

FIRE FIGHTERES' RETIREMENT SYSTEM
BOARD MEETING
October 28, 2015
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Chairman Wise called the meeting to order. Present were Trustee Jason Hersey; Trustee Steve Futch, Trustee, Trustee Sam Patel, Attorney Ron Cohen, Tyler Grumble, Bogdahn Group, David Kelly Bowen Hanes, Actuary Larry Wilson GR&S and Deputy Clerk/Assistant Board Administrator Brenda Wiggins. Trustee Dr. Pete Gianas was absent.

Chairman Wise entertained a motion to approve the minutes for April 29, 2015. Motion was made by Trustee Futch, second by Trustee Patel; passed 4-0.

Chairman Wise entertained a motion to approve the minutes for July 29, 2015. Motion was made by Trustee Futch, second by Trustee Patel; passed 4-0.

Chairman Wise entertained a motion to approve the warrants for July, August, and September 2015. Trustee Futch made the motion to approve the warrants, second by Trustee Patel; passed 4-0.

David Kelly presented the Performance Report ending September 30, 2015. The fourth quarter was very poor hurt the year putting the plan down to a -5%. . There were a handful of companies that were off for the quarter. He gave the evaluation to October 23rd. The stocks have been back ending the quarter 2.8% up \$130,000. Over the eight years from inception we are still in 16th percentile.

Chairman Wise entertained a motion to accept the report. Trustee Futch made the motion, second by Trustee Patel; passed 4-0.

Tyler Grumble presented the quarterly report; the equity is over weighted at 71% with equity markets down show a bleak quarter. Beginning the quarter \$3,145,226; contribution of \$89,526; distributions of - \$23,624; other expenses \$18,547; income of 11,331 and capital losses of \$337,754; Market Value \$2,866,157. Fiscal year to date \$2,963,792; contribution \$216,565; distributions out of \$88,278; management fees of \$10,785; expenses of \$48,454; income of \$47,077; capital gains -\$213,759.

He referenced a couple of years ago it was brought to the board about making a change and he promised he wouldn't bring it up every quarter but he must point out that the results of the quarter were poor and to make sure the board is still comfortable of your position. After discussion the board will stay as they are.

Chairman Wise entertained a motion to accept Bogdahn's report as presented. Trustee Futch made the motion, second by Trustee Hersey; passed 4-0.

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Tyler Grumble requested the board to permit Bogdahn to move the money into separate custodial accounts for better book keeping.

Chairman Wise entertained a motion to accept the change as requested.

Motion was made by Trustee Patel, second by Trustee Hersey; passed 4-0.

Trustee Hersey left the meeting.

Attorney Cohen presented a professional agreement for approval the fee is \$175 per hours and has been since he has been the attorney for the pension board his bills for travel, which is split between the three boards.

Chairman Wise entertained a motion to accept the agreement.

Trustee Futch made the motion, second by Trustee Patel; passed 3-0.

Mr. Wilson presented the Experience Study for the five years ended September 30, 2014. The purpose of this report is to assist in the assumption selection for future actuarial valuations by comparing actual to expected experience over a recent period of time.

The study covers a five year period and based on results of the study certain changes in actuarial assumptions for actuarial valuation purposes are recommended.

These are the recommended changes and cost to bring the assumptions into line

- Update the future salary increase assumption to better reflect lower observed salary increases than expected. (5.12%)
- Update assumed rates of future retirement to reflect higher observed retirement experience. (1.09%)
- Update assumed rates of future withdrawal based upon actual experience. (1.35%)
- Update assumed mortality to the prescribed mortality assumption under Chapter 2015-157 (House Bill 1309). (0.23%)
- Update assumed investment return assumption to 7.5%. (2.87%)
- Combined effect of updated future salary increase assumptions, rates of future retirement, rates of future withdrawal, rates of mortality and investment return assumption of 7.5%. (1.86%)

Trustee Futch motion to accept the report and approve the recommendations, second by Trustee Patel; passed 3-0.

Trustee Patel motion to approve to go out for RFP on the Fiduciary Liability Insurance, Trustee Futch; passed 3-0.

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The Trustee Elections will be held on Tuesday, November 3; Wednesday, November 4 and Thursday, November 5th. Nominees are Kelly Outlaw, Greg Starling and Gary Wise.

Request to pay ½ the cost for Brenda Wiggins to attend the 45th Annual Police Officers and Firefighters' Pension Trustees' Conference.

Trustee Futch made the motion to approve to pay ½ the expenses, second by Trustee Patel; passed 3-0.

Jerry Waters submitted his application for DROP effective October 1, 2015.

Trustee Futch made the motion to accept the application, second by Trustee Patel; passed 3-0.

It was requested to set the meeting days for the board to the last Wednesday of January, April, July, and October.

Trustee Futch motioned to approve the last Wednesday of January, April, July and October, second by Trustee Patel; passed 3-0.

The new website is up and running and for the board members to review the website.

The next regular scheduled quarterly meeting will be Wednesday, October 28, 2015 at 10:30 AM

Motion to adjourn the meeting was made by Trustee Patel, seconded by Trustee Futch; motion passed 3-0.

GARY WISE, CHAIRMAN

ATTEST:

RICKY THOMPSON, CITY CLERK/BOARD ADMINISTRATOR