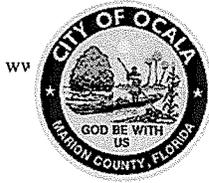


# Firefighters' Retirement Plan Minutes

110 SE Watula Avenue  
Ocala, FL 34471

Monday, February 15, 2016



## Regular Meeting

Alicia Gaither  
(352) 629-8372

### Public Notice

9:00 AM Meeting called to order on February 15, 2016 at CMO Conference Room, 110 SE Watula Avenue (2nd Floor), Ocala, FL.

#### 1. Call to Order

Mr. Griffin called the meeting to order at 9:00

Mr. Griffin introduced Mr. John Dozier as the new Trustee for the Board; replacing Astrida.

All Board members in attendance, Mr. Williams was late arriving.

The Ocala Firefighters' Retirement Plan held a meeting at the CMO Conference Room, 110 SE Watula Avenue (2nd Floor), on Monday, February 15, 2016 at 9:00 AM.

Attendee Name	Title	Status	Arrived
John Dozier		Present	
Larry Fagan		Present	
Randy Griffin		Present	
Justin Hardy		Present	
James Williams		Late	

#### 2. Public Comments

None

#### 3. Consultant's Presentation

Mr. West presented the December 31, 2015 quarterly report -

Mr. West reviewed the market conditions stating that October started out well, November began to lose momentum and December's returns were negative. Equity markets were positive in the fourth quarter and modestly negative for 2015. Growth, Sentiment and Quality generally performed well, while Value and Risk were mixed. International, developed and emerging Market Equities under-performed the U.S. on both quarterly and yearly basis. The U.S. and international fixed income performed negative in this quarter. Despite the increase the Federal Reserve raised the target for the federal funds rate by 25 basis points to 0.25 - 0.50 percent. The plan had positive returns for the quarter of 2.90 but still under-performing the bench mark of 3.50.

Mr. Griffin asked if there was an index bench mark more suitable that the plan should be using to compare itself to. Mr. West responded the Bank of America, Merrill Lynch, and Global Broad Market Index was put in place a few years ago by design. It is a less

volatile index which the Board voted to move to.

Mr. West reported that about 36% of the portfolio was in indexed funds. Real estate is not part of that percentage because this asset class is considered a managed asset class and then explained the different types of real estate the plan was invested in.

Mr. West reviewed each Manager's performance to their benchmark and universal rankings along with the contribution and expenses for the plan. Overall had a good start to this quarter but with the ups and downs of the Market, don't know if the plan will be able to hold onto the positive returns. Mr. West also reviewed the manager's fees on page 49 and the asset allocations of the fund with recommendation to re-balance international equity back to the policy target by using cash on hand and fixed income. Mr. West stated that his staff will be meeting with Dalton in the next couple of weeks but that he did not think this would change the mind set to replace this manager. After some discussion the Board agreed to wait until the next meeting to make a decision. Mr. West was asked to provide the results of Bogdahn's report on Dalton along with alternative options that include indexing and active management. The options should include how much allocation should be in mid cap, small cap and large cap.

A motion was made by Mr. Hardy to re-balance international equity by using R&D and fixed income. Mr. Williams seconded the motion. The motion passed unanimously.

#### **4. Minutes Approval**

A motion was made by Mr. Hardy to approve the November 2016 minutes. Mr. Williams seconded the motion. The motion passed unanimously.

- 1. Approved Regular Meeting Firefighters' Retirement Plan Minutes for November 16, 2015.**

#### **5. Approval of Account Payables**

A motion was made by Mr. Williams to approve the accounts payables as presented. Mr. Fagan seconded the motion. Motion passed unanimously.

#### **6. Other matters to come before the Board**

A motion was made by Mr. Fagan to accept the expenses report as presented. Mr. Hardy seconded the motion. Motion passed

Mr. Griffin reminded everyone of the School in Tallahassee by the Division of Retirement is in May and the Klausner conference is in March. If anyone would like to attend, to get with Ms. Gaither or Ms. Pellerin.

Mr. Fagan stated that he spoke to the plans actuary to ask the question at what point does the plan start using principle to pay expenses. He stated he found out that most plans do not use the principle to pay expenses that they use last money in, first money out, so the plans are using the current contribution to cover their expenses.

#### **7. Adjournment**

2:01:45 ~ 2/15/2016 11:02:10 AM ~ meeting adjourned

**Minutes**

A motion to approve the minutes as printed on this \_\_\_\_\_ day of \_\_\_\_\_;  
\_\_\_\_\_ was made by \_\_\_\_\_, seconded by \_\_\_\_\_,  
votes for \_\_\_\_\_, votes against \_\_\_\_\_.

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Secretary

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Chairman