

Regular Meeting Minutes
Board of Trustees of the City of Winter Garden
Pension Plan for General Employees
September 1, 2015

A **REGULAR MEETING** of the Board of Trustees of the Pension Plan for General Employees was called to order by Chairman Theo Graham at 3:35 p.m. in Conference Room 213 at 300 West Plant Street, Winter Garden, Florida 34787-3009.

PRESENT: Chairman Theo Graham, Vice-Chairman Mark Griffith, Board Member Dan Kuhl, John Thinnies of Bogdahn Consulting, L.L.C., Scott Christiansen of Christiansen & Dehner, P.A., Grant McMurry and Todd Wishnia of Highland Capital Management, LLC., and Laura Zielonka, Michael Cotton, and Ariel Kenon of City Staff.

APPROVAL OF MINUTES

Approval of minutes of the regular meeting dated June 2, 2015. **Motioned by Member Kuhl to approve the minutes. Seconded by Vice-Chairman Griffith and carried 3-0.**

INVESTMENT REPORTS

Grant McMurray of Highland Capital Management, LLC. presented his firm's Investment Review for the Quarter Ending June 30, 2015. The Highland portfolio had a market value of \$9 million at the end of the quarter. Returns were -0.26% for the period, 5.45% fiscal year-to-date, and an annualized return of 13.28% for the past five years. The market value allocation of the Highland portfolio was 5.2% in Cash & Equivalents, 61.6% in Common Stock, and 33.2% in ADRs.

John Thinnies of Bogdahn Consulting, L.L.C. presented his firm's investment performance review for the Period Ending June 30, 2015. The fund experienced net inflows of \$160,001 and investment losses of \$303,907 resulting in an ending balance of \$23,850,870 as compared to the previous quarter of \$23,994,775. The current net rate of return for the quarter is -0.72% compared to the policy index of -0.22%. Fiscal year to date and for the trailing 1 year, 3 years, 5 years, and since inception, the fund has had annualized returns of 5.28%, 5.03%, 11.64%, 11.39%, and 5.80%, respectively.

OLD BUSINESS

There was no old business for discussion.

NEW BUSINESS

The Board discussed both the special and regular election results with the special election seat won by Jacqueline Mathis and the regular seat won by Michael Cotton. **Motioned by Vice-Chairman Griffith to approve the member seat regular and special election results. Seconded by Member Kuhl and carried 3-0.**

The Board discussed the approval of the benefit calculation and benefit selection of Dennis Duckwiler. **Motioned by Member Kuhl to approve the benefit calculation and benefit selection of Dennis Duckwiler. Seconded by Vice-Chairman Griffith and carried 3-0.**

The Board discussed the approval of the benefit calculation and benefit selection of Dennis Turner. **Motioned by Vice-Chairman Griffith to approve the benefit calculation and benefit selection of Dennis Turner. Seconded by Vice-Chairman Kuhl and carried 3-0.**

The Board discussed the return of contributions to non-vested member Mason Minor. **Motioned by Member Kuhl to approve the return of contributions to non-vested member Mason Minor. Seconded by Vice-Chairman Griffith and carried 3-0.**

The Board discussed the return of contributions to non-vested member Karla Cuevas. **Motioned by Member Kuhl to approve the return of contributions to non-vested member Karla Cuevas. Seconded by Vice-Chairman Griffith and carried 3-0.**

Mr. Christiansen presented and discussed the changes made in the Revised Summary Plan Description. He noted that the Exhibit A would need to be updated to reflect the recent employee board member election. **Motioned by Member Kuhl to approve the changes made to the Revised Summary Plan as well as adding an updated Exhibit A. Seconded by Vice-Chairman Griffith and carried 3-0.**

MATTERS OF THE CHAIRMAN AND BOARD MEMBERS

Mr. McMurray brought up a conversation between himself and Vice-Chairman Griffith regarding the fees incurred by the Board for updating their previous agreement with ICC Capital Management. Mr. McMurray requested a copy of the invoice to reimburse the Board with an invoice credit for the costs since this was not in their control.

ATTORNEY'S REPORT

Mr. Christiansen inquired as to whether Lana Dees' repayment had begun. Mr. Kenon confirmed that the recapture of the over payment has begun.

Mr. Christiansen reminded the Board that Mr. Kuhl's term would be ending September 30, 2015. Mr. Kenon confirmed that the City Clerk was aware and would be placing Mr. Kuhl's reappointment on the September 10, 2015 agenda for the commission.

Mr. Christiansen informed the Board that everyone had submitted their financial disclosure forms, with the exception of the two newly appointed members and reminded Mr. Cotton it needed to be done within 30 days of taking office. Vice-Chairman Griffith inquired on whether multiple forms would need to be completed if someone held multiple positions with different organizations and Mr. Christiansen replied they would not.

Mr. Christiansen inquired on the status of the new agreement between Highland Capital Management and the Board. Mr. McMurray stated he would locate the new contracts and have them delivered for the Board to execute.

Mr. Christiansen also reminded Board of new reporting provided by the actuary that had been required to be posted on the City's website starting this year. Mr. Kenon confirmed that they were.

Mr. Christiansen suggested assigning a new Secretary at the next meeting.

Finally, Mr. Christiansen informed the Board there has been a delay in the IRS tax qualification updates to the plan due to other time sensitive additions for the Police and Firefighters Pension Plan that required their immediate attention. Although they have been delayed, Mr. Christiansen insisted that the tax updates would be completed in time and had no financial impact on the Plan.

BILLS AND EXPENSES FOR APPROVAL

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

- A. Bogdahn Group Consulting invoice 12363 dated June 15, 2015 in the amount of \$4,375.00
- B. Christiansen & Dehner, P.A. invoice 26766 dated May 31, 2015 in the amount of \$113.70.
- C. Christiansen & Dehner, P.A. invoice 26870 dated June 30, 2015 in the amount of \$1,707.47.
- D. Foster & Foster, Inc. invoice 7456 dated July 2, 2015 in the amount of \$3,608.00.
- E. Garcia Hamilton & Associates, L.P. invoice 26061 dated July 15, 2015 in the amount of \$3,633.91.
- F. Gibson & Wirt, Inc. invoice 41557 dated June 3, 2015 in the amount of \$5,629.00.
- G. Highland Capital Management, LLC Invoice 9502 dated July 7, 2015 in the amount of \$9,039.56.
- H. Salem Trust Co. fee advice dated January 15, 2015 in the amount of \$3,649.25.
- I. Salem Trust Co. fee advice dated April 15, 2015 in the amount of \$3,708.70.
- J. Salem Trust Co. fee advice dated July 15, 2015 in the amount of \$3,763.03.
- K. Sawgrass Asset Management statement dated July 8, 2015 in the amount of \$9,337.00.

Motioned by Member Kuhl to approve the Bills and Expenses as presented. Seconded by Vice-Chairman Griffith and carried 3-0.

ADJOURNMENT

Meeting was adjourned at 4:20pm

Chairman

Secretary