – The Bogdahn Group

Tim Nash of The Bogdahn Group presented the Investment Performance Review for June 30, 2016. The Plan began with \$18,769,784 and ended with \$19,091,189 for a Total Fund increase of \$209,259 for the quarter. Mr. Nash reported gross earnings were 1.64% for the quarter and 5.46% for the FYTD. The Plan as of last Wednesday showed an increase of over \$920,000 to the fund and earnings for the FYTD are projected to be over 10%. Mr. Nash believes that the Fiscal Year End Report for September 30, 2016 will reflect very well for the Plan. Mr. Nash reported that Dana has had five (5) quarters without making the benchmark; however the analysis at The Bogdahn Group have not recommended any change or action be taken at this time. Mr. Nash then noted that Templeton Global is still showing poor returns due to an investment strategy they implemented. Member Carvey asked if the Board should look at changing managers to which Mr. Nash stated that now that the Plan is considered a "closed plan" you could look at a company that would not be impacted by a rising interest rate environment. Mr. Nash will bring some options for the Board to review at their next meeting.

All Portfolio Holdings as of 06/30/2016 are summarized as below:

Garcia Hamilton Fixed Income Portfolio	4,670,753
Dana LC Equity Portfolio	2,567,034
Dana Growth Equity Portfolio	1,736,751
American Funds EuroPacific Gr R5 (RERFX)	2,476,576
Delaware Large Cap Value	2,168,663
Great Lakes Equity	1,587,930
American Core Reality Fund (Core Real Estate)	2,208,701
Templeton Global Bond (TGBAX)	852,974
R&D Account	<u>821,807</u>
Total Fund at 06/30/2016	<u>\$19,091,189</u>

The regular full Second Quarter 2016 Report for The Bogdahn Group was included in the Board's agenda packet and a copy of the report is filed with these minutes.

ATTORNEY'S REPORT

Plan Attorney – Scott Christiansen

1. Attorney Christiansen reported that all Board members filed their Financial Disclosure Form prior to the July 1, 2016 deadline.
2. Attorney Christiansen stated that he did submit a proposed Ordinance to update IRS language which did not include a share plan since that component will not be required until after the union reaches another agreement. Attorney Christiansen noted that the city has decided that Jim Linn the city's outside pension attorney needs to review the proposed Ordinance before it goes to council for adoption.

CHAIR REPORT, OTHER BOARD MEMBERS

Member Nick Pachota asked if the meeting date of September 11, 2017 could be moved to another date. Attorney Christiansen noted that the schedule is based on his meeting schedule and he has two (2) other meetings on that same day. The Board will discuss a possible change if needed as the date gets closer.

Member Barbara Fraser asked Attorney Christiansen about a recent article in the paper and wondered what changes the state might require the Plan to make. Attorney Christiansen stated that the article in question was regarding the Police Plan, not the Fire Plan. He also noted that the Plan recently make extensive changes as required by the state such as lowering the earnings assumption to 7%.

Member Shawn Carvey asked about being able to attend the upcoming State Police and Fire Pension Conference. After additional discussion the following motion was made.


Rich Lanigan made a motion to approve any trustee who would like to attend the State Police and Fire Conference in November be authorize to attend; Barbara Fraser seconded the motion. Motion carried unanimously. Administrator Baumann will e-mail the conference information to all Board members.

Administrator Baumann announced that the city's assistant attorney and clerk will be presenting a training session on Sunshine, Public Records and Ethics Laws at the Board's next meeting.

The next regular meeting will be Monday, December 12, 2016 at 4:00 PM.

ADJOURNMENT - There was no further business, and the meeting was adjourned.

APPROVED:


ED VAN DEUSEN, CHAIRMAN


RICH LANIGAN, SECRETARY