

SANFORD FIREFIGHTERS' RETIREMENT SYSTEM
PENSION BOARD MEETING MINUTES
Thursday, February 1, 2018 – 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: Aaron Hinson, Josh Milian, Craig Radzak and Rick Russi. The following service providers were also in attendance: Scott Christiansen, Plan Counsel, Tom Donegan, Investment Consultant, Greg Woodard and Chris Long, Investment Managers, and Patrick Donlan, Plan Actuary. Also present was Cynthia Lindsay, Finance Director.

2. Approval of Minutes

A motion was made by Craig Radzak to approve the minutes from the regular meeting held November 2, 2017. Seconded by Rick Russi, the motion carried unanimously.

3. Approval of Disbursement Report

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

4. Investment Manager's Report

Greg Woodard and Chris Long presented the Manning & Napier Investment Report as of December 31, 2017. Aggregate Market Value of Assets was at \$4,347,964.

5. Investment Consultant's Report – Dahab Associates

Tom Donegan reviewed the Plan's performance as of December 31, 2017. Asset allocation for the period: Large Cap Equity – 32.4%, Mid Cap Equities – 10.4%, Small Cap Equities – 10.4%, International Equity – 13.0%, Real Estate – 13.6%, Fixed Income – 19.2% and Cash – 1.1%. Total portfolio value was \$33,440,063.

Tom concluded his report by recommending that the Trustees reallocate \$600,000 from Polen Capital to Manning & Napier in order to comply with Investment Policy targets. Following a brief discussion, a motion was made by Aaron Hinson to approve of the Investment Consultants recommendation. Seconded by Rick Russi, the motion carried unanimously. Tom will coordinate the transaction with the Plan Administrator.

6. Actuary's Report

Patrick Donlan presented the Actuarial Valuation Report as of October 1, 2017. Following the review, and a lengthy discussion, a motion was made by Aaron Johnson to approve the report with recommended wording changes on pages 5 and 8. Seconded by Rick Russi, the motion carried unanimously.

A discussion then took place regarding the annual Declaration of Returns letter. Following input from the investment professionals, attorney, and the Trustees, a motion was made by Rick Russi 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 7.75%, net of investment expenses. Seconded by Craig Radzak, the motion carried unanimously.

7. Attorney's Report

Scott Christiansen began his report with a brief legislative update. He continued his report to the Board by informing the Trustees that it is time again to update the Summary Plan Description.

A motion was made by Craig Radzak to authorize the Attorney to update the SPD and present it to the Trustees for their review and approval at the next meeting. Seconded by Aaron Hinson, the motion carried unanimously.

8. Old Business

There was none.

9. New Business

A motion was made by Craig Radzak to approve of the DROP exit/retirement for Robert Thornton effective January 22, 2018. Seconded by Aaron Hinson, the motion carried unanimously.

10. Public Comments

There were none.

11. Next Meeting Date

The next regular meeting date was set for Thursday, May 3, 2018 at 9:00 a.m.

12. Adjournment

The meeting ended at 10:05 a.m.

For the Board _____