

Regular Meeting Minutes
Board of Trustees of the City of Winter Garden
Pension Plan for General Employees
March 7, 2017

A **REGULAR MEETING** of the Board of Trustees of the Pension Plan for General Employees was called to order by Chairman Theo Graham at 3:22 p.m. in Conference Room 213 at 300 West Plant Street, Winter Garden, Florida 34787-3009.

PRESENT: Chairman Theo Graham, Secretary Dan Kuhl, Board Member Steve Santiago, Board Member Michael Cotton, John Thinnnes of AndCo Consulting, Scott Christiansen of Christiansen & Dehner, P.A., Todd Wishnia of Highland Capital Management, LLC., Douglas Lozen of Foster & Foster Inc., and Laura Zielonka & Ariel Kenon of City Staff.

APPROVAL OF MINUTES

Approval of minutes of the regular meeting dated December 6, 2016. **Motioned by Secretary Kuhl to approve the minutes. Seconded by Board Member Cotton and carried 4-0.**

INVESTMENT REPORTS

Todd Wishnia of Highland Capital Management, LLC presented their firm's investment review for the Quarter Ending December 31, 2016. The Highland portfolio had a market value of \$9.5 million at the end of the quarter. Returns were 5.24% for the period, 10.86% for the past year, and an annualized return of 12.01% for the past five years. The market value allocation of the Highland portfolio was 7.5% in Cash & Equivalents, 63.6% in Common Stock, and 28.9% in International Equity.

John Thinnnes introduced his firm's new name: AndCo Consulting (formerly Bogdahn Consulting) to the Board. Mr. Thinnnes also presented his firm's investment performance review for the Period Ending December 31, 2016. The fund experienced net inflows of \$53,246 and investment gains of \$351,224 resulting in an ending balance of \$25,078,629 as compared to the previous quarter of \$24,674,159. The current net rate of return for the quarter is 1.94% compared to the policy index of .50%. Fiscal year to date and for the past year, 3 years, 5 years, and since inception, the fund has had annualized returns of 1.94%, 6.60%, 4.75%, 9.18% and 5.60%, respectively.

OLD BUSINESS

There was no old business for discussion.

NEW BUSINESS

The Board discussed the return of contributions to non-vested member Michael Timpanaro. **Motioned by Secretary Kuhl to approve the return of contributions to non-vested member Michael Timpanaro. Seconded by Board Member Cotton and carried 4-0.**

Mr. Lozen presented the Actuarial Valuation as of October 1, 2016, showing an increase in employer contributions from 9.55% of payroll for fiscal year 2017 to 9.84% of payroll for fiscal year 2018. Mr. Christiansen informed the Board that this report does not reflect the pending ordinance changes and Foster & Foster would provide them with an impact statement once the changes have been approved. Mr. Lozen confirmed that he would have to provide an updated impact statement since the valuation has been completed. **Motioned by Board Member Cotton to approve the Actuarial Valuation. Seconded by Secretary Kuhl and carried 4-0.**

The Board discussed and determined the expected annual rate of investment return for the next year, the next several years, and the long-term thereafter to be 7.25%. **Motioned by Secretary Kuhl to approve the expected investment rate of return of 7.25% for the next year, the next several years, and the long-term thereafter. Seconded by Board Member Cotton and carried 4-0.**

MATTERS OF THE CHAIRMAN AND BOARD MEMBERS

There were no matters of the Chairman and the Board.

ATTORNEY'S REPORT

Mr. Christiansen informed the Board that the Summary Plan Description update is still pending the ordinance changes and can't be finalized until they've been approved. He also confirmed with Mr. Kenon that the updated pension forms had been received for these changes.

Lastly, Mr. Christiansen informed the Board of pending state legislation, Senate bills 306 and 632, and how they may affect the Board.

BILLS AND EXPENSES FOR APPROVAL

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

- A. Bogdahn Group Consulting invoice 20275 dated December 29, 2016 in the amount of \$5,625.00
- B. Christiansen & Dehner, P.A. invoice 29945 dated December 31, 2016 in the amount of \$1,096.53.
- C. Christiansen & Dehner, P.A. invoice 30126 dated January 31, 2017 in the amount of \$490.80.
- D. Florida Public Pension Trustees Association (FPPTA) Trustee School invoice in the amount of \$2,000.00
- E. Garcia, Hamilton, & Associates, L.P. invoice 27611 dated January 4, 2017 in the amount of \$3,865.48
- F. Highland Capital Management, LLC Invoice 14266 dated January 5, 2017 in the amount of \$9,514.34.
- G. Salem Trust Co. fee advice dated January 15, 2017 in the amount of \$3,841.18.
- H. Sawgrass Asset Management statement dated January 10, 2017 in the amount of \$9,522.53

Motioned by Secretary Kuhl to approve the Bills and Expenses as presented. Seconded by Board Member Cotton and carried 4-0.

ADJOURNMENT

Meeting was adjourned at 4:24 pm

Chairman

Secretary