

**CITY OF COOPER CITY  
FIREFIGHTERS PENSION PLAN MEETING  
August 7, 2019**

The regular meeting of the City of Cooper City Firefighters Pension Plan was called to order by Chairman Bufalo at 8:32 a.m., on August 7, 2019 at the Cooper City Fire Department conference room.

**TRUSTEES PRESENT:** Michael Bufalo, Michael Jurgrau, Kevin Donnelly at 9:15 Greg Butler and Reginald Esiobu

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

**APPROVAL OF MINUTES:**

**March 20, 2019 Special Meeting**

Trustee Jurgrau moved to approve the March 20, 2019 special meeting minutes as presented and Trustee Esiobu seconded the motion. The motion passed 4-0.

**May 1, 2019 Regular meeting**

Trustee Butler moved to approve the regular meeting minutes as presented and Trustee Jurgrau seconded the motion. The motion passed 4-0.

**PUBLIC COMMENTS:**

Mr. Lindauer noted that he would like to wait for Trustee Donnelly to arrive. Trustee Donnelly arrived at 9:15 am. Mr. Lindauer reported that there was a delay in the processing of his final DROP balance and wanted to know where the money goes during the time. The Attorney noted that the Fund has 90 days to make the distributions from the Fund and that this distribution could have even been done in March and would still have been in compliance with the Ordinance. There was a lengthy discussion on this issue and it was noted that the Plan is governed by the Ordinance in place at the time.

**INVESTMENT REPORTS FOR QUARTER ENDING 6/30/19**

**Sawgrass Asset Management**

Mr. Gosch reported on the market noting that in spite of the May sell off, the S&P returned 18.5% on the last day of the quarter posting its best return during the first half of the year in more than 20 years. The market was higher than expected due to lower interest rates and some resolution to the trade dispute with China. Every sector produced positive returns with the exception of Energy. Russell Growth 1000 led Russell value 1000 4.6% vs. 3.8% and large cap Russell 1000 led the small cap Russell 2000 4.3% vs. 2.1% respectively.

Mr. Gosch reported on the performance noting that the Sawgrass Equity returned 4.5% for the quarter and 16.5% for the 1-year period vs. the Russell 1000 index of 4.7% and 17.8% respectively. the Sawgrass Bonds returned 3.2% for the quarter and 8.7% for the 1-year period vs. the Blended index of 3.1% and 7.9% respectively. The TIPS returned 2.5% for the quarter and 4.7% for the 1-year period in line with the index for each period. Mr. Gosch reported on the number of years that Sawgrass outperformed noting that in the negative market, Sawgrass continued to outperform for 5 out of 5 years, in positive markets, they outperformed 6 out of 8 years and in strong positive market they outperformed 1 out of 8 years.

As of the year ending 2018, the cumulative return was 310.50% vs. the Russell 1000 Growth index of 222.88% and the annualized return was 7.04% vs. the Russell 1000 Growth index of 5.81%. Mr. Gosch reported on the Top 10 contributors noting that AutoZone was the best performer in the Consumer Discretionary sector returning 63.87% and Honeywell and Verisk Analytics were the best performers in the Industrial sector returning 29.22% and 36.56% respectively.

### **Burgess Chambers & Associates**

Mr. Wan reported on the economy noted that The U.S. economy reached a 10-year milestone in June. Export growth is now adding one percentage point to the (GDP) growth rate which is now at 3.2% averaging 2.0% per year. Oil and gas export growth is one of the reasons for the 50% growth in GDP. Other factors include increased military exports and massive government spending and inflation is below its target of 2%. Mr. Wan reported on the performance noting that Sawgrass Large-Cap Growth portfolio was slightly ahead of the benchmark for the quarter returning 4.7% vs. 4.6% and significantly ahead for the one-year period 17.7% vs. 11.6% ranking in the top 11<sup>th</sup> percentile. Cohen & Steers CIT were behind the benchmark for the quarter returning 4.2% vs. 4.6%. Miller/Howard MLPs was also behind the benchmark for the quarter returning -0.3% vs. 0.1% and ahead of the benchmark for the one-year period returning 3.9% vs. 3.1%. EuroPacific Growth was ahead for the quarter returning 4.0% vs. 3.2% outperforming the benchmark for all other periods and ranking above average. Vanguard FTSE All World ex. U.S. trailed the benchmark for the quarter returning 2.9% vs. 3.2% and for the one-year period returning 1.5% vs. 1.8%, ranking in the top 45th and 35th percentiles, respectively. Bentall Kennedy MEPT real estate portfolio was ahead of the benchmark for the quarter returning 1.2% vs. 1.0% and for the one-year period outperformed the benchmark 6.9% vs. 6.4%. Sawgrass High Quality Core Fixed Income was slightly ahead of the benchmark for the quarter returning 3.2% vs 3.1% and ahead for the one-year period returning 8.6% vs. 7.9%) and ranking in the top 40th and 13th percentiles, respectively. Sawgrass TIPS was in line with benchmark for the quarter returning 2.5% vs. 2.5%), but trailed slightly for the one-year period returning 4.5% vs. 4.7%. Mr. Wan reported on the Fund compliance noting that all active managers outperformed, compared against their respective benchmarks, during the period and noted positive performance in all periods and exceeded bench marks in all periods except inception. That being said, Trustee Donnelly moved to accept the Consultant's presentation and Trustee Butler seconded the motion and the motion passed.

Finally, Mr. Wan reported that he will be moving the remaining funds in MLP to Global infrastructure as previously recommended.

### **NEW BUSINESS:**

#### **Presumption of Cancer Ordinance**

The Attorney reported on Senate Bill 426 noting that this bill provides certain benefits to firefighters who receive a cancer diagnosis when certain conditions are met. He noted that if a firefighter is diagnosed with any one of the 21 types of cancers listed in this bill it will be presumed as job related and if the member is treated, then they will be reimbursed up to \$25,000. This bill is primarily the responsibility of the Employer and not the Pension Board. Trustee Butler moved to adopt the cancer Ordinance and Trustee Jurgrau seconded the motion and it passed.

**Proposed Administrative Budget**

The Administrator reviewed the Budget with the Board in the amount of \$152,375. Trustee Butler moved to approve the Budget and Trustee Jurgrau seconded the motion and it passed.

**2019 Audit Engagement Letter**

The Administrator reported on the Audit Engagement letter noting that the fee for the 2019 audit will be \$7,190 a slight increase of \$340 from last years of \$6,850.

**DROP Plan and Ordinance**

It was noted that this issue would be deferred to the next meeting to allow the attorney to review some additional data.

**FPPTA Wall Street**

Trustee Butler reported that he was picked by FPPTA to attend the Wall Street Conference. He asked the Board if this was permitted. The attorney noted that this is done through a lottery and that this is an allowable event.

**UNFINISHED BUSINESS:**

**IPad Ordinance**

This item was deferred until the Board makes the decision on whether or not to purchase them.

**CONSENT AGENDA: For Approval: Warrant #289**

Benefits USA, Inc. (Flat Monthly Fee-for August 2019)	\$1,250.00
Benefits USA, Inc. (Bookkeeping Fee for August 2019)	\$225.00
Kevin Donnelly (Mileage expense incurred at FPPTA Annual Conference)	\$214.60
Miller Howard (Q2 Mgmt Fee-Invoice #104783 dated 7/9/19)	\$785.50
<b>Total</b>	<b>\$2,475.10</b>

**For Ratification: Warrants #286-288**

FPPTA (Annual Conf Registration for Kevin Donnelly)	\$700.00
Kevin Donnelly (Hotel and Per Diem for FPPTA Annual Conference)	\$844.13
Sugarman & Susskind (Legal Fees-Invoice #138394 dated 5/8/19)	\$1,750.00
<b>Total</b>	<b>\$3,294.13</b>
Benefits USA, Inc. (Flat Monthly Fee-for June 2019)	\$1,250.00
Benefits USA, Inc. (Bookkeeping Fee for June 2019)	\$225.00
Burgess Chambers 2 <sup>nd</sup> Qtr. 19 Consulting Fee-Invoice #19-191 dated 6/1/19)	\$4,750.00
Sugarman & Susskind (Legal Fees-Invoice #139070 dated 6/5/19)	\$1,750.00
<b>Total</b>	<b>\$7,975.00</b>
Benefits USA, Inc. (Flat Monthly Fee-for July 2019)	\$1,250.00
Benefits USA, Inc. (Bookkeeping Fee for July 2019)	\$225.00
GRS (Services Rendered through 6/30/19 Invoice #447671 dated 7/1/19)	\$10,153.00
Salem Trust (Q2-19 Custodian Fee-Invoice dated 7/5/19)	\$3,613.57
Sawgrass Asset Mgmt (Q2-19 Mgmt Fee-Inv #ccf1c7s-063019 dated 7/9/19)	\$14,594.20
Sugarman & Susskind (Legal Fees-Invoice #140070 dated 7/8/19)	\$3,500.00
<b>Total</b>	<b>\$33,335.77</b>

**Pension Payments for Ratification:**

Robert Reed (DROP Distribution)

\$1,205,827.32

Trustee Jurgrau moved to approve to approve the Consent agenda and Trustee Butler seconded the motion. The motion passed 4-1 with Trustee Donnelly abstaining.

**TRUSTEE'S REPORT:**

The Chairman noted that he will be entering the DROP in October and said there seemed to be some issue regarding the accrued leave balance being included in the payroll information for the pension calculation. A discussion ensued and the Chairman noted that he would make some inquiries with BSO when he applies for entry into the DROP.

**ATTORNEY'S REPORT:**

The Attorney asked the Board if they all filed their Form 1 financial disclosures. The Administrator noted that all forms had been filed.

**ADMINISTRATOR'S REPORT**

The administrator had nothing further to report.

**NEXT MEETING DATE:**

The next regular meeting date is November 6, 2019 both at 8:30 am.

**ADJOURNMENT:**

Trustee Donnelly moved to adjourn and Trustee Butler seconded the motion. The meeting was adjourned at 11:15 am.

  
Secretary

11/6/19  
Date