

**General Employees' Pension Board Regular, Quarterly Meeting**  
**January 30, 2020 – 8:30am**

The regular, quarterly meeting of the City of Lake Wales General Employees' Pension Board was held January 30, 2020 in the City Administration Building, City Manager's conference room beginning at 8:30a.m. Violeta Salud, Chairperson, conducted the meeting.

**Agenda Item 2: BOARD MEMBERS PRESENT:**

Commissioner Robin Gibson  
Sarah Kirkland  
Violeta Salud  
Linda Kimbrough  
James Slaton

**BOARD MEMBERS ABSENT:**

**CITY REP PRESENT:**

Carmen Ortiz, Recording Secretary

**OTHER ATTENDEES:**

Sandra Davis, City of Lake Wales;  
Ryan Higgins, Raymond James;  
Chris Rafool, Raymond James;  
Todd Wishnia, Highland Capital Management, LLC

**Agenda Item 3: COMMUNICATIONS AND PETITIONS:**

No comments from the public.

**Agenda Item 4: APPROVAL OF MINUTES:**

September 19, 2019 Regular Meeting Minutes

October 31, 2019 Regular Meeting Minutes

Robin Gibson made a motion to approve the minutes of the July 25, 2019 regular meeting. Sarah Kirkland seconded the Motion.

**VOTE: All "AYE", None "NAY"**

Motion passed, 5/0 vote

**Agenda Item 5: HIGHLAND CAPITAL:**  
**Investment Review**

Tod Wishnia spoke about the Total Return Summary / Quarter to date and Fiscal Year to date Values as follows:

	Quarter to date <u>10/1/19-12/31/19</u>	Fiscal Year to date <u>1/1/19-12/31/19</u>
Beginning Market Value	\$10,494,348	\$9,695,345
Ending Market Value	\$10,988,238	\$10,988,238
Difference	\$493,890	\$1,292,893
Contributions	\$5,545	\$392,889
Withdrawals	-\$50,012	-\$845,427
Gain/Loss	\$538,358	\$1,745,432
Cumulative Return	5.14%	18.51%

**Agenda Item 6: RAYMOND JAMES:**

**Portfolio Performance Report & Revised Report for 3rd qtr. 2019**

Chris Rafool presented the Summary of Cash Flows as shown below:

	Fourth Quarter <u>10/1/19-12/31/19</u>	Year-To-Date <u>1/1/19-12/31/19</u>
Beginning Market Value	\$11,195,470	\$10,281,694
Contributions	\$5,545	\$440,232
Withdrawals	-\$50,337	-\$843,130
Net Cash Flow	-\$44,792	-\$402,898
Net Investment Change	\$740,020	\$2,011,901
Ending Market Value	\$11,890,697	\$11,890,697

An **Updated Report for 3rd quarter 2019** was submitted and he stated that the discrepancy was because there was a slight difference in the pricing methodology in the process of transferring Assets from Wells Fargo Trust. Chris also made a recommendation to amend the Investment Policy to increase exposure to Real Estate Investments up to 15% of the portfolio.

James Slaton made a motion to amend the Investment Policy Statement to allow to a maximum of 15% exposure in Real Estate Investment trusts. Sarah Kirkland seconded the Motion.

**VOTE: All "AYE", None "NAY"**  
 Motion passed, 5/0 vote

**Agenda Item 7: KLAUSNER, KAUFMAN, JENSEN & LEVINSON:**

**Pending Cyber Liability Pension Insurance Quote**

Adam Levinson attended telephonically, and had asked if we had received a memo on the Secure Act and IRS Limits for 2020, which the Board and the City Reps did not receive. Adam stated he will provide the information on a future meeting. He did send information regarding the Cyber Liability Insurance.

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Adam explained the information on the Gallagher Cyber Liability Insurance paperwork, and after answering questions from the Board on pros and cons, and recommending the Board to getting the insurance, the Board considered to purchase the Network Security / Privacy \$1M limit line of coverage, option 3 on page 1 of the provided Cyber Liability Policy quote from Gallagher per the proposed premium below:

Limit	\$1,000,000
Retention	\$2,500
Base Premium	\$950
Surplus Lines Taxes (5%)	\$47.50
Policy Fee (0.1%)	\$0.95
Total	\$998.45

Robin Gibson made a motion to purchase the \$1,000,000 coverage with the writer for Social Engineering. Sarah Kirkland seconded the Motion.

**VOTE: All "AYE", None "NAY"**

Motion passed, 5/0 vote

**Agenda Item 8: NEW BUSINESS:**

**Invoices:**

Foster & Foster	Inv # 16261	\$4,240.00
Highland Capital	Inv # 22579	\$13,416.28
Highland Capital	Inv # 21943	\$13,119.43
Raymond James	1/1/2020-3/31/2020	\$2,956.43

Robin Gibson made a motion to amend the Foster & Foster invoice to exclude \$200 (Buyback Calculations Field) and pay remaining (\$4,240.00), including the other invoices list above. James Slaton seconded the Motion.

**VOTE: All "AYE", None "NAY"**

Motion passed, 5/0 vote

Next meeting had been scheduled for April 30, 2020.

