

Regular Meeting Minutes  
Board of Trustees of the City of Winter Garden  
Pension Plan for General Employees  
June 4, 2013

A **REGULAR MEETING** of the Board of Trustees of the Pension Plan for General Employees was called to order by Chairman Theo Graham at 3:30 p.m. in Conference Room 213 at 300 West Plant Street, Winter Garden, Florida 34787-3009.

**PRESENT:** Chairman Theo Graham, Vice-Chairman Mark Griffith, Secretary Marguerite Kennington, Board Member Kimberly Leisure, Board Member Joseph Conn, Robert Dombrower of ICC Capital Management, Inc., Timothy Nash and Tyler Grumbles of Bogdahn Consulting, L.L.C., Scott Christiansen of Christiansen & Dehner, P.A., Gregory Gosch of Sawgrass Asset Management L.L.C., and Brian Strobeck of City Staff

**APPROVAL OF MINUTES**

Regular Meeting Minutes of March 5, 2013. **Motioned by Vice-Chairman Griffith to approve the minutes. Seconded by Secretary Kennington and carried 5-0.**

**INVESTMENT REPORTS**

Gregory Gosch of Sawgrass Asset Management presented his firm's Quarterly Review for the period ending March 31, 2013. The Sawgrass portfolio had a market value of \$6.2 million as of March 31, 2012. The portfolio returned 11.8% for the quarter, 11.5% for the trailing year, 14.1% annualized for the trailing three years, and 6.7% annualized since inception.

Robert Dombrower of ICC Capital Management, Inc. presented his firm's Investment Review for the Quarter Ending March 31, 2013. The ICC portfolio had a market value of \$12.3 million as of March 31, 2013. Returns were 6.08% for the quarter, 9.02% fiscal year to-date, and an annualized 5-year return of 4.88%. The market value allocation of the ICC portfolio was 35.0% investments in fixed income, 43.4% in Value Equities, 15.8% in ADRs, and 5.9% in Cash & Equivalents as of March 31, 2013.

Timothy Nash of Bogdahn Consulting, L.L.C. recommended that the Board revise its Investment Policy Statement to reduce the domestic fixed income allocation to 25% of the portfolio and add a new global fixed income allocation of 5% of the portfolio. To accomplish this, Mr. Nash recommended rebalancing the real estate allocation to 10% of the portfolio and the new global fixed income allocation to 5% of the portfolio to be invested in Templeton Global Institutional Shares, with the other portfolio allocations being rebalanced to their target levels. **Motioned by Vice-Chairman Griffith to authorize revisions to the Investment Policy Statement and rebalance the portfolio as recommended. Seconded by Board Member Leisure and carried 5-0.**

Mr. Nash presented his firm's Investment Performance Review for the Period Ending March 31, 2013. The fund experienced net (outflows) of (\$64,098) and investment gains of \$1,383,550, resulting in an ending balance of \$19,758,831 as compared to the previous quarter of \$18,439,379. The fund had a gain of 7.37% for the quarter compared to a policy index gain of 5.70%. For the trailing 3 years, 5 years, and since inception, the fund has had annualized returns of 9.34%, 4.15%, and 5.19%, respectively.

Mr. Nash recommended that the Board consider performing a manager search to replace management of the ICC Value Equity and Fixed Income portfolios, as the majority of the partners of ICC are reaching retirement age. The Board agreed to explore alternative managers.

### **OLD BUSINESS**

There was no old business for discussion.

### **NEW BUSINESS**

The Board discussed survivor benefits for Barbara S. Hobbs. **Motioned by Secretary Kennington to approve survivor benefits for Barbara S. Hobbs. Seconded by Board Member Conn and carried 5-0.**

The Board discussed the benefit calculation and benefit selection for Gilberto Fernandez. **Motioned by Vice-Chairman Griffith to approve the benefit calculation and benefit selection for Gilberto Fernandez. Seconded by Secretary Kennington and carried 5-0.**

The Board discussed the benefit calculation and benefit selection for Marc H. Black. **Motioned by Board Member Leisure to approve the benefit calculation and benefit selection for Marc H. Black. Seconded by Secretary Kennington and carried 5-0.**

The Board discussed the return of contributions to non-vested member Corrina I. Williams. **Motioned by Board Member Leisure to approve the return of contributions to non-vested member Corrina I. Williams. Seconded by Secretary Kennington and carried 5-0.**

### **MATTERS OF THE CHAIRMAN AND BOARD MEMBERS**

There were no matters of the Chairman and Board Members.

### **ATTORNEY'S REPORT**

Mr. Christiansen stated that his office received an Application for Disability Retirement from Robert Lyons. However, they are waiting on a letter from his doctor stating that he is totally and permanently disabled before they can proceed.

Mr. Christiansen inquired if the letter to the State advising of the Board's expected rate of return had been sent. Mr. Strobeck stated that it had been sent.

Mr. Christiansen stated that Form 1 is due from each Board Member by September 1<sup>st</sup>. After that there is a \$25 per day fine.

Mr. Christiansen stated that proposed legislation to close the Florida Retirement System Defined Benefit Plan did not pass. He stated that legislation affecting Police and Fire Plans did not pass. He stated that SB 534 passed and was signed by the Governor as 2013-100 Laws of Florida, which requires additional reporting in the actuarial valuation to reflect numbers 1) assuming a 5.25% investment return, 2) if no more contributions are made, and 3) using a more conservative mortality table. The new reporting requirements will be due beginning around November or December of next year. He stated SB 50 requires concerned citizens to be allowed a public opportunity to be heard at all public board meetings.

Mr. Christiansen stated that its time to update and redistribute the Summary Plan Description to the members. **Motioned by Board Member Conn to authorize Mr. Christiansen to update the Summary Plan Document for approval at the next meeting. Seconded by Secretary Kennington and carried 5-0.**

Mr. Christiansen presented a copy of a proposed ordinance to maintain compliance with the Internal Revenue Code. **Motioned by Vice-Chairman Griffith to approve the proposed ordinance to be submitted to the City for approval by the City Commission. Seconded by Board Member Conn and carried 5-0.**

### **BILLS AND EXPENSES FOR APPROVAL**

The following bills and expenses were presented to the Board for Approval:

- A. Christiansen & Dehner, P.A. statement dated January 31, 2013 in the amount of \$282.45
- B. Foster & Foster Invoice 4715 dated February 26, 2013 in the amount of \$11,515.00
- C. Bogdahn Consulting, L.L.C. Invoice 8875 dated March 19, 2013 in the amount of \$4,375.00
- D. Christiansen & Dehner, P.A. statement dated February 28, 2013 in the amount of \$140.40
- E. Sawgrass Asset Management statement dated April 8, 2013 in the amount of \$9,257.00
- F. Salem Trust Company statement dated April 15, 2013 in the amount of \$2,937.74
- G. ICC Capital Management Invoice 57533047 dated March 31, 2013 in the amount of \$12,265.83
- H. Christiansen & Dehner, P.A. statement dated March 31, 2013 in the amount of \$1,156.60
- I. Christiansen & Dehner, P.A. statement dated April 30, 2013 in the amount of \$640.79
- J. Gibson & Wirt, Inc. Invoice 35998 dated May 9, 2013 in the amount of \$5,137.89

**Motioned by Board Member Leisure to approve the bills and expenses as presented. Seconded by Secretary Kennington and carried 5-0.**

**ADJOURNMENT**

The meeting was adjourned at 4:56 p.m.

Marguerite Krumholz Secretary      vice M. W. [Signature] Chairman