

**SANFORD FIREFIGHTERS' RETIREMENT SYSTEM
PENSION BOARD MEETING MINUTES
Thursday, February 4, 2016 – 9:00 A.M.**

1. Call to Order and Roll Call

The meeting was called to order at 9:00 a.m. by the Chairman, Tom Hickson. The following members were present: Albert Alberti, Aaron Hinson, Craig Radzak, and new Trustee, Rick Russi. The following service providers were also in attendance: Scott Christiansen, Plan Counsel, Tom Donegan, Investment Consultant, Christine O'Neal Actuary, and Randell Cain and Marc Sydnor, Investment Managers. Also present was Cynthia Lindsay from the Finance Department, and a few firefighters.

2. Approval of Minutes

A motion was made by Craig Radzak to approve the minutes from the regular meeting held November 5, 2015. Seconded by Albert Alberti, the motion carried unanimously.

3. Disbursements

A motion was then made by Rick Russi to approve the disbursement report as presented. Seconded by Aaron Hinson, the motion carried unanimously. *(Copy is attached for the record.)*

4. Actuarial Valuation Report

Christine O'Neal presented the Actuarial Valuation Report as of October 1, 2015. Following the review, and a brief discussion, a motion was made by Craig Radzak to approve the report as presented. Seconded by Aaron Hinson, the motion carried unanimously.

A discussion then took place regarding the annual Declaration of Returns letter. Following lengthy input from the investment professionals, attorney, and the Trustees, a motion was made by Craig Radzak to submit the annual letter to the Division of Retirement stating that the total expected annual rate of investment return for the fund for the next year, the next several years, and the long-term thereafter, shall be 8%, net of investment expenses. Seconded by Albert Alberti, the motion carried unanimously.

5. Investment Manager's Report

Randell Cain and Marc Sydnor presented the Herndon Capital report as of December 31, 2015. Market value was \$3,654,387.86.

6. Investment Consultant's Report – Dahab Associates

Tom Donegan reviewed the Plan's performance as of December 31, 2015. Asset allocation for the period: Large Cap Equity – 33.3%, Mid Cap Equities – 10.7%, Small Cap Equities – 9.5%, International Equity – 7.8%, Real Estate – 13.9%, Fixed Income – 21.4% and Cash – 3.5%. Total portfolio value was \$28,012,761.

7. Attorney's Report

Scott Christiansen began his report by discussing some pending legislation. He continued his report by informing the Trustees that it is time again to update the Summary Plan Description. A motion was made by Albert Alberti to authorize the attorney to update the SPD and bring it to the Board for their review and subsequent approval. Seconded by Craig Radzak, the motion carried unanimously.

8. Old Business

There was none.

9. New Business

(a) Scott Christiansen led a brief discussion regarding the suggested Share Plan language that he prepared at the Board's request. Should the Union members desire his review of their version, they are to send it to the Plan Administrator and she will forward it to him.

(b) A motion was made by Craig Radzak to approve of the DROP exit/retirement for Robert Vaughn, effective 01/30/16. Seconded by Albert Alberti, the motion carried unanimously.

(c) A motion was made by Albert Alberti to approve of the DROP entry for David Copeland, effective 09/01/15. Seconded by Craig Radzak, the motion carried unanimously.

10. Public Comments

There were none.

11. Next Meeting Date

The next regular meeting date was set for Thursday, May 5, 2016 at 9:00 a.m.

12. Adjournment

The meeting ended at 10:35 a.m.

(For the Board)