

**COOPER CITY GENERAL EMPLOYEES PENSION PLAN
BOARD OF TRUSTEES MEETING
SUMMARY OF MEETING MINUTES
April 25, 2024**

Approved _____

Approved _____

The meeting was called to order at 8:33 AM.

1. Roll Call

Roland Berrios – present
Jason Chockley – present
Van Szeto - present
Tena Granit - present
Mike Nadeau – present

Guests

Brad Hess & Jorge Friguls– Mariner Institutional
Margie Adcock– Pension Resource Center
Steve Stack – Highland Capital Management
Kurt Terrien – Clarkston Capital
Irwin Williams - Finance Director

2. Welcome New Trustees Tena Granit and Mike Nadeau

The Board welcomed Tena Granit and Mike Nadeau as two of the new City Appointed Trustees. It was noted that they are taking the positions that were previously held by Barry Schinder and Bruce Loucks.

3. Public Comments

There were no public comments.

5. Presentations

A. Clarkston Capital Partners– Kurt Terrien

Mr. Terrien discussed the small cap portfolio they manage for the quarter ending March 31, 2024. He stated that quality value is their tag line with quality coming first and value coming second. He stated that they do not look anything like the Russell 2500 benchmark. They have 24 holdings versus the Russell benchmark which has 2500 holdings. He stated that they have \$6 billion in assets under management as of March 31, 2024. He stated that they have 37 employees.

Mr. Terrien reviewed the portfolio as of March 31, 2024. He reviewed the sector allocation and holdings. He discussed the five new companies they added to the portfolio last year. The total market value of the portfolio as of March 31, 2024 was \$5.6 million. The portfolio was up 3.95% for the quarter ending March 31, 2024 while the Russell 2500 was up 6.92%. The portfolio was up 17.37% since the inception date of March 31, 2020 while the Russell 2500 was up 19.92%. Mr. Terrien stated that they lagged the benchmark by a pretty considerable amount for the quarter. He noted that looking further out, they come back in line. He stated that their goal is double digit returns over time.

Mr. Terrien reviewed the composite portfolio. He stated that they are long term investors where they have holdings for 7 to 10 years They try to find companies for all seasons, no matter what the given environment is. He reviewed their historical downside protection. He stated that when times are tough they tend to outperform. During periods of market decline they have provided downside protection while capitalizing on new investment opportunities. Mr. Terrien reviewed the 3 year rolling returns. He stated that out of 169 3-year measurement periods

since the inception of the strategy, they have outperformed the benchmark 133 times or 79% of the measured periods. He stated that in down markets they have outperformed 100% of the time. In normal markets they have outperformed 88% of the time. In robust markets they have outperformed 70% of the time. Mr. Terrien stated that there have been no changes to the investment team. He stated that their COO left in November 2023 and he is the new COO. Brad Hess stated that there is no impact on the portfolio due to the change in COO. Mr. Hess stated that he was okay with the change of COO.

Kurt Terrien departed the meeting,

B. Highland Capital – Steve Stack– Quarterly Presentation

Mr. Stack reviewed the investment performance for the quarter ending March 31, 2024. He reviewed the market environment. He reviewed the portfolio as of March 31, 2024. The total market value of the portfolio as of March 31, 2024 was \$15,686,593. The Value portfolio was up 9.74% while the Russell 1000 Value was up 8.99%. International was up 5.95% while the benchmark was up 4.69%. Fixed income was up .71% while the benchmark was down .42%.

Mr. Stack stated that it has been a challenging market for fixed income. They are trying to capture as much yield as they can with low risk. Mortgage pools and asset backed securities really propelled performance. He reviewed the top ten domestic equity holdings as of March 31, 2024. He stated that he does not see why there would be any interest rate cuts in the near future. There are signs that there would be no reason to cut interest rates. There are still inflationary pressures in the market on the upside, but he does not see inflation coming down to the 2% level as the Fed is looking for. He stated that their approach with the asset classes they manage is somewhat muted and conservative. He discussed international. He stated that they are underweight to emerging markets and China which has helped performance, Mr. Stack stated that they purposefully positioned the portfolio conservatively which has helped in the down market.

C. Mariner Institutional – Brad Hess and Jorge Friguls

1. Organizational Announcement

Mr. Hess discussed their organizational announcement. He stated that AndCo was acquired by Mariner. He stated that the notice came a week after the last meeting. He stated that Mariner is a strategic partner, and they do business in all 50 states. They are a well-resourced firm. There are no changes to the services currently offered by AndCo or to the service team. The merger was effective April 2, 2024. He stated that the only noticeable change is to their name. He stated that they are required to notify the Board of such transactions and ask for consent due to SEC regulations.

Mr. Hess introduced Jorge Friguls from his firm. Mr. Hess stated that he was dealing with a personal matter and would need to pull back from overnight trips if the matter does not resolve itself and transition the account to Mr. Friguls. He stated that he was not leaving the firm and would provide support and back-up as

needed. Mr. Friguls provided a brief background of his experience. He stated that he has been in the industry for 20 years and has been a consultant for 17 years.

Mr. Hess stated that the Mariner acquisition requires consent from their clients as the SEC considers the merger as a change in control. He stated that the agreement with the Plan is not changing at all. It was noted that the Attorney has recommended with their other pension plan clients that the agreement should be updated. The Attorney has stated that they would like a clause that provides that Mariner cannot give any member data to the wealth side of Mariner. The Board was presented with a Consent for Assignment of Investment Advisory Agreement.

Mr. Szeto made the motion to authorize the Chair to sign the Consent for Assignment of Investment Advisory Agreement. The motion was seconded by Mr. Chockley and approved unanimously by voice vote.

2. Quarterly Investment Report

Mr. Hess provided a market overview for the quarter ending March 31, 2024. He stated that it was the second double digit S&P 500 quarter return in a row. GDP is strong. Unemployment has been below 4% for 28 months. March was at record highs. April expectations dialed back from the record highs. He stated that he would not be surprised if the market does not get a pull back. He stated that the Fed has a limited time to act because they do not want to act too close to the election because they do not want to be seen as interfering with the election.

Mr. Hess reported on the performance for the quarter ending March 31, 2024. The total market value as of March 31, 2024 was \$42,629,593. He reviewed the asset allocation. Domestic equities were at 55.0%; domestic fixed income was at 28.9%; real estate was at 12.9%; and cash was at 3.2%. He stated that he had no recommendation to rebalance at this time.

Mr. Hess reported on the performance for the quarter ending March 31, 2024. He stated that it was a good quarter. The Fund was up 4.31% net of fees for the quarter while the benchmark was up 4.25% net of fees. Total equities were up 8.77% for the quarter while the benchmark was up 9.40%. Total fixed income was up .29% for the quarter while the benchmark was down .15%. Total real estate was down 2.49% for the quarter while the benchmark was down 2.37%.

Mr. Hess reviewed the specific performance of the managers for the quarter ending March 31, 2024. The total Highland Capital portfolio was up 5.83% net of fees for the quarter while their benchmark was up 6.11%. The total Sawgrass portfolio was up 5.53% net of fees for the quarter while their benchmark was up 6.69%. With respect to equities, Highland Capital was up 9.22% while their benchmark was up 9.45%; Sawgrass was up 10.74% while their benchmark was up 10.33%; and Clarkston was up 3.95% while their benchmark was up 6.92%. With respect to fixed income, Highland Capital was up .76% and Sawgrass was down .10% while their benchmarks were down .15%. American Realty was down 2.49% for the quarter while the NCREIF was down 2.37%. Mr. Hess stated that the Plan still has money in the redemption queue with American Realty. He stated that he does not think the market is at a bottom yet in real estate, but things are becoming incrementally more attractive. Currently there is an underweight in real estate to the target. If future expectations are better, the Plan can cancel the redemption

currently in place. He stated that he was not making any recombination as of yet as he needs to see the data improve. Mr. Hess stated that things are working well. The managers are performing in line with their expectations.

3. Trustee Szeto's Request Regarding Fixed Income Performance and Presentation by Tocqueville

The Board was provided with information regarding a request by Mr. Szeto regarding inviting Tocqueville to make a presentation to the Board. Mr. Szeto stated that Tocqueville was a fixed income manager on the previous public pension board he served on and they asked for an opportunity to speak with the Board and discuss their strategy. Mr. Hess stated that he had a call with the portfolio manager at Tocqueville. He stated that he was experienced and would be a good fit for the Plan. They have a conservative approach with A or better holdings. Mr. Hess stated that his concern was that it was a one-man shop which introduces a risk. He stated that he had no problem ever hearing from other managers. He stated that the current fixed income account is doing well so a change is not needed. He does not see them bringing anything new to the table. He stated that he had no objection to the Board hearing from them if the Board wanted to. He stated that he saw no red flags other than it being a one-person portfolio. There was a lengthy discussion. The Board felt that hearing from them could provide some educational value. The Board decided to invite Tocqueville to a future meeting when there is only one other manager schedule to attend.

6A. Bills and Warrants

- A. GRS- For actuarial services for the quarters ending December 31, 2023 and March 31, 2024 - \$15,822.00
- B. Pension Resource Center–For administrative services for February, March and April 2024 - \$8,937.82
- C. KKJL – For legal services for January 2024 - \$1,400.00
- D. FMIT – Fiduciary Liability Insurance Renewal - \$6,674.08
- E. AndCo – Quarterly Fee for period ending 3/31/24 - \$10,958.08
- F. Clarkston Capital – Quarterly Fee for period ending 3/31/24 - \$10,956.00
- G Highland Capital Management – Quarterly Fee for period ending 3/31/24 - \$16,088.13
- H. Sawgrass Asset Management–Quarterly Fee for period ending 3/31/24- \$21,434.68
- I. J. Chockley – Reimbursement for Expenses for FPPTA Winter School (mileage, tolls, meals) - \$415.13

Mr. Szeto made the motion to approve items A-I. Mr. Chockley seconded the motion, which passed unanimously by voice vote.

6B. Benefit Approvals

- A. DROP Distributions – Laura Dillon 12/31/23 balance less 10% holdback (\$158,758.39); Robert Martin partial distribution (\$10,000); Greg Garba 12/31/23 final balance (\$43,011.86)
- B. Applications to Retire - Daniel Fatout

Mr. Chockley made the motion to approve items A-B. Mr. Szeto seconded the motion, which passed unanimously by voice vote.

7. Report on Fund Activity as of February 29, 2024.
The Board was provided an unaudited financial statement as of February 29, 2024. The Board reviewed the Balance Sheet as well as the Income and Expense Sheet.
8. Plan Administrator –Margie Adcock
 - A. The Board was provided with the Division of Retirement State Acceptance Letter for Valuations through October 1, 2022.
4. Approval of Minutes Summary for Meeting of January 25, 2024.
The minutes of the meeting of January 25, 2024 were reviewed.
Mr. Chockley made the motion to approve the minutes of the meeting of January 25, 2024. The motion was seconded by Mr. Szeto and approved unanimously by voice vote.
9. Old Business
There was no old business.
10. New Business
There was no new business.
12. Adjournment
There being no further business before the Board, A motion was made and seconded, and the meeting was adjourned.