

City of Cooper City Firefighters Pension Fund Meeting May 5, 2021
Summary of Minutes

The regular meeting of the City of Cooper City Firefighters Pension Plan was called to order by Chairman Bufalo at 8:45 a.m. on May 5, 2021 via Zoom.

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

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

APPROVAL OF MINUTES:

February 3, 2021 Regular meeting minutes

Trustee Butler moved to approve the February 3, 2021 regular meeting minutes as presented and Trustee Jurgrau seconded the motion. The motion passed.

PUBLIC COMMENTS:

There were no public comments at this meeting.

INVESTMENT REPORTS FOR QUARTER ENDING 3/31/2021

Sawgrass Asset Management

Mr. Gosch reported on the economy noting that the equity markets posted strong quarterly returns with the S&P rising over 6%. Equities continued their positive performance as the value sector had been outperforming since late last year. The markets had generally favored the higher growth sector. Mr. Gosch reported that the 1st quarter presented a tremendous amount of volatility brought on by the vaccine rollout and the \$1.9 trillion stimulus package which drove the Treasury curve higher. Due to the selloff of Treasury rated, the Barclay's Aggregate performed -3.37% the worst performance since 1981.

Mr. Gosch reported on the fund performance noting that the Sawgrass Equity Fund returned 4.1% for the quarter and 50.3% for the 1-year period vs. The Russell 1000 Growth of 0.9% and 62.7% respectively. For the 3- and 5-year periods, the Equities returned 19.9% and 17.0% vs. 21.0% and 17.9% respectively. The Sawgrass bonds returned -3.7% for the quarter and 0.8% for the 1-year period vs. the Blended index of -3.4% and 0.7% respectively. For the 3- and 5-year periods the Bonds returned 5.6% and 3.8% vs. 4.7% and 3.1% respectively. Mr. Gosch said that the Bonds were positive for April. Mr. Gosch reported on the Sawgrass ranking that for the quarter was 92%; the year to date 96%; 1-year period was 88% and 5-year period was 52%. Mr. Gosch reported that the sell off in Bond market caused their underperformance.

The Chairman commented that he is concerned about conserving capital and asked about TIPS. Mr. Gosch said that they got out of TIPs because international rates were falling. The Chairman said everything is rising and asked when was a good time to purchase TIPs. Mr. Wan stated that Infrastructure and real estate assets serve as an inflation hedge, and they are potentially better alternatives to TIPS. Should inflation become a problem, we would recommend rebalancing these assets back to target, especially Cohen & Steers where we have a current underweight. That concluded Mr. Gosch's report and he thanked the Board for their business.

Burgess Chambers & Associates

Mr. Wan reported that the optimism over the COVID vaccine pointed to higher-than-expected inflation expectations. For the quarter the was up 2.9% similar to the strategic model of 3.0% ranking in the 47th percentile. The 3 best performing asset classes were large cap value returning 11.1%, small cap equity returning 10.3% and mid-cap equity returning 7.4%. For the 1-year period, the fund had a gain of 31.6% behind the strategic model of 35.4%. The 3 best performing asset classes were small cap equity returning 88.0%, mid-cap equity returning 70.8% and international equity returning 56.2%. For the 3- and 5-year periods, the fund returned 9.9% and 9.4% respectively.

Mr. Wan reported on the managers performance noting that Sawgrass Large Cap Growth beat the benchmark for the quarter 4.2% vs. 0.9% and ranked in the top 21st percentile. Cohen and Steers returned 4.0% vs. 4.3% for the quarter and returned 12.6% for the fiscal year. Euro Pacific Growth was behind the benchmark for the quarter -0.3% vs. 3.6% but beat the benchmark for the 1-year period returning 61.6% vs. 50.0%. MEPT was behind the benchmark for the quarter 1.8% vs. 2.1% and for the 5-year period MEPT returned 5.6%. Sawgrass Core Fixed Income was behind the benchmark for the quarter -3.7% vs. 3.4% and ahead for the 1-year period 0.8% vs. 0.7% respectively. The 3- and 5-year results ranked int the 36th and 52nd percentiles respectively. Mr. Wan reported that the Equity allocation did not exceed 70%, all equities were listed on the US exchange or the NASDAQ, no single equity exceeded 5%, foreign equities were limited to 25% of the total assets, all bonds had a quality rating by Standard and Poor's or Moody's and finally the non-government bonds did not exceed 2% of the bond portfolio and are PFIA compliant.

Finally, Mr. Wan reported on the Compliance checklist noting that for the 3- and 5-year periods the fund achieved the assumption rate and ranked in the 40th percentile. Sawgrass Equity did not achieve the benchmark for the 3-and 5-year period and did not rank in the top 40th percentile. Euro Pacific was in compliance for the 3-year period. Real Estate was not in compliance for the 3- and 5-year periods and Sawgrass bonds achieved the benchmark for the 3-and-5-year periods and did not rank in the 40th percentile. Mr. Wan concluded his report. That being said, Trustee Butler moved to accept the Consultant's report and Trustee Jurgrau seconded the motion and it passed.

Consent Agenda: For Ratification: Warrants 310-313

Benefits USA, Inc. (Flat monthly fee for February 2021)	\$1,250.00
Benefits USA, Inc. (Bookkeeping fee for February 2021)	\$225.00
KSDT (Final Billing Re 9/30/2020 audit; Invoice #96111 dated 1/29/2021)	\$1,000.00
Salem Trust (Q4-2020 Custodian Fee-Invoice #M65714 dated 1/11/2021)	\$3,888.05
Sugarman & Susskind (Legal Fees-Invoice #156109 dated 2/3/2021)	\$1,750.00
Total	\$8,113.05
Benefits USA, Inc. (Flat monthly fee for March 2021)	\$1,250.00
Benefits USA, Inc. (Bookkeeping fee for March 2021)	\$225.00
Burgess Chambers & Assoc (Q1-2021 Consulting Fee-Inv #21-97 dated 3-2-21)	\$4,750.00
Sugarman & Susskind (Legal Fees-Invoice #156897 dated 3/4/2021)	\$1,750.00
Total	\$7,975.00
Benefits USA, Inc. (Flat monthly fee for April 2021)	\$1,250.00
Benefits USA, Inc. (Bookkeeping fee for April 2021)	\$225.00
FPPTA (CEU registration for Butler and Donnelly)	\$900.00
Sugarman & Susskind (Legal Fees-Invoice157656 # dated 4/6/2021)	\$1,750.00
Total	\$4,125.00
GRS (Services Rendered through 3/31/2021; Invoice #461812 dated 4/7/2021)	\$5,625.00
Sawgrass Asset Mgmt. (Q1-21 Mgmt. Fee-Inv #ccf1c7s-033121 dated 4/8/21)	\$14,356.17
Total	\$19,981.17

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

NEW BUSINESS:

There was no New Business discussed.

UNFINISHED BUSINESS:

There was no Unfinished Business discussed.

ATTORNEY'S REPORT:

Attorney Harrison reported that the Bill that made the changes to the Defined Benefit plans died.

Attorney reported that effective July 1, 2021 all Employers including Public Employers must be enrolled in the E-Verify system. He also reported that the Governor lifted all restrictions from the Executive Order which means that there must be 3 Trustees in the room.

Attorney Harrison reminded the Board to file their Form 1 financial disclosure forms by June 30th.

ADMINISTRATOR'S REPORT

The Administrator reported that she will reach out to the Administrator to relocate the meetings to the Police Community Room to comply with social distancing.

TRUSTEES COMMENTS:

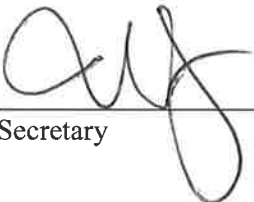
The Trustees had nothing further to report.

NEXT MEETING DATE:

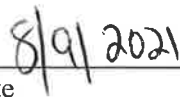
The Administrator noted that the next meeting is on August 4, 2021 at 8:30 am.

ADJOURNMENT:

Trustee Butler moved to adjourn and Trustee Jurgrau seconded the motion. The meeting was adjourned at 10.15 am.



Secretary



Date