

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

Monday, June 12, 2017 - 4:30 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, Chairman

Plan Attorney: Scott Christiansen

Plan Consultant: Tim Nash, AndCo Consulting

Plan Auditor: Jeff Wolf, Moore Stephens Lovelace CPAs & Advisors

Plan Administrator: Shelly Baumann

CALL TO ORDER/ ROLL CALL

The meeting was called to order at 4:50 P.M.; by Chairman Pro-Tem Rich Lanigan who stated that a quorum was present with four (4) members in attendance.

HEAR THE AUDIENCE – Lynn Skinner, Salem Trust

Ms. Skinner with Salem Trust addressed the Board and presented two (2) handouts; 1) Confirmation of Statement Recipients and 2) Salem Trust Service Report for the period ending March 31, 2017. Ms. Skinner asked the Board to review and approve the Confirmation of Statement Recipients and to sign if they were in agreement with which companies should be receiving information from Salem Trust. After review the Board stated they are in agreement with the Confirmation of Statement Recipients and Chairman Pro-Tem Lanigan will sign for the Board. The next document was a new report that goes through five (5) things that Salem Trust believes are important to their clients.

Ms. Skinner then discussed class actions noting that in 2014 Salem Trust partnered with a company from Chicago named Chicago Clearing Corporation (CCC) who took a 20% fee. Salem Trust did not pass this fee on to their clients; however with the increase in class action suites they now feel they must seek this fee from the individual clients. Ms. Skinner asked if the

Board wanted to continue to use CCC for a fee of 20% for any class actions that the company files for the Board. Ms. Skinner reported that from 2013 the Plan only had two (2) class action suites. Mr. Tim Nash with AndCo Consulting looked at the Plan's asset allocation and stated that the Plan has a very small percentage of funds that would be affected by a class action. Attorney Christiansen noted that his firm works with another law firm that monitors and provides quarterly statements who will do this for no fee.

Rich Lanigan made a motion to continue using Salem Trust to file all class actions for the Board for a 20% fee; Barbara Fraser seconded the motion. Motion carried unanimously.

APPROVAL OF MINUTES – Regular meeting of March 13, 2017.

Nick Pachota made a motion to approve the minutes of the March 13, 2017 quarterly meeting; Barbara Fraser seconded the motion. Motion carried unanimously.

CONSENT AGENDA –

Approval of Payments:
Voucher No.

• 856 – Christiansen & Dehner – Service for February 2017	\$ 81.80
• 857 – Moore Stephens Lovelace – 3 rd billing FY 16 audit & state rpt.	\$ 1,000.00
• 858 – AndCo Consulting (Bogdahn Group) – January – March 2017	\$ 4,375.00
• 859 – Pension Adm. Services – Service for March 2017	\$ 1,000.00
• 860 – Salem Trust – Quarterly fee January-March 2017	\$ 3,779.04
• 861 – Moore Stephens Lovelace – Final FY 15-16	\$ 500.00
• 862 – Pension Adm. Services – Service for April 2017	\$ 1,000.00
• 863 – Garcia Hamilton – Quarterly fee January – March 2017	\$ 3,999.48
• 864 – Christiansen & Dehner – Service for March 2017	\$ 858.17
• 865 – Great Lakes Advisors – January – March 2017	\$ 2,492.43
• 866 – Florida Municipal Insurance Trust – 2017-2018 ins.	\$ 6,595.00
• 867 – Christiansen & Dehner – April 2017	\$ 364.83
• 868 – Pension Adm. Services – Service for May 2017	\$ 1,000.00
• 869 – Foster & Foster – Dec. 2016 mtg., email, Pg. 6a & Ch. 112 rpt.	\$ 3,344.00
• 870 – Dana Investment Advisors – Final Jan-March 2017 818ca	\$ 4,750.52
• 871 – Dana Investment Advisors – Final Jan-March 2017 818cb	\$ 3,171.31

Shawn Carvey made a motion to approve Consent Agenda vouchers #856-871 as presented; Barbara Fraser seconded the motion. Motion carried unanimously.

PLAN ADMINISTRATOR

Plan Administrator – Shelly Baumann

Administrator Baumann then addressed the following:

- A letter was sent to the City Accounting Department to pay the Waiver of Recourse for the 2017-2018 Fiduciary Liability Insurance in the amount of \$100.00.
- A notice to terminate services letter was sent to Dana Investment Advisors.
- A letter was sent to Salem Trust with instructions to liquidate all Dana investments and move funds to Vanguard.
- The FY 2016-2017 2nd Quarter Expenditure Report for January through March 2017 was presented.
- A special actuarial analysis report which the Board requested from Foster & Foster to estimate the City's funding requirements and the Unfunded Actuarial Accrued Liability over the next 10 years was presented to the Board. No action was taken.

AUDIT REPORT

Jeff Wolf, Moore Stephens Lovelace, P.A.

Mr. Wolf addressed the Board and reviewed a required communication letter which noted no significant audit findings. Mr. Wolf then presented the Board with a copy of the 2016 Financial Report. Mr. Wolf thanked Administrator Baumann for her timely assistance with providing information for the audit and state report. Mr. Wolf also thanked Lynn Skinner with Salem Trust and Tim Nash with AndCo Consulting for their assistance with providing additional required disclosure information. Mr. Wolf reported that the state report was submitted prior to the March 15, 2017 deadline. He then noted that the new required state format and website were very difficult to implement to which Administrator Baumann agreed.

Shawn Carvey moved to approve the 2016 Audit Report as presented; seconded by Nick Pachota. Motion carried unanimously.

FINANCIAL REPORTS

The following are portfolio holdings as of 03/31/2017 as presented in the financial reports received by the Board.

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

Portfolio Holdings as of 03/31/2017 are summarized as below:

Total Portfolio 09/30/2016	\$4,397,238.15
Contributions/Withdrawals	(14,457.67)
Investment Income	44,562.83
Unrealized Gain/Loss	438,807.81
Realized Gain/Loss	5,920.15
Change in Accrued Income	<u>1,849.94</u>
Total Portfolio with Accruals & Receivables	<u><u>\$4,873,921.21</u></u>

The regular full First Quarter 2017 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.

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

Portfolio Holdings as of 03/31/2017 for Account No. 1151 are summarized as below:

Beginning Net Asset Value 12/31/2016	2,263,594.38
Contributions	-0-
Withdrawals	-0-
Net Income Before Fees	21,750.62
Distributions Declared	
Asset Management Fees	(6,366.04)
Available for Reinvestment/Distribution	(27,587.87)
Amount Reinvested	27,587.87
Distributions Payable	-0-
Unrealized Gain/(Loss)	47,349.01
Realized Gain/(Loss)	<u>(17,768.62)</u>
Ending Net Asset Value 03/31/2017	<u><u>2,308,559.35</u></u>

The regular full First Quarter 2017 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.

FINANCIAL REPORTS Cont.

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

Portfolio Holdings as of 03/31/2017 are summarized as below:

Portfolio Value on 10/31/2012	\$4,986,207.85
Accrued Interest	37,472.09
Net Additions/Withdrawals	(209,360.84)
Realized Gains/Losses	(136,224.34)
Unrealized Gains/Losses	(33,928.42)
Income Received	704,310.43
Change in Accrued Interest	(15,842.17)
Portfolio Value on 03/31/2017	5,311,004.69
Accrued Interest	<u>21,629.92</u>
Total Portfolio on 03/31/2017	<u><u>\$5,332,634.61</u></u>

The regular full First Quarter 2017 Report for Garcia Hamilton was included in the Board's agenda packet and a copy of the report is filed with these minutes.

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

Portfolio Holdings as of 03/31/2017 are summarized as below:

Portfolio Value on 02/09/2015	\$1,600,000
Net Flows	(28,187)
Appreciation	<u>266,041</u>
Ending Value 03/31/2017	<u><u>\$1,837,855</u></u>

The regular full First Quarter 2017 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 – AndCo Consulting

Tim Nash of AndCo Consulting presented the Investment Performance Review for March 31, 2017. The Plan began with \$20,516,022 and ended with \$21,448,636 for a Total Fund change of \$678,494 for the quarter. Mr. Nash reported net earnings were 4.20% for the quarter and 5.20% for the FYTD. Mr. Nash noted that investments are in line with the asset allocation. Mr. Nash then reported that the Plan has seen a gain of over \$200,000 as of June 9, 2017 and he estimates earnings to now be at about 7.20 %.

FINANCIAL REPORTS Cont.

All Portfolio Holdings as of 03/31/2017 are summarized as below:

Garcia Hamilton Fixed Income Portfolio	5,332,614
Dana LC Equity Portfolio	2,923,399
Dana Growth Equity Portfolio	1,951,583
American Funds EuroPacific Gr R5 (RERFX)	3,015,082
Delaware Large Cap Value	2,714,543
Great Lakes Equity	1,837,855
American Core Reality Fund (Core Real Estate)	2,308,559
Templeton Global Bond (TGBAX)	1,075,603
R&D Account	<u>289,398</u>
Total Fund at 03/31/2017	<u>\$21,448,636</u>

The regular full First Quarter 2017 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 reminded the Board that their Financial Disclosure Form is due July 1, 2017.
2. Attorney Christiansen reminded Administrator Baumann that the 2017-2018 Budget is due for the Board to review and adopt at their next meeting.
3. Attorney Christiansen reminded the Board that the Plan still needs to have a *Share Plan* and he asked if that is part of the current union negotiations to which Chief Carvey stated that it will be. Attorney Christiansen reminded the Board that they don't have to fund the share plan they just need to have in place.
4. Attorney Christiansen noted that nothing passed in legislation this year with the exception of:
 - a. Senate Bill (SB) 80 which has to do with Public Records requests. The law now allows judges to determine if attorney fees will be paid, the previous law made this payment automatic and firms were taking advantage of this.
 - b. There is now a requirement that the name of the Records Management Liaison Officer (RMLO) must be posted online. Attorney Christiansen will send Administrator Baumann the information regarding the required posting.
5. Attorney Christiansen noted that it is time to update the Summary Plan Description.

Shawn Carvey moved to authorize the Plan attorney to update the Summary Plan Description; seconded by Barbara Fraser. Motion carried unanimously.

CHAIR REPORT, OTHER BOARD MEMBERS - None.

The next regular meeting will be Monday, September 11, 2017 at 4:00 PM.

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

APPROVED:

A blue ink signature of Ed Van Deusen, consisting of a stylized 'E' followed by a long horizontal stroke.

ED VAN DEUSEN, CHAIRMAN

A blue ink signature of Rich Lanigan, featuring a stylized 'R' and 'L'.

RICH LANIGAN, SECRETARY