



City of Lake Wales
Firefighters' Plan and Trust Fund
Minutes

Call To Order & Roll Call

Members Present

Roy Wilkinson - Chairman
Caleb Simpson – Trustee
Dennis Childress – Trustee

Also Present

Pedro Herrera – Attorney
Frank Wan – Consultant
Caleb Hynson – Administrator
Frank Mega – HYN Consulting
Steve Stack – Highland Capital

Absent/Excused

Brian Patterson - Secretary

Meeting called to order at 1:03 p.m. by Mr. Wilkinson. A quorum was in attendance.

I. Open Forum

No members or concerned parties requested to address the Board of Trustees.

II. Minutes /Accounting Report

Minutes offered for Board consideration. A motion was made by Caleb Simpson to approve the minutes as presented; the motion was seconded by Dennis Childress and passed unanimously.

Accounting Report offered for Board consideration. A motion was made by Dennis Childress to approve accounting report as presented; the motion was seconded by Caleb Simpson and passed unanimously

III. New Business

Investment Manager Report

Steve Stack presented Highland Capital Report for quarter ending Q2. The quarterly return for the fund was 10.94 % and is (-) 2.42% FYTD. Growth stocks outperformed Value which is historically uncommon. Current fund has 8.9% in Growth and 40.9% in Value. Steve recommended adjusting portfolio to be more in line with IPS. Fund rating requirements of plan also discussed as currently required A or better rating. Recommend a BBB or better as most of the growth in lower than A equities ratings. Current amendment to make plan change held up in City Council for review. Attorney and Administrator to reach out to city for update / next steps.

Consultants Report

Frank Wan provided an overview of the fund. Fund is out of compliance with Equities: 60% max limit, stand at 60.1%. Recommendation of a 5-10% rebalancing over the next 3-6 months by taking small steps and moves (1.25%-1.5% per month) to come back in-line with Plan requirements. This will avoid hurting the plan negatively with market gains to rebalance. Frank confirms in the underperformance of Value equities and also the need to move to BBB rating or better.

IV. Attorney Report

- **Executive Order 20-150 Update** – Public Meetings order has been extended to meet virtually until Aug 1, 2020.
- **Executive Order 20-166 Update** – Emergency Management Extension for an additional 60 days from 7/7/2020. Further clarification has been submitted to State for further clarification on what 20-166 covers (i.e. Virtual Meetings).
- Reviewed Maximum Allowable Contribution Amendment rafted for submission (\$75,000 or 3%). Mr. Wilkinson expressed some concerns over the protentional for over/under payment of funds and the length of time (30 days) as member has to repay if overcompensated. Foster and Foster stated this was unlikely that this would occur but understood his apprehension. He would like Pedro to change to (90 days). Open discussion continued on what protocols to follow in How to Limit, How to Track, How to Correct. Further discussion to include City HR for any corrections and tracking. Tabled until future meeting.
- Discussed Plan requirements on Purchase of Credited Service (prior Military and internal department transfers only qualify) to include other municipalities. Open discussion to continue next meeting.

V. Adjournment/Next Meeting

A motion to adjourn was made adjourn meeting by Chairman Wilkinson. The next regularly scheduled meeting is October 26, 2020.

DISABILITY INFORMATION: In accordance with the Americans with Disabilities Act and F.S.S. 286.26, persons with disabilities needing special accommodation to participate in this meeting should contact HYN Consulting, Plan Administrator, within 48 hours subsequent to the proceeding at 727-559-7333 for assistance. If hearing impaired, call the Florida Relay Service Numbers at 800-955-8771 (TDD) or 800-955-8770 (VOICE) for assistance.

APPEAL NOTICE: If a person decides to appeal any decision made by the Board, with respect to any matter considered at such meeting or hearing, that person will need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which appeal is to be based.