

**COOPER CITY GENERAL EMPLOYEES PENSION PLAN
BOARD OF TRUSTEES MEETING
SUMMARY OF MEETING MINUTES
April 24, 2025**

Approved _____

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The meeting was called to order at 8:31 AM.

1. Roll Call

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

Guests

Jorge Friguls and James Reno– Mariner Institutional
Margie Adcock– Pension Resource Center
Steve Stack – Highland Capital Management

2. Public Comments

There were no public comments.

3. Approval of Minutes Summary for Meeting of January 23, 2025 and Special Meeting of February 13, 2025.

The minutes of the meeting of January 23, 2025 and the special meeting of February 13, 2025 were reviewed.

Mr. Szeto made the motion to approve the minutes of the meeting of January 23, 2025 and the special meeting of February 13, 2025. The motion was seconded by Mr. Nadeau and approved unanimously by voice vote.

4. Presentations

A. Highland Capital – Steve Stack– Quarterly Presentation

Mr. Stack reviewed the investment performance for the quarter ending March 31, 2025. He reviewed the market environment. He stated that there has been a lot of volatility with the tariff announcements. He stated that there was the DeepSeek announcement on January 27, 2025 followed by tariff announcements. The market sold off on February 1st with the first tariff announcement, then there was a second and third tariff announcement on February 10th and February 20th. He stated that this creates a headwind on investing in the long term. Low volatility is not the most superior alpha generator compared to quality, buybacks and value, despite working very well in shorter periods of downdraft as would be expected. Mr. Stack stated that they were outperforming until the DeepSeek announcement. He stated that 5 value stocks hurt their performance. They are sticking to their style. They are liquidating things that are high for more opportunities. They are holding about 4% more in cash. They are about 10 basis points ahead this quarter so far. They expect to see an uptick in unemployment rates in the next couple of quarters. ADR was their best performer for the quarter. Movement has been very robust. Utilities have come down while technology has picked back up. There was discussion on fixed income. Mr. Stack stated that he was very comfortable holding Baa securities. He reviewed the municipal default rates and noted that they were lower than the global corporates for all broad categories from 1970-2023. He is not concerned about bonds being downgraded. He does not think the Board should be so concerned with having Baa in the portfolio. He is comfortable with where they are at with the fixed

income portfolio. Mr. Friguls stated that Baa is still investment grade. Looking at a 10 year history of fixed income strategies, intermediate outperformed all other strategies. Less risk has given more return, which is opposite of what was expected.

He reviewed the portfolio as of March 31, 2025. The total market value of the portfolio as of March 31, 2025 was \$15,417,656. The Value portfolio was down .27% while the Russell 1000 Value was up 2.13%. International was up 3.07% while the benchmark was up 5.23%. Fixed income was up 2.26% while the benchmark was up 2.61%.

C. Mariner Institutional – Jorge Friguls and James Reno

Mr. Reno provided a market overview for the quarter ending March 31, 2025. He stated that the portfolio is doing very well overall and is well positioned for this market. He stated that the market entered 2025 with pro-business policies. The last two years have shown tremendous growth in the stock market with 20%+ returns. The valuations are high and there is not much of a cushion there. Tariffs were the dominant theme of the quarter. They have seen a lot of ups and downs in the market. Mr. Reno reviewed the post World War II bull and bear markets in terms of frequency, length and magnitude. They are viewing the current situation as a normal pullback in the market. There has been tremendous growth of the S&P 500 since 2008, even with the volatility. He reviewed the S&P 500 calendar intra-year gains, declines and annual returns. Mr. Friguls stated that the best days in the market happen very close to the very bad days. It is important to stay committed. The markets always come back and it is important not to miss those good days.

Mr. Reno on the performance for the quarter ending March 31, 2025. The total market value as of March 31, 2025 was \$41,360,226. He reviewed the asset allocation. Domestic equities were at 55.4%; domestic fixed income was at 30.1%; real estate was at 12.4%; and cash was at 2.1%. He stated that the allocations are very close to the targets. He stated that there is no recommendation to rebalance. They are happy with how the portfolio is positioned.

Mr. Reno reported on the performance for the quarter ending March 31, 2025. The Fund was down 1.23% net of fees for the quarter while the benchmark was down 1.27% net of fees. Total equities were down 3.56% for the quarter while the benchmark was down 4.53%. Total fixed income was up 2.55% for the quarter while the benchmark was up 2.42%. Total real estate was up .84% for the quarter while the benchmark was up 1.05%.

Mr. Reno reviewed the specific performance of the managers for the quarter ending March 31, 2025. The total Highland Capital portfolio was up .95% net of fees for the quarter while their benchmark was up 1.49%. The total Sawgrass portfolio was down 2.55% net of fees for the quarter while their benchmark was down 3.17%. With respect to equities, Highland Capital was up .12% while their benchmark was up .63%; Sawgrass was down 6.22% while their benchmark was down 8.10%; Eaton Vance was down 4.61% while their benchmark was down 7.50%; and the Vanguard Strategic Equity Fund was down 6.47% while their benchmark was down 7.50%. With respect to fixed income, Highland Capital was up 2.37% and Sawgrass was up 2.71% while their benchmarks were up 2.42%. American Realty was up .84% for the quarter while the NCREIF was up 1.05%. Mr.

Reno stated that it was a tough quarter for mid cap but both managers suffered less negative performance than the benchmark. It was noted that April was the worst April since the Great Depression and historically April has always been a good month in the market.

Mr. Reno presented an Equity Benchmarking Review. He stated that he spoke to both Highland Capital and Sawgrass. He stated that he would like to drop off the core S&P 500 benchmark for both and move them to a more respective value and growth benchmark. It does not change their historical performance and it is not lowering their bar. It will still be of a high standard but will provide an added benefit of visibility. It will improve and be a little fairer to the portfolio construction. With respect to the ADR portion, they would like to see a more narrow universe. Mr. Reno stated that following their review of the equity strategy benchmarking and discussions with both Highland Capital and Sawgrass, he recommended updates to better align the policy benchmark with the underlying investment expertise as follows: removing the S&P 500 from the total Fund policy benchmark; reallocating the S&P 500 target equally between the Russell 1000 Value and Growth; and replacing the benchmark for the ADR with the MSCI ACWI ex US Index. There was a lengthy discussion.

Mr. Szeto made the motion to follow the Investment Monitor's recommendation to remove the S&P 500 from the total Fund policy benchmark; reallocate the S&P 500 target equally between the Russell 1000 Value and Growth; and replace the benchmark for the ADR with the MSCI ACWI ex US Index. Ms. Granit seconded the motion, which passed unanimously by voice vote.

Mr. Reno provided a draft revised Investment Policy Statement. He stated that the updated IPS incorporated the changes that the Board just approved regarding the benchmarks and cleaned up some additional language. He reviewed all of the changes with the Board.

Mr. Chockley made the motion to approve the Revised Investment Policy Statement. Mr. Szeto seconded the motion, which passed unanimously by voice vote.

Mr. Friguls presented a Fixed Income Asset Class Review. This review was done at the Board's request from the last meeting to review Tocqueville, who had previously made a presentation to the Board, to see if they would be a good fit for the Fund. Mr. Friguls reviewed the fixed income strategic spectrum from intermediate, core, to core plus. He stated that the Fund has always been in the intermediate spectrum. In contrast, Tocqueville has a higher duration where more overall performance can fluctuate. He reviewed the benchmark comparisons. Highland Capital Intermediate has a 3.4 year duration; Sawgrass Intermediate has a 3.9 year duration; and the Tocqueville Core has a 6.7 year duration. Taking less risk in fixed income has been more beneficial over time. There was a lengthy discussion on Tocqueville. Mr. Friguls stated that taking duration bets is risky. They derive a lot of outperformance by taking duration bets. If the Board wants core fixed income, Tocqueville is a viable alternative. He stated that even though the Board could invest with them, the question is does the Board want to invest with them based on their risk portfolio. They have done well in their respective sector but their best year in 2022 was only just in line with what Sawgrass and Highland Capital

generated. Since risk has not been rewarded, he does not think it is time to step out on the risk spectrum. Right now, given the market volatility and the flattening of the yield curve, he does not think it is time to make any changes. There was a lengthy discussion. The Board decided not to make any change to fixed income. The Board decided to stay the course.

5A. Bills and Warrants

- A. GRS- For actuarial services for the quarters ending March 31, 2025 - \$9,639.00
 - B. Pension Resource Center–For administrative services for February, March and April 2025 - \$9,035.45
 - C. KKJL – For legal services for February 2025 - \$175.00
 - D. FMIT – Renewal of Fiduciary Liability Insurance - \$6,674.08
 - E. Mariner Institutional – Quarterly Fee for period ending 3/31/25 - \$11,505.98
 - F. Highland Capital Management – Quarterly Fee for period ending 3/31/25 - \$15,638.32
 - G. Sawgrass Asset Management–Quarterly Fee for period ending 3/31/25- \$20,959.82
- Mr. Szeto made the motion to approve items A-G. Ms. Granit seconded the motion, which passed unanimously by voice vote.**

5B. Benefit Approvals

- A. Applications to Retire – Susan McCarthy
Mr. Chockley made the motion to approve item A. Mr. Szeto seconded the motion, which passed unanimously by voice vote.

6. Report on Fund Activity as of March 31, 2025.

The Board was provided an unaudited financial statement as of March 31, 2025. The Board reviewed the Balance Sheet as well as the Income and Expense Sheet.

7. Plan Administrator –Margie Adcock

- A. The Board was provided with a Resource Centers Trustee Travel Procedure.

8. Old Business

There was no old business.

9 . New Business

- A. The Board was provided with a Memorandum from the Attorney regarding 2025 Online Form 1 Filing dated April 2025.
- B. Mr. Chockley advised the Board that two topics have been brought up at an EAC meeting regarding the ability to increase the DROP period from 5 to 8 years and changing DROP entry to after 25 years of service. It was noted that since this is a closed plan, the Board did not believe that any changes could be made to the Plan. If the EAC and/or City wants to consider this further, the Board decided to obtain a legal opinion from the Attorney.

11. Adjournment

There being no further business before the Board, A motion was made and seconded, and the meeting was adjourned.