

**CITY OF COOPER CITY
FIREFIGHTERS PENSION PLAN VIRTUAL MEETING
August 5, 2020 via Zoom**

The regular meeting of the City of Cooper City Firefighters Pension Plan was called to order by Chairman Bufalo at 8:34 a.m. on August 5, 2020 via Zoom.

TRUSTEES PRESENT: Michael Bufalo, Michael Jurgrau, Kevin Donnelly, Greg Butler and Reginald Esiobu.

OTHERS PRESENT: Attorney Ken Harrison of Sugarman & Susskind, Frank Wan of Burgess Chambers & Associates, Marty LaPrade, David Furfine and Greg Gosch of Sawgrass Asset Management, and Livia Giuliani of Benefits USA, Inc.

APPROVAL OF MINUTES:

May 7, 2020 Regular meeting minutes

Trustee Esiobu noted that the time on the May minutes was incorrect. The time should be 10:30. That being said, Trustee Esiobu moved to approve the minutes as amended and Trustee Jurgrau seconded the motion. The motion passed.

PUBLIC COMMENTS:

There were no public comments at this meeting.

INVESTMENT REPORTS: QUARTER ENDING 06/30/2020

Sawgrass Asset Management

Mr. Gosch thanked the Board for their continued business noting that they've been with Cooper City Fire for 22 years. Mr. Gosch reported that Mr. Marty LaPrade and Mr. David Furfine were also in attendance. He noted that the market made a complete comeback from the first quarter noting that the equity return for the quarter was 22.5%; for the 1-year period the return was 15.6% vs. the Russell 1000 index of 27.8% and 22.3% respectively. The bonds returned 3.2% and 10.4% vs. the blended index of 2.9% and 8.7% respectively. The Sawgrass TIPs returned 3.5% and 4.9% vs. the index of 3.8% and 5.8% respectively. Mr. Gosch reported on the market value noting that at 3/31 the market value was \$9,799,716 less the cash flows of \$302,635 and an investment gain of \$831,703 with an ending market value at 6/30 of \$10,336,883. Mr. Gosch reported on the changes in the portfolio noting that they bought Target and FS network and they sold Allstate and Varian Medical systems. Mr. Gosch turned the presentation over to Mr. LaPrade.

Mr. LaPrade reported briefly noting that Apple was the best performer in the Top 10 stocks returning 7.3%, Microsoft returned 6.9% and Amazon returned 5.6%. Mr. LaPrade reported that Sawgrass outperformed in several years in various markets. Mr. LaPrade reported that in negative markets Sawgrass outperformed 5 out of 5 years and in a positive market, they outperformed in 6 out of 8 years. In a strong positive market, their underperformance was less than 15%. The Sawgrass cumulative return was 436.3% vs. the Russell 1000 of 340.4%. The annualized Sawgrass return was 8.0% vs. the Russell 1000 of 7.1%. Mr. LaPrade thanked the Board for their business.

Mr. LaPrade introduced David Furfine the Bond manager to the Board. Mr. Furfine gave a brief report on the bonds noting that they are divided up into 3 categories, duration ratio, credit risk ratio and quality. He noted that we can expect low treasury rates since the Fed cut interest rates to zero and the weakened economy. The Board discussed their decision to eliminate TIPs from the portfolio and asked their opinion. Mr. Furfine said, they feel that inflation will remain low for now but it is the Federal Reserve's intention to increase the rate of inflation.

Mr. Furfine said they will continue to actively manage the TIPs allocation to decrease the holdings for now and add them back in when it's appropriate. Mr. Furfine thanked the Board for the opportunity.

Burgess Chambers & Associates

Mr. Wan reported that the equity market was down almost 35% for the 4-week period from February 19 through March 23 but quickly rebounded over 38% since June 30th. Mr. Wan said the market is beginning to recover; however, airline traffic was down over 95% and the unemployment rate increased. He noted that in the hospitality sector, hotels, restaurants and retailers were forced to stay closed. As a result, equity markets rebounded from late March through early July. The Global countries are recovering from COVID-19 however, it's likely that the recession will last through the end of 2020.

Mr. Wan reported on the returns noting that for the quarter the Fund was up 11.6% behind the benchmark of 15.2%, for the year to date, the fund earned 2.1% vs. 1.4%. The 3 best performing asset classes were small-cap 26.5%, mid-cap 25% and large cap growth 23.4%. For the 1-year period the fund returned 3.0% ahead of the benchmark of 2.3%. The 3 best performing asset classes were large cap growth, 16.7% core bonds 10.4% and TIPs 4.7%. For the 3 and 5-year periods the fund earned 5.9% and 5.6% respectively. For the quarter, Sawgrass was behind the benchmark returning 23.4% vs. 27.8%, for the 1-year period they returned 16.7% vs. 23.3%. For the 3 and 5-year periods Sawgrass ranked in the 52nd and 51st percentiles respectively. Cohen & Steers was behind the benchmark for the quarter returning 8.7% vs. 10.5% and ahead of the benchmark for the 1-year period -4.0% vs. -7.3%. Europacific beat the benchmark for the quarter returning 22.9% vs. 16.3% and for the 1-year period, 3.7% vs. -4.4% ranking in the 34th percentile. MEPT returned -2.6% for the quarter and returned 1.0% for the 1-year period; and for the 5-year period the fund returned 6.7%. Sawgrass fixed income outperformed the benchmark for the quarter 3.2% vs. 2.9% and for the 1-year period, 10.4% vs. 8.7% and ranked in the 64th and 14th percentile respectively. Sawgrass TIPs was behind the benchmark for the quarter 3.4% vs. 3.8% and for the 1-year period, 4.7% vs. 5.7%.

Mr. Wan reported on the Investment policy review noting that the equity allocation did not exceed 70%, all equities were listed on the US exchange or the NASDAQ, no singled equity exceeded 5% of the portfolio and foreign stocks did not exceed 25%, all bonds had top qualifications and non-government bonds did not exceed 2% of the portfolio.

Finally, Mr. Wan reported that MEPT had been on watch and once again underperformed the index. He recommended selling out of the MEPT fund and placing the proceeds into the Sawgrass account, that being said, Trustee Esiobu moved to accept the Consultant's recommendation and Trustee Jurgrau seconded the motion. The motion passed.

NEW BUSINESS:

2020 Proposed Administrative Budget

The Administrator reviewed the Budget with the Board in the amount of \$148,218. Trustee Jurgrau moved to approve the Budget and Trustee Butler seconded the motion and it passed.

Audit Engagement Letter for signature

The Administrator reported on the Audit Engagement letter noting that the fee for the 2020 audit will be \$7,500 a slight increase of \$310 from last years of \$7,190. That being said, Trustee Butler moved to approve the 2020 Audit engagement letter and Trustee Jurgrau seconded the motion and the it passed.

UNFINISHED BUSINESS:

DROP rules and Procedures

The Attorney noted that the DROP rules and procedures is ready to be adopted and he just needs to put in a date. It was noted that he can use the date of this meeting.

The Attorney noted that the Board can adopt it pending the updated date. That being said, Trustee Donnelly moved to adopt the DROP rules and procedures with the date of August 5, 2020 and Trustee Butler seconded the motion. The motion passed.

CONSENT AGENDA: For Ratification Warrant #300 & 301

Benefits USA, Inc. (Flat Monthly Fee-for June 2020)	\$1,250.00
Benefits USA, Inc. (Bookkeeping Fee for June 2020)	\$225.00
Burgess Chambers & Assoc. (Q2-2020 Consulting Fee-Inv#20-236 dated 6/1/2020)	\$4,750.00
Sugarman & Susskind (Legal Fees-Invoice #149409 dated 6/4/2020)	\$3,500.00
Total	\$9,725.00

Benefits USA, Inc. (Flat Monthly Fee-for July 2020)	\$1,250.00
Benefits USA, Inc. (Bookkeeping Fee for July 2020)	\$225.00
GRS (Quarterly Fee for Services-Invoice #454610 dated 4/8/2020)	\$5,625.00
Sawgrass Asset Mgmt (Q2-20 Mgmt Fee-Inv #ccfi1c7s-063020 dated 7/8/2020)	\$14,213.21
Sugarman & Susskind (Legal Fees-Invoice #150401 dated 7/9/2020)	\$1,750.00
Total	\$23,063.21

Trustee Butler moved to approve the Consent agenda and Trustee Donnelly seconded the motion and the motion passed.

ATTORNEY'S REPORT:

The Attorney reported that the Governor extended Executive Order 20-69 through September 1 and said that he will keep the Board updated if the date changes. He had nothing further to report.

ADMINISTRATOR'S REPORT

The Administrator had nothing further to report.

TRUSTEES COMMENTS:

There was a brief discussion that the DROP statements were being sent out late. The Administrator noted that she had not yet received them from the actuary and had followed up. The Chairman asked the Attorney to contact the Actuary to find out what the delay was.

NEXT MEETING DATE:

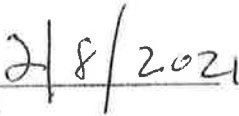
The Administrator noted that the next meeting is November 4, 2020 at 8:30 am.

ADJOURNMENT:

Trustee Donnelly moved to adjourn and Trustee Butler seconded the motion. The meeting was adjourned at 10:10 am.



Michael Jurgrau, Secretary



Date