

**WEST MANATEE FIRE & RESCUE DISTRICT
FIREFIGHTERS' RETIREMENT PLAN BOARD OF TRUSTEES
QUARTERLY MEETING MINUTES
Administrative Building**

Thursday, January 31, 2018, at 9:00AM

TRUSTEES PRESENT: Jim Davis
Dale Stephenson
Scott Ricci
Dan Tackett
Stewart Moon

TRUSTEES ABSENT: None

OTHERS PRESENT: Lee Dehner, Christiansen & Dehner
Jack Evatt, AndCo Consulting (via phone)
Patrick Donlan, Foster & Foster
Ferrell Jenne, Foster & Foster
Julie Pritchard

1. **Call to Order** – The meeting was called to order at 9:02am by Dan Tackett.
2. **Roll Call** – As reflected above.
3. **Public Comments** - None
4. **Approval of Minutes**

The minutes from the October 26, 2017, quarterly meeting were approved upon motion by Stewart Moon and second by Dale Stephenson, motion carried 5-0.

5. **New Business** - None
6. **Old Business** – None.
7. **Reports**
 - a. Foster & Foster, Patrick Donlan, Board Actuary
 - i. October 1, 2017 actuarial valuation report
 1. Total funding requirement as a percentage of annual payroll increased slightly from 38.4% to 38.8%. The balance due from the District as a percentage of total annual payroll increased from 26.9% to 27.3%.
 2. The Total Required Contribution has increased slightly when expressed as a percentage of Total Annual Payroll. This increase is the result of net unfavorable actuarial experience during the past year. The primary components of unfavorable experience included no employee turnover and a 6.74% investment return (Actuarial Asset basis), that was less than 7.75% assumption. These losses were partially offset by the effect of lower than expected average individual salary increases.
 3. Patrick Donlan reviewed the reduced State Money distribution and commented that the supplemental amount has been less over the last 3 years. Lee Dehner commented that the State will not disclose the formula they use to calculate the supplemental distribution.

4. Patrick Donlan reviewed the 4-year smoothing technique and commented the annualized rate of return for 4 prior years is 6.74%
5. Patrick Donlan reviewed the participant reconciliation.
6. Patrick Donlan reviewed the net pension liability and related ratios under GASB 67.

The October 1, 2017 valuation report was approved as presented upon motion by Jim Davis and second by Stewart Moon, motion carried 5-0.

7. Patrick Donlan discussed a glide path to reduce the investment return assumption by 10 BPS each year over the next 5 years. Patrick commented that the Chief didn't have the October 1, 2017 valuation report when they discussed possibly reducing the investment return assumption.

The board voted the declaration of returns for the plan shall be 7.75% for the next year, the next several years, and the long-term thereafter net of investment related expenses, upon motion by Dale Stephenson and second by Stewart Moon, motion carried 5-0.

8. Lee Dehner reminded the board about the SB534 calculation requirements.

b. AndCo Consulting, Jack Evatt, Investment Consultant.

i. Quarterly report as of December 31, 2017.

1. Jack Evatt gave an overview of the market environment during the quarter, highlighting the bond market.
2. The market value of assets as of 12/31/17 was \$15,490,943, up from \$14,578,933.
3. Jack Evatt stated the plan received a large contribution from the District during the quarter.
4. Jack Evatt advised no rebalancing is needed at this time.
5. Gross total fund earnings for the quarter were 3.75%, underperforming the benchmark of 3.87%. Gross total fund trailing returns for 1, 3 and 5-year periods were 16.43%, 6.92% and 8.88% respectively. Since inception (January 1, 1999), the plan's fund earnings have been 6.23% outperforming the benchmark of 5.51%.
6. Jack Evatt reviewed American Core Realty and how often they update their value. Jack advised that the distribution amount is offset by the management fee.
7. Jack Evatt reviewed the domestic fixed income composite and commented that he thinks the Dana Intermediate Fixed Income strategy struggles to add value to the portfolio. Jack commented that if the Dana Fixed Income portfolio doesn't start to perform better, the board should look to move away from Dana in the fixed income space.

c. Christiansen & Dehner, Lee Dehner, Board Attorney.

i. Legislative Update

1. SB980 deals with additional actuarial requirements and the investment return assumption.
2. SB990 adds cancer to the disability presumption list under Chapter 112. Patrick Donlan reviewed the disability assumption currently being used and commented that there shouldn't be too much impact on the plan if SB990 is passed. Board discussed the current disability and pre-retirement death benefit. Lee Dehner commented that any changes would need to be negotiated by the bargaining units.

ii. RMLO

1. Lee Dehner reviewed the Records Maintenance Liaison Officer (RMLO) designation and advised the board they need to designate a RMLO by way of motion.

The board designated Ferrell Jenne as the RMLO and adopted the GS1-SL retention schedule upon motion by Stewart moon and second by Jim Davis, motion carried 5-0.

8. **Consent Agenda**
 - a. Payment ratification of Warrants #36, #37 and #38.
 - b. Payment approval of Warrant #39.
 - c. Fund activity report for period October 23, 2017 – January 26, 2018.

The board voted to approve the consent agenda as presented upon motion by Stewart Moon and second by Scott Ricci, motion carried 5-0.

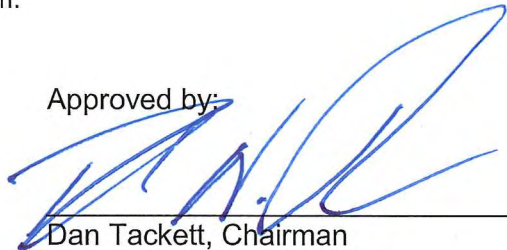
9. **Staff Reports, Discussion, and Action**
 - a. Foster & Foster, Ferrell Jenne, Plan Administrator.
 - i. Ferrell Jenne reviewed the trustee term expirations. Ferrell informed the board that Dan Tackett ran unopposed and Dale Stephenson was reappointed by the Council at the November 16, 2017 meeting.
10. **Trustees' Reports, Discussion, and Action** - None.
11. **Adjournment** – The meeting adjourned at 10:10 am.
12. **Next Meeting** – April 26, 2018, at 9:00am.

Respectfully submitted by:



Ferrell Jenne, Plan Administrator

Approved by:



Dan Tackett, Chairman

Date Approved by the Pension Board: APRIL 26, 2018