

Regular Meeting Minutes
Board of Trustees of the City of Winter Garden
Pension Plan for General Employees
June 5, 2018

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, Board Member Michael Caines, Board Member Steve Santiago, John Thinnes of AndCo Consulting, L.L.C., Scott Christiansen of Christiansen & Dehner, P.A., Grant McMurry and Todd Wishnia of Highland Capital Management, LLC., and Ariel Kenon of City Staff.

APPROVAL OF MINUTES

Approval of minutes of the regular meeting dated March 06, 2018. **Motioned by Member Caines to approve the minutes. Seconded by Member Santiago sand carried 4-0.**

INVESTMENT REPORTS

Grant McMurray & Todd Wishnia of Highland Capital Management, LLC presented their firm's investment review for the Quarter Ending March 31, 2018. The Highland portfolio had a market value of \$10.8 million at the end of the quarter. Domestic returns were -2.74% for the period, 3.42% fiscal year to date, and an annualized 11.37% for the past five years. International returns were -.84% for the period, 4.92% fiscal year to date, and an annualized 5.84% for the past five years. The market value allocation of the Highland portfolio was 6.4% in Cash & Equivalents, 61.5% in Common Stock, and 32.1% in International Equity.

John Thinnes of AndCo Consulting presented his firm's investment performance review for the Period Ending March 31, 2018. The fund experienced net inflows of \$99,526 and investment losses of (\$450,791) resulting in an ending balance of \$27,696,583 as compared to the previous quarter of \$28,047,847. The current net rate of return for the quarter is -1.22% compared to the policy index of -0.66%. Fiscal year to date and for the past year, 3 years, 5 years, and since inception, the fund has had annualized returns of 2.92%, 7.53%, 5.31%, 7.72% and 5.84%, respectively.

Mr. Thinnes also presented Sawgrass Asset Management's performance for the Period Ending March 31, 2018. The Sawgrass portfolio had an ending market value of \$7.3 million and experienced returns of -1.4% for the quarter. For the last 1 year, 3 years, 5 years, and since inception, the portfolio has had annualized returns of 11%, 6.9%, 11.8% and 8.5% respectively. Along with the performance review, Mr. Thinnes also discussed allocating some of their portfolio to a new manager with the Board. He recommended possibly allocating half of the funds held by Sawgrass or waiting another year to see how they perform. The Board decided to allocate half the funds to Massachusetts Financial Services Co's MFS Growth Fund.

Motioned by Member Santiago to allocate half of the remaining funds from Sawgrass Asset Management to Massachusetts Financial Services Co., MFS Growth Fund. Seconded by Member Caines carried 4-0.

OLD BUSINESS

There was no old business for discussion.

NEW BUSINESS

The Board discussed the benefit calculation and selection for Billy Adams' entry into DROP. **Motioned by Member Caines to approve Billy Adams' entry into DROP. Seconded by Member Santiago carried 4-0.**

The Board discussed the benefit calculations and selections for Timothy Fore, Kathy Golden, and Noel Morris. **Motioned by Member Santiago to approve the benefit calculations and selections for Timothy Fore, Kathy Golden, and Noel Morris. Seconded by Vice-Chairman Griffith carried 4-0.**

The Board discussed survivor benefits for Linda Vaughn. **Motioned by Vice-Chairman Griffith to approve survivor benefits for Linda Vaughn. Seconded by Member Santiago carried 4-0.**

The Board discussed return of contributions to members Eric Porter, Irnex Porter, Michael Rogers, Benjamin Rusu, and Joshua Snell. **Motioned by Member Caines to approve the return of contributions to members Eric Porter, Irnex Porter, Michael Rogers, Benjamin Rusu, and Joshua Snell. Seconded by Member Santiago carried 4-0.**

The Board reviewed a quote provided by Travelers Insurance for a \$1,000,000 annual aggregate limit for fiduciary liability insurance, with a \$2,500 deductible per claim, an annual premium cost of \$5,920.00, and a three year term. **Motioned by Vice-Chairman Griffith to approve the quote from Travelers Insurance. Seconded by Board Member Caines and carried 4-0.**

MATTERS OF THE CHAIRMAN AND BOARD MEMBERS

There were no matters of the Chairman or Board.

ATTORNEY'S REPORT

Mr. Christiansen reminded the Board of upcoming term expirations for Theo Graham and Steve Santiago on September 30, 2018 and that the trustee filling the open seat for former trustee Dan Kuhl would only be completing his term through September 30, 2019.

Mr. Christiansen informed the Board that a Secretary needed to be selected to sign any agreements for the Board since Secretary Kuhl's resignation. **Motioned by Member Santiago for him to fill the position of Secretary. Seconded by Member Caines and carried 4-0.**

Mr. Christiansen reminded the Board to complete and return their financial disclosure forms and informed Mr. Kenon to follow up with former Secretary Kuhl. He also informed the Board that there were no legislative updates affecting the plan at the moment.

Mr. Christiansen followed up with Mr. Kenon on whether the securities monitoring approved at the last meeting with Kessler, Topaz, Meltzer, & Check, LLP had been setup and Mr. Kenon replied that they had.

Mr. Christiansen requested approval from the Board for ordinance changes to the plan in order for it to remain tax qualified. **Motioned by Secretary Santiago to approve the ordinance changes. Seconded by Vice-Chairman Griffith and carried 4-0.**

Mr. Christiansen requested an approval from the Board to make an addendum to their agreement with current actuary Foster & Foster for additional fee charges due to filing requirement changes. **Motioned by Member Caines to approve the addendum. Seconded by Secretary Santiago and carried 4-0.**

Lastly, Mr. Christiansen presented the Board with revised Operating Rules & Procedures and asked if there were any questions or additional changes that needed to be made. **Motioned by Vice-Chairman Griffith to approve the revised Operating Rules & Procedures. Seconded by Secretary Santiago and carried 4-0.**

BILLS AND EXPENSES FOR APPROVAL

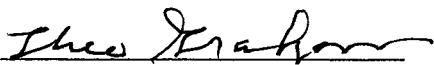
The following bills and expenses were presented to the Board for Approval:

- A. AndCo Consulting invoice 24728 dated 03/30/2018 in the amount of \$5,625.00
- B. Christiansen & Dehner, P.A. invoice 31923 dated 02/28/2018 in the amount of \$297.50.
- C. Christiansen & Dehner, P.A. invoice 32024 dated 03/31/2018 in the amount of \$1,299.00.
- D. Christiansen & Dehner, P.A. invoice 32157 dated 04/30/2018 in the amount of \$987.97.
- E. Foster & Foster invoice 11906 dated 02/26/2018 in the amount of \$14,474.00.
- F. Foster & Foster invoice 12438 dated 05/18/2018 in the amount of \$2,265.00.
- G. Garcia, Hamilton, & Associates Invoice 29049 dated 04/08/2018 in the amount of \$3,817.91.
- H. Highland Capital Management Invoice 18074 dated 04/04/2018 in the amount of \$10,794.55.
- I. Salem Trust fee advice dated 04/04/2018 in the amount of \$4,108.02.
- J. Sawgrass Asset Management invoice wigal10s-033118 dated 04/06/2018 in the amount of \$11,084.87.

Motioned by Secretary Santiago to approve the bills and expenses as presented. Seconded by Vice-Chairman Griffith and carried 4-0.

ADJOURNMENT

Meeting was adjourned at 4:30 pm


Chairman

Secretary