**AGENDA**
**REGULAR MEETING**
**BOARD OF TRUSTEES**
**CITY OF FERNANDINA BEACH**
**GENERAL EMPLOYEES' PENSION PLAN**
**AUGUST 15, 2019**
**3:00 PM**
**CITY HALL COMMISSION CHAMBERS**
**204 ASH STREET**
**FERNANDINA BEACH, FL 32034**

**1. CALL MEETING TO ORDER**

**2. ROLL CALL**

**3. APPROVAL OF MINUTES**

3.1 MAY 9, 2019 REGULAR MEETING

**4. QUARTERLY/ANNUAL REPORTS**

4.1 HIGHLAND CAPITAL QUARTERLY PERFORMANCE EVALUATION REPORT FOR QUARTER ENDING JUNE 30, 2019

4.2 ANDCO CONSULTING QUARTERLY PERFORMANCE EVALUATION REPORT FOR QUARTER ENDING JUNE 30, 2019

**5. REPORT FROM BOARD ATTORNEY**

**6. APPROVAL OF INVOICES ALREADY PAID AS PER AGREEMENT OR CONTRACT**

6.1 ANDCO CONSULTING, LLC INV. #32345 -- $4,375.00

6.2 SUGARMAN AND SUSSKIND INV. #139330 -- $2,102.81

6.3 SUGARMAN AND SUSSKIND INV. #140233 -- $850.00

6.4 HIGHLAND CAPITAL MANAGEMENT, LLC INV. #21257 -- $4,968.82

6.5 AGINCOURT CAPITAL MANAGEMENT, LLC INV. #10916 -- $2,851.04

6.6 FIDUCIARY TRUST INTERNATIONAL QUARTERLY FEES -- $2,668.94

6.7 AMERICAN CORE REALTY QUARTERLY FEES -- $6,276.75

6.8 FOSTER AND FOSTER INV. #15114 -- $3,000.00

**7. OLD BUSINESS**

**8. NEW BUSINESS**

**9. REQUESTS FROM THE PUBLIC TO BE HEARD ON ITEMS NOT ON THE AGENDA**

**10. OTHER BOARD DISCUSSION**

**11. ADJOURNMENT**

All members of the public are invited to be present and be heard. Persons with disabilities requiring accommodations in order to participate in this program or activity should contact the City Clerk at (904) 310-3115 or TTY/TDD 711 (for the hearing or speech impaired).

The Board of Trustees of the General Employees' Pension Plan met on Thursday, May 9, 2019 at 3:00 pm in the City Commission Chambers in City Hall. Members present were: Chair John Mandrick, Jeremiah Glisson, Steve Herbert and Steven Gibb.

**3. APPROVAL OF MINUTES:** The Minutes of the November 8, 2018 Regular Meeting and the February 14, 2019 Regular Meeting were presented for approval. **A motion was made by Member Glisson, seconded by Member Gibb, to approve the Minutes. Vote upon passage of the motion was taken by ayes and nays and being all ayes, carried.**

**4. QUARTERLY/ANNUAL REPORTS:**

**4.1. ANDCO CONSULTING QUARTERLY PERFORMANCE EVALUATION REPORT FOR QUARTER ENDING DECEMBER 31, 2018:** Mr. John Thinnes shared with the board that there was a pretty significant bounce back from the previous quarter, gaining back everything from December. For the quarter all risk assets did well both in equities and fixed income. He referred to the Investment Performance Review booklet on page 9, directing the board to the chart at the bottom right hand corner which shows the Treasury Yield Curve. He shared that as of this morning the 3-month treasury bill yield was higher than the 10-year treasury. When there is an inverted yield curve, which has happened 10 times throughout history, 9 of those 10 times a recession has followed 6 to 24 months out. Page 11 shows the market value at the end of this quarter at $21.2 million. Page 12 and 13 shows the asset allocations with each within allowable ranges so no need to rebalance at this time. Page 18 shows a return of 8.37% for the quarter, still down for the fiscal year to date. The manager performance was listed on page 19 with equity doing better than value, Highland was up 10%, Primecap up 12% and Vanguard up 14%. Internationally growth did better than value with Europacific up 13.2% and Transamerica up 8%. Agincourt Fixed Income was up 2.76%, not much versus the equity side but still positive. Real estate returned almost 2% for the quarter, 8% for the fiscal year.

**5. REPORT FROM ATTORNEY PEDRO HERRERA:** Attorney Pedro Herrera informed the board Form 1 financial disclosure form was due to be filed with the Supervisor of Elections in the county in which you reside by July 1. He shared that this form can now be submitted online. He shared that the legislative session has concluded and there were no bills that passed that impact this plan specifically.

Attorney Herrera requested permission to speak to item 11.1 under New Business which is VACATION/SICK PAYOUT AT TIME OF DROP OR RETIREMENT. He explained as background that traditionally when a member entered the DROP, they would receive a payout of their accrued leave time and pay their 6.5% employee contribution on the balance. Around 2010, the City Manager wished to handle things differently due to budgetary constraints and decided that instead of paying out the accrued leave at the time the employee entered the DROP, the leave would be paid out at the time the employee completed the DROP period. Because of that change, the employee contributions were inadvertently not taken when the employee left the City. He referred to the spreadsheet that was included in the pension packet which details the missed payments. Ms. Marley shared that there is conflicting language between the plan document and the Summary Plan Description. The plan document states that the contribution should be taken from the first payment into the DROP account for that member. The Summary Plan Description states that once the employee is on the DROP no further contributions should be taken. Once that City Manager left, subsequent City Managers decided to give the employees a choice of whether to take the payout at the time of DROP entry or DROP exit. For those that decided to take it at the time of DROP exit the 6.5% pension contribution was taken out of the accrued leave payout. This was recently discovered, and these instances are listed on the spreadsheet included in the pension packet and total approximately $10,000. Ms. Marley stated that a decision would need to be made as to how to handle this and how to prevent this from occurring in the future. She made a recommendation to amend the plan language to state that when employee enters the DROP, they are to be paid out for accrued leave so the

6.5% contribution could be deducted through payroll at that time. Member Glisson and Chair Mandrick questioned the shortage to the plan and Attorney Herrera explained that the plan was made whole on an annual basis because of the statutory requirement that the plan sponsor, the City, pays for at least the normal costs on an annual basis and this would have been included in the annual contribution from the City. **A motion was made by Member Gibb, seconded by Member Glisson, to accept the recommendation of the Board Attorney and the City representative to administer the plan in such a way that accrual payout contributions are taken at DROP entry rather than DROP exit and are taken through payroll. Vote upon passage of the motion was taken by ayes and nays and being all ayes, carried.**

**6. APPROVAL OF INVOICES ALREADY PAID AS PER AGREEMENT OR CONTRACT:**

The following invoices deferred from the 2/14/19 agenda were presented for consideration:

| | | |
|---|---|---|
| 6.1 | ANDCO CONSULTING, LLC INV. #27892 | $ 4,375.00 |
| 6.2. | SUGARMAN & SUSSKIND INV. #134226 | $ 1,406.33 |
| | INV. #134957 | $ 255.00 |
| 6.3. | HIGHLAND CAPITAL MANAGEMENT, LLC INV. #19899 | $ 4,350.16 |
| 6.4. | AGINCOURT CAPITAL MANAGEMENT, LLC INV. #9938 | $ 2,714.81 |
| 6.5. | FIDUCIARY TRUST INTERNATIONAL QUARTERLY FEES | $ 2,372.86 |
| 6.6. | AMERICAN CORE REALTY QUARTERLY FEES | $ 6,110.40 |
| 6.7 | FOSTER & FOSTER INV. #13870 | $ 808.00 |

**A motion was made by Member Glisson, seconded by Member Herbert, to approve the Minutes. Vote upon passage of the motion was taken by ayes and nays and being all ayes, carried.**

**7. APPROVAL OF INVOICES ALREADY PAID AS PER AGREEMENT OR CONTRACT:**

The following invoices were on the agenda for consideration:

| | | |
|---|---|---|
| 6.1 | ANDCO CONSULTING, LLC INV. #30167 | $ 4,375.00 |
| 6.2. | SUGARMAN & SUSSKIND INV. #136740 | $ 688.06 |
| 6.3. | HIGHLAND CAPITAL MANAGEMENT, LLC INV. #20478 | $ 4,798.08 |
| 6.4. | AGINCOURT CAPITAL MANAGEMENT, LLC INV. #10391 | $ 2,787.75 |
| 6.5. | FIDUCIARY TRUST INTERNATIONAL QUARTERLY FEES | $ 2,603.76 |
| 6.6. | AMERICAN CORE REALTY QUARTERLY FEES | $ 6,199.79 |

**A motion was made by Member Glisson, seconded by Member Gibb, to approve the Minutes. Vote upon passage of the motion was taken by ayes and nays and being all ayes, carried.**

**8. REQUEST FOR CONTRIBUTION REFUNDS:** According to the agenda support documents, the following individuals requested contribution refunds: Mr. Joshua Lavasseur in the amount of $6,563.11 and Ms. Sheila Fewox in the amount of $4,210.36. **A motion was made by Member Gibb, seconded by Member Glisson, to approve the contribution refund requests. Vote upon passage of the motion was taken by ayes and nays and being all ayes, carried.**

**9. REQUEST FOR RETIREMENT APPROVAL:** According to the agenda support documents, the following individuals requested approval of retirement. Ms. Patricia Clifford retirement commencing January 31, 2019 and Ms. Margie Hatton retirement commencing May 31, 2019. **A motion was made by Member Gibb, seconded by Member Glisson, to approve the retirement requests. Vote upon passage of the motion was taken by ayes and nays and being all ayes, carried.**

**10. OLD BUSINESS:** There were no items for discussion under Old Business.

**11. NEW BUSINESS:** There were no items for discussion under New Business.

**11.1. VACATION/SICK PAYOUT AT TIME OF DROP OR RETIREMENT:** This item was discussed under item 5, Report from Board Attorney.

Chari Mandrick introduced Ms. Susan Carless who was in attendance as a potential candidate for the open 5th member position on the board. Ms. Carless is an Accountant that works in the Finance department. **A motion was made by Member Glisson, seconded by Member Gibb, to nominate Ms. Susan Carless as the 5th member of the board. Vote upon passage of the motion was taken by ayes and nays and being all ayes, carried.**

**12. REQUESTS FROM THE PUBLIC TO BE HEARD ON ITEMS NOT ON THE AGENDA:** There were no requests to be heard at this time.

**12. OTHER BOARD DISCUSSION:** There were no items for discussion under other board discussion.

**13. ADJOURNMENT:** There being no further business to come before the Board of Trustees of the General Employees' Pension Plan the meeting was adjourned at 3:51 pm.

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John Mandrick, Chair Secretary

# Fernandina Beach General Employees' Pension Fund

Investment Review

Period Ending

June 30, 2019

Highland Capital Management, LLC

An Argent Company

## *Table of Contents*

# *2Q19 Equity Commentary*

The second quarter of 2019 was a bit of a roller coaster. The market moved higher in April adding to the strong gains of Q1 as earnings came in better than expected, only to stumble 6.6% in May when trade war worries escalated. June saw a strong rebound with the S&P gaining 7% as trade tensions eased and the Fed signaled that rate cuts might lie ahead. For the quarter the S&P gained 4.3% and is now up 18.5% YTD. The strong gains were noteworthy as this was the best month of June for the S&P since 1955, and the best first half of a year for the market since 1997. The market has now surpassed the highs of last October, and more than fully erased the steep decline in Q4 of 2018. At just over 10 years now (124 months to be precise) this is the longest running bull market since 1928, and is now the second highest in terms of total return with a gain of [illegible]

While the market has performed very nicely in 2019, the impact of tariffs and talk of trade wars has had a negative impact on consumer confidence and business confidence. The University of Michigan Consumer Sentiment Index fell in June to 97.9 from 100 in May. Consumer's outlook on future growth and employment has been tempered by the uncertainty created from tariffs. The same is true in the corporate world, as the Duke CFO Survey shows that capital spending expectations for the next 12 months have moderated from an increase of 8.2% in March, to just a 3.4% increase as of June. This is important as capital spending could be another leg of growth that could extend this economic expansion. Perhaps nowhere has the impact of tariffs been more pronounced than in the manufacturing sector. The June US Manufacturing ISM report showed the manufacturing sector softening for the third straight month. Readings above 50 indicate expansion and the June reading was 51.7, but this is down from 60.8 in August of 2018, and 56.6 as recently as January of 2019. Both new orders and backlogs are showing signs of weakness, with backlogs contracting for the last two months. The Global Manufacturing PMI is also weakening as it has fallen into contraction territory and is at its lowest level since February of 2016. This does not mean that recession is imminent, but it does confirm that growth has slowed both in the US and the rest of the world, and clearly bears watching. Q1 2019 GDP did surprise to the upside coming in at 3.1%, but we would anticipate that US growth for the balance of 2019 is closer to 2%, with Q2 likely being the weakest as Q1 probably pulled forward some demand trying to get ahead of impending tariffs.

**Second Quarter Market Recap**:

Similar to Q1, the top performing groups in Q2 also had more of a "risk on" character. Financials were the best performing group gaining 8%. Both Citigroup and Keycorp gained over 13% in the quarter. Broadly speaking, the less interest sensitive areas of the group such as multi-line insurance, financial exchanges, and consumer finance performed best, while the money center and regional banks slightly lagged as interest rates fell. Materials and Technology both gained over 6% in Q2, with Industrial Gases and Gold leading in Materials, while software services within Tech continued their strong gains (i.e. Microsoft +14%).

# *2Q19 Equity Commentary*

**Second Quarter Market Recap Cont.**:

Gold likely benefited from either real or perceived currency manipulation as central banks move to a more accommodative stance, along with the geopolitical tensions emanating from Iran and the Straits of Hormuz. With trade uncertainty, rising international tensions, and slowing global growth you might have anticipated that defensive sectors would have performed better. However, this was not the case as Consumer Staples, Utilities, and Healthcare all performed below the market in the quarter. Both Staples and Utilities are trading above their 5 and 10 year valuation multiple averages, so perhaps the market is recognizing that their defensiveness is coming at a steep price. The lag in Healthcare is more easily explained by the bipartisan support to lower drug prices, along with rhetoric of "Medicare for All" that would drastically change the healthcare landscape. Our managed care holdings (Cigna, Humana, CVS) were in a range of -2% to +2% in the quarter. The trend of growth stocks outperforming value stocks, as well as large caps beating small caps continued in Q2. If the Fed cuts rates in the coming months we would expect that trend to

**Outlook**:

With the best first half in the books since the late 90's and the market hitting new highs we should feel exuberant at this point. But in keeping with the character of this being the most unloved bull market in history, we find ourselves looking cautiously at the second half of the year.

**Outlook Cont.**:

We are concerned about tariffs, a slowing US and global economy, political division, geopolitical hotspots, and a still unresolved Brexit. On the positive side central banks around the world are skewed to easing. Just 6 months ago the consensus in the US was that the Fed would raise rates four times in 2019. Now, that same consensus is for 2 rate cuts in 2019. The 3 month change in M2 money supply growth is at the hottest pace since mid-2016, and this is usually a positive for risky assets such as stocks. Investors are not euphoric. The first half of 2019 saw more money flow into bond ETF's ($74 billion), than into stock ETF's ($41 billion). With global trade flows and PMI's weakening, our opinion is that the market is already discounting central bank easing and the possibility that a trade deal gets done. The market is likely to suffer some drawdown if the Fed does not ease as significantly as the market seems to be expecting. Another more fundamental concern for the market is earnings growth, or the lack thereof. Q1 2019 earnings posted a decline of -0.3%. The trend for Q2 is worsening as the consensus estimate is for earnings to decline 2.6%, making this officially an "earnings recession", and the first time since Q1/Q2 2016 that we have had back to back down quarters in earnings. So far 87 companies have issued negative earnings guidance for Q2 2019, which is the highest number since Q2 of 2006. In the near term however, the central bankers are likely to trump fundamentals with all eyes on their next move, or the parsing of press releases for hints at policy changes.

# *2Q19 Equity Commentary*

**Outlook Cont.**:

So what does this mean for your portfolios? From a portfolio management perspective this will require us to be nimble. Should the slowdown continue and the central bankers not ease as aggressively, it would require us to adopt a more defensive stance. If easing does occur and some form of trade deal is approved, then growth in 2020 should improve, and our current portfolio positioning which favors more cyclical areas of the market should continue to be rewarded.

**Valuation**:

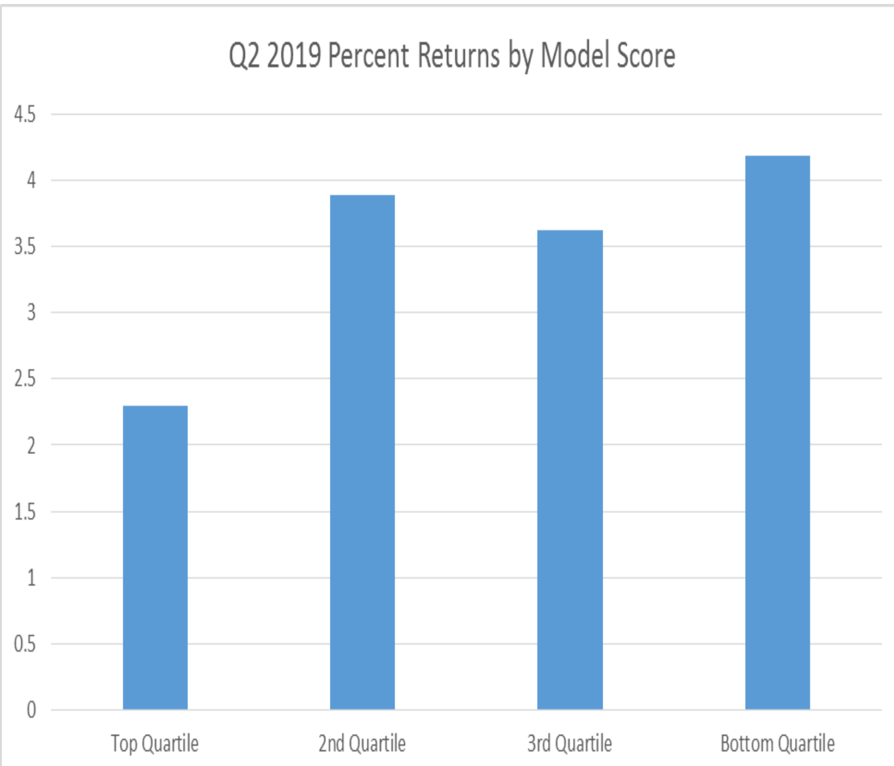
The market is currently selling at 16.6X forward earnings, which is above the five year average of 16.5X and the 10 year average of 14.8X. We continue to see the market as being close to fully valued. Yes, the market can support a higher multiple in periods of low inflation and declining interest rates, and inflation continues to stay stubbornly below the Fed's target of 2%. Yet, we don't see the earnings multiple expanding in the current environment of flat to slightly down earnings for the next couple of quarters. There is also the potential for some pressure on profit margins as wages rise and tariffs bite, however, with the peak in job growth now behind us that could begin to ease. We suspect that the market will move sideways over the next few months as both political and monetary policy do their work. If this is the case, then earnings growth should resume in Q4, and the market will begin to price based off on an improving

As always, please feel to contact us with any questions you may have. We appreciate the opportunity to serve you, and value the trust and confidence that you have placed in us.

# *2Q19 Large Cap Value Equity Commentary*

Returns for the Large Cap Value portfolios were largely in line with the index despite the volatility. Nonetheless, the average stock in the Russell 1000 Value index advanced a healthy 3.50% percent during the quarter. As we show in the chart, the value model wasn't as predictive of outperformance during the quarter, with the lowest ranked stocks outperforming the top ranked.

This performance pattern is a further reaffirmation of the Value/Growth disconnect we've been tracking for our clients. As the next chart shows, the relative outperformance of Growth relative to Value continued during the quarter.







Highland Capital MANAGEMENT, LLC
An Argent Company

# *2Q19 Large Cap Value Equity Commentary*

Given the relative outperformance of growth late in this cycle, Value managers can be tempted to "sneak" a bit of alpha into their returns, by letting the amount they are willing to pay for companies increase, measured by P/E or P/BV. Historically, this risk taking has been safer at the bottom of business cycles, when companies are emerging from negative growth profit recessions and valuations can be stretched as profits grow into the prices. When done at the top of cycles, it has typically been a short term performance pressure that ends badly for clients who find themselves overexposed to expensive growth style investing at the top.

## THE NEW RUSSELL 1000 VALUE INDEX:

Russell Company rebalances their indexes each July to reflect price changes. Below is the old and new Index weightings for the Large Cap Value Index.

| Sector | Old Weight | New Weight |
|---|---|---|
| Materials | 4.03% | 4.33% |
| Real Estate | 5.04% | 5.23% |
| Cons Disc | 5.28% | 5.90% |
| Utilities | 6.42% | 6.56% |
| Telecom | 7.08% | 7.99% |
| Staples | 7.78% | 8.84% |
| Industrials | 8.00% | 9.55% |
| Energy | 8.98% | 9.11% |
| ***Tech*** | ***9.73%*** | ***5.98%*** |
| ***Health Care*** | ***15.15%*** | ***12.87%*** |
| Financials | 22.50% | 23.64% |

As I've highlighted above, the ytd price appreciation in the Health Care and especially the Technology sectors have forced them out of the value index and into the growth. The consequence being that the growth index becomes ever more concentrated in the Tech sector as the Value index becomes more diversified with the exception of Financials.

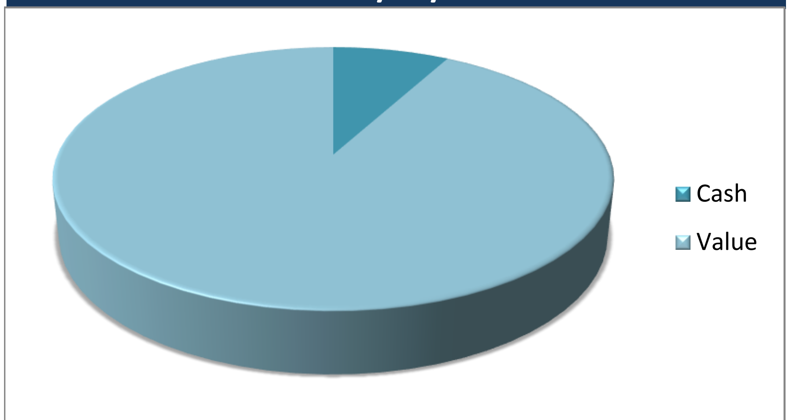
Looking forward, the performance story is shaping up to be a comparison of technology and financials as the economy moves increasingly toward the end of the cycle. As always our modelling process seeks to uncover those investments combining the best mix of profits *and* valuation, and should serve us as we inch closer to the end of the cycle.

## Total Return Summary

| | Beginning Market Value | Ending Market Value | Difference | Contributions | Withdrawals | Gain/Loss | Cumulative Return | Annualized Return |
|---|---|---|---|---|---|---|---|---|
| **Quarter** (4/1/19 - 6/30/19) | $3,841,335 | $3,978,113 | $136,778 | $0 | -$528 | $137,306 | **3.57%** | ------- |
| **Fiscal Year to Date** (10/1/18 - 6/30/19) | $3,934,182 | $3,978,113 | $43,931 | $635 | -$1,547 | $44,842 | **1.14%** | ------- |
| **Five Year** (7/1/14 - 6/30/19) | $3,105,508 | $3,978,113 | $872,605 | $48,708 | -$473,665 | $1,297,561 | **47.46%** | **8.08%** |

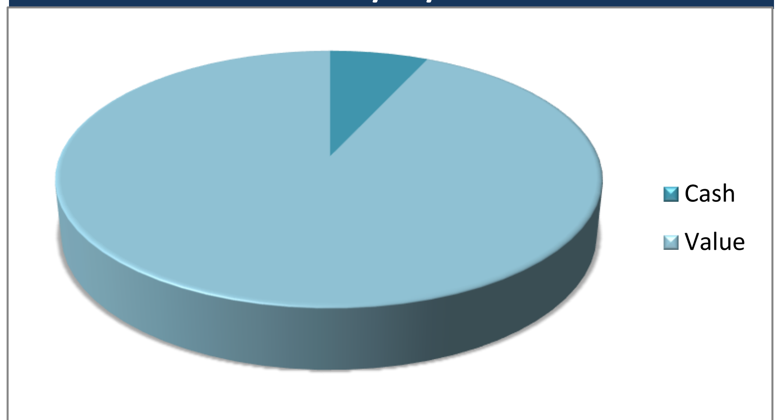
## Asset Allocation

### As of 3/31/2019



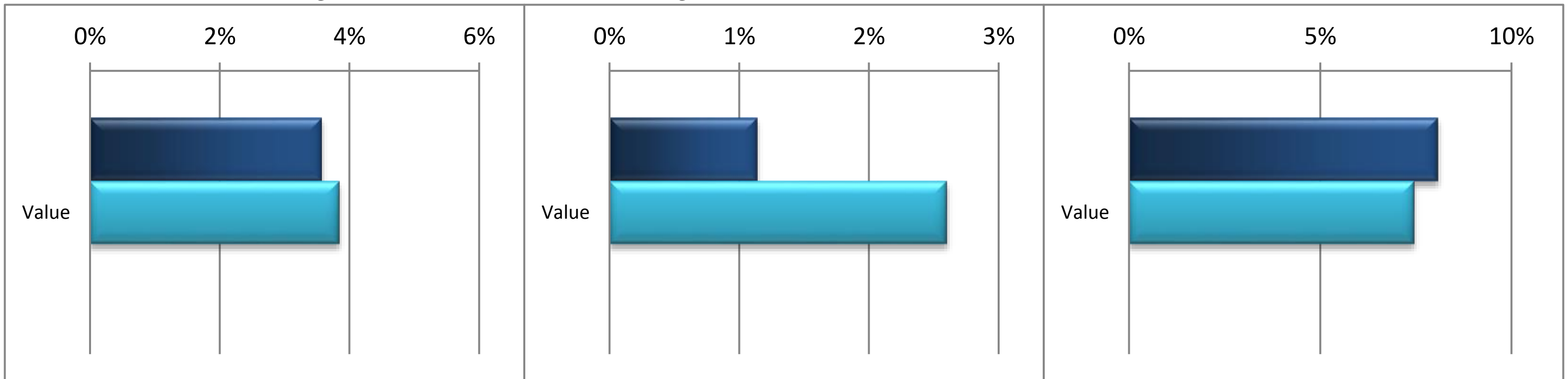

| | | |
|---|---|---|
| Cash | $306,920 | 8.0% |
| Value | $3,534,415 | 92.0% |
| **Total** | **$3,841,335** | **100.0%** |

### As of 6/30/2019

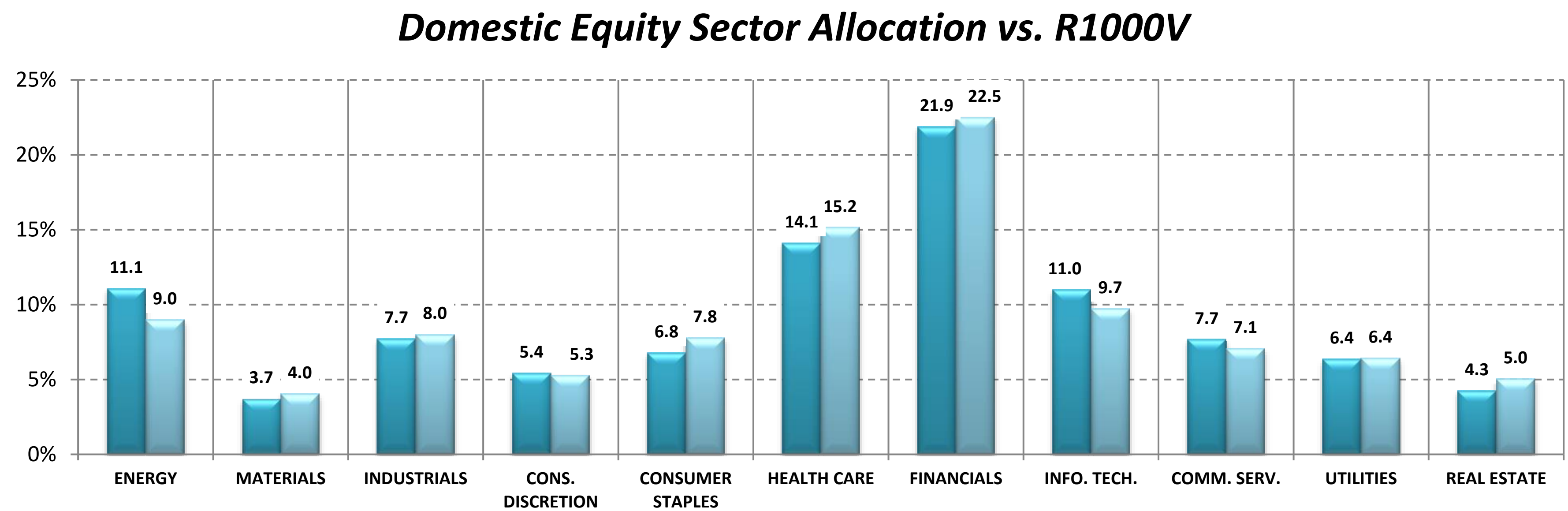


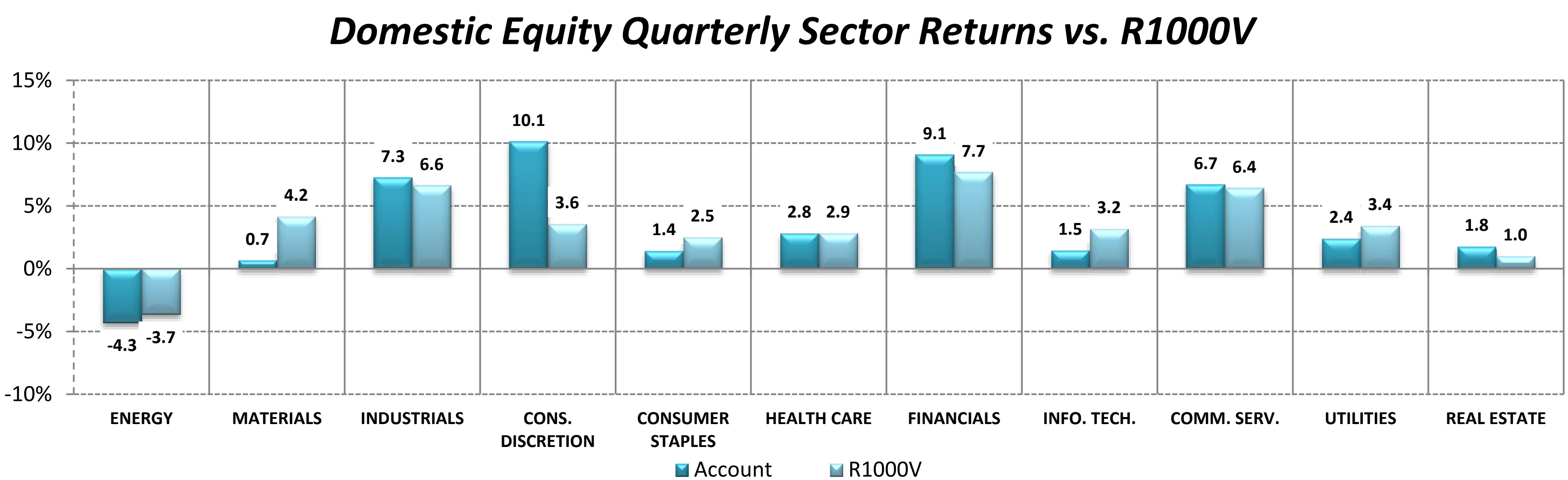

| | | |
|---|---|---|
| Cash | $273,848 | 6.9% |
| Value | $3,704,265 | 93.1% |
| **Total** | **$3,978,113** | **100.0%** |

## *Performance Returns for Various Periods*




| | Quarter (4/1/19 - 6/30/19) | Fiscal Year to Date (10/1/18 - 6/30/19) | Five Year (Annualized) (7/1/14 - 6/30/19) |
|---|---|---|---|
| **Value** | 3.57% | 1.14% | 8.08% |
| **R1000V** | 3.84% | 2.60% | 7.45% |






Highland Capital MANAGEMENT, LLC
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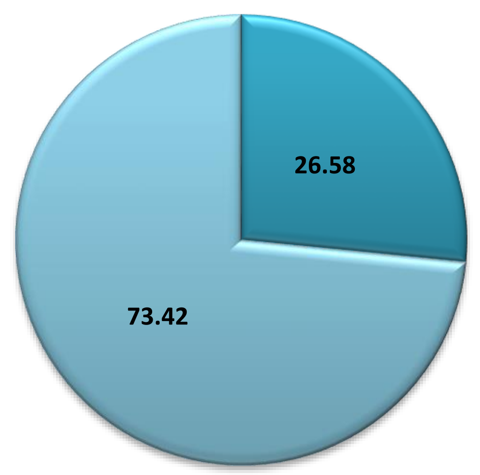
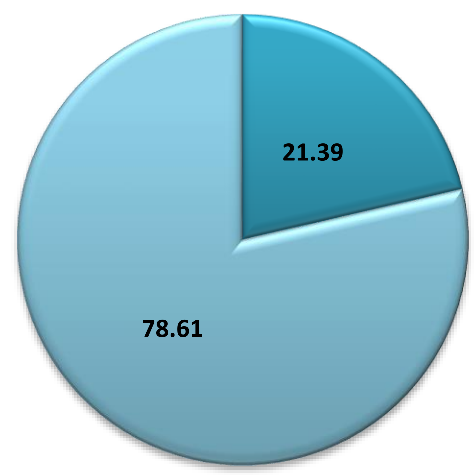
# *Top Ten Domestic Equity Holdings*

## *Account*



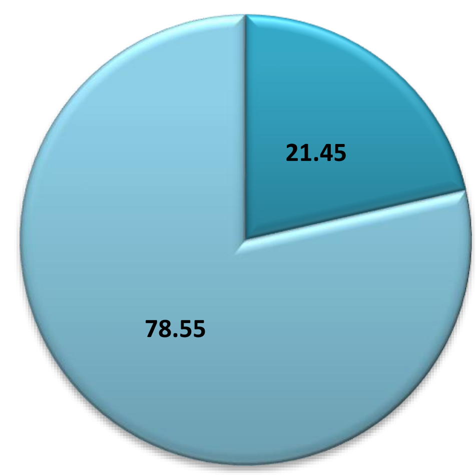

| Security | Weight % | QTD Return % |
|---|---|---|
| JP MORGAN CHASE & CO | 3.62 | 11.29 |
| BERKSHIRE HATHAWAY INC -CL B | 3.45 | 6.11 |
| CISCO SYSTEMS INC | 2.95 | 2.03 |
| CHEVRON CORP | 2.77 | 2.59 |
| EXXON MOBIL CORPORATION | 2.69 | -4.11 |
| PROCTER & GAMBLE CO | 2.52 | 6.12 |
| AT&T INC | 2.22 | 8.58 |
| BANK OF AMERICA CORP | 2.20 | 7.10 |
| VERIZON COMM | 2.08 | -2.38 |
| JOHNSON & JOHNSON | 2.07 | 0.32 |

## *Russell 1000 Value*




| Security | Weight % | QTD Return % |
|---|---|---|
| JPMORGAN CHASE & CO | 2.75 | 11.28 |
| BERKSHIRE HATHAWAY INC-CL B | 2.69 | 6.11 |
| EXXON MOBIL CORP | 2.42 | -4.08 |
| JOHNSON & JOHNSON | 2.28 | 0.32 |
| PROCTER & GAMBLE CO/THE | 2.03 | 6.12 |
| BANK OF AMERICA CORP | 1.95 | 5.68 |
| PFIZER INC | 1.85 | 2.90 |
| CISCO SYSTEMS INC | 1.85 | 2.01 |
| AT&T INC | 1.81 | 8.57 |
| VERIZON COMMUNICATIONS INC | 1.76 | -2.39 |

## *S&P 500*




| Security | Weight % | QTD Return % |
|---|---|---|
| MICROSOFT CORP | 4.18 | 14.00 |
| APPLE INC | 3.53 | 4.60 |
| AMAZON.COM INC | 3.19 | 6.34 |
| FACEBOOK INC-A | 1.89 | 15.78 |
| BERKSHIRE HATHAWAY INC-CL B | 1.68 | 6.11 |
| JOHNSON & JOHNSON | 1.51 | 0.32 |
| JPMORGAN CHASE & CO | 1.48 | 11.28 |
| ALPHABET INC-CL C | 1.35 | -7.88 |
| ALPHABET INC-CL A | 1.32 | -7.99 |
| EXXON MOBIL CORP | 1.32 | -4.08 |

# *Portfolio Holdings*

| Quantity | Security | Unit Cost | Total Cost | Price | Market Value | Pct. Assets | Cur. Yield | Moody's Ratings | Coupon % | Maturity Date |
|---|---|---|---|---|---|---|---|---|---|---|
| **CASH AND EQUIVALENTS (USD)** | | | | | | | | | | |
| | cash | | 270,786.81 | | 270,786.81 | 6.8 | 2.3 | | | |
| | Dividend Accrual | | 3,061.34 | | 3,061.34 | 0.1 | | | | |
| | | | **273,848.15** | | **273,848.15** | **6.9** | **2.3** | | | |
| **COMMON STOCK (USD)** | | | | | | | | | | |
| | **Energy** | | | | | | | | | |
| 826 | CHEVRON CORP | 89.38 | 73,825.27 | 124.44 | 102,787.44 | 2.6 | 3.8 | | | |
| 300 | CONOCOPHILLIPS | 66.15 | 19,845.00 | 61.00 | 18,300.00 | 0.5 | 2.0 | | | |
| 350 | EOG RESOURCES INC | 91.53 | 32,035.47 | 93.16 | 32,606.00 | 0.8 | 1.2 | | | |
| 1300 | EXXON MOBIL CORPORATION | 87.19 | 113,350.80 | 76.63 | 99,619.00 | 2.5 | 4.5 | | | |
| 2100 | MARATHON OIL CORP | 30.25 | 63,524.06 | 14.21 | 29,841.00 | 0.8 | 1.4 | | | |
| 500 | MURPHY OIL CORP | 61.32 | 30,658.76 | 24.65 | 12,325.00 | 0.3 | 4.1 | | | |
| 450 | OCCIDENTAL PETROLEUM CORP | 69.78 | 31,401.58 | 50.28 | 22,626.00 | 0.6 | 6.2 | | | |
| 300 | PHILLIPS 66 | 75.62 | 22,685.05 | 93.54 | 28,062.00 | 0.7 | 3.8 | | | |
| 850 | SCHLUMBERGER LTD | 65.12 | 55,350.03 | 39.74 | 33,779.00 | 0.8 | 5.0 | | | |
| 350 | VALERO ENERGY CORP | 64.99 | 22,748.20 | 85.61 | 29,963.50 | 0.8 | 4.2 | | | |
| | | | **465,424.22** | | **409,908.94** | **10.3** | **3.8** | | | |
| | **Materials** | | | | | | | | | |
| 233 | CORTEVA INC | 29.60 | 6,897.13 | 29.57 | 6,889.81 | 0.2 | 0.0 | | | |
| 233 | DOW INC | 48.32 | 11,259.39 | 49.31 | 11,489.23 | 0.3 | 5.7 | | | |
| 133.0001 | DOWDUPONT INC | 70.89 | 9,428.64 | 75.07 | 9,984.32 | 0.3 | 2.2 | | | |
| 2200 | GRAPHIC PACKAGING HOLDING CO | 13.47 | 29,627.41 | 13.98 | 30,756.00 | 0.8 | 2.1 | | | |
| 500 | LYONDELLBASELL INDUSTRIES NV | 89.90 | 44,951.23 | 86.13 | 43,065.00 | 1.1 | 4.9 | | | |
| 650 | NUCOR CORP | 67.59 | 43,934.93 | 55.10 | 35,815.00 | 0.9 | 2.9 | | | |
| | | | **146,098.73** | | **137,999.36** | **3.5** | **3.4** | | | |
| | **Industrials** | | | | | | | | | |
| 600 | CSX CORPORATION | 31.82 | 19,093.18 | 77.37 | 46,422.00 | 1.2 | 1.2 | | | |
| 450 | EATON CORPORATION PLC | 67.47 | 30,360.92 | 83.28 | 37,476.00 | 0.9 | 3.4 | | | |
| 2456 | GENERAL ELECTRIC COMPANY | 27.30 | 67,046.77 | 10.50 | 25,788.00 | 0.6 | 0.4 | | | |
| 2300 | JETBLUE AIRWAYS CORP | 17.72 | 40,766.60 | 18.49 | 42,527.00 | 1.1 | 0.0 | | | |
| 150 | LOCKHEED MARTIN CORPORATION | 348.83 | 52,324.58 | 363.54 | 54,531.00 | 1.4 | 2.4 | | | |
| 200 | NORFOLK SOUTHERN CORP | 73.30 | 14,660.30 | 199.33 | 39,866.00 | 1.0 | 1.7 | | | |
| 250 | OSHKOSH CORPORATION | 69.78 | 17,445.22 | 83.49 | 20,872.50 | 0.5 | 1.3 | | | |
| 135 | UNITED TECHNOLOGIES CORP | 111.88 | 15,103.85 | 130.20 | 17,577.00 | 0.4 | 2.3 | | | |
| 13.0002 | WABTEC CORP | 209.39 | 2,722.05 | 71.76 | 932.89 | 0.0 | 0.7 | | | |
| | | | **259,523.48** | | **285,992.39** | **7.2** | **1.6** | | | |



Highland Capital MANAGEMENT, LLC
An Argent Company

# Portfolio Holdings

| Quantity | Security | Unit Cost | Total Cost | Price | Market Value | Pct. Assets | Cur. Yield | Moody's Ratings | Coupon % | Maturity Date |
|---|---|---|---|---|---|---|---|---|---|---|
| | **Consumer Discretionary** | | | | | | | | | |
| 850 | EBAY INC | 42.77 | 36,356.29 | 39.50 | 33,575.00 | 0.8 | 1.4 | | | |
| 1500 | FORD MOTOR COMPANY | 12.01 | 18,014.44 | 10.23 | 15,345.00 | 0.4 | 5.9 | | | |
| 800 | GENERAL MOTORS CO | 38.21 | 30,565.82 | 38.53 | 30,824.00 | 0.8 | 3.9 | | | |
| 200 | MCDONALD'S CORPORATION | 176.68 | 35,335.36 | 207.66 | 41,532.00 | 1.0 | 2.2 | | | |
| 1300 | PULTE CORP | 30.00 | 39,005.07 | 31.62 | 41,106.00 | 1.0 | 1.4 | | | |
| 450 | TARGET CORP | 85.54 | 38,491.79 | 86.61 | 38,974.50 | 1.0 | 3.0 | | | |
| | | | **197,768.76** | | **201,356.50** | **5.1** | **2.6** | | | |
| | **Consumer Staples** | | | | | | | | | |
| 700 | CAMPBELL SOUP COMPANY | 50.00 | 35,002.31 | 40.07 | 28,049.00 | 0.7 | 3.5 | | | |
| 350 | INGREDION INC | 86.61 | 30,313.63 | 82.49 | 28,871.50 | 0.7 | 3.0 | | | |
| 350 | PEPSICO INC | 115.56 | 40,445.61 | 131.13 | 45,895.50 | 1.2 | 2.9 | | | |
| 850 | PROCTER & GAMBLE COMPANY | 83.48 | 70,959.27 | 109.65 | 93,202.50 | 2.3 | 2.7 | | | |
| 850 | US FOODS HOLDING CORP | 35.03 | 29,779.50 | 35.76 | 30,396.00 | 0.8 | 0.0 | | | |
| 450 | WALGREENS BOOTS ALLIANCE INC | 77.32 | 34,796.10 | 54.67 | 24,601.50 | 0.6 | 3.2 | | | |
| | | | **241,296.42** | | **251,016.00** | **6.3** | **2.6** | | | |
| | **Health Care** | | | | | | | | | |
| 600 | ABBOTT LABORATORIES | 53.02 | 31,814.40 | 84.10 | 50,460.00 | 1.3 | 1.5 | | | |
| 300 | AMGEN INC | 173.43 | 52,028.40 | 184.28 | 55,284.00 | 1.4 | 3.1 | | | |
| 150 | ANTHEM INC | 222.41 | 33,361.76 | 282.21 | 42,331.50 | 1.1 | 1.1 | | | |
| 100 | CIGNA CORPORATION | 29.97 | 2,996.55 | 157.55 | 15,755.00 | 0.4 | 0.0 | | | |
| 700 | CVS CORPORATION | 69.22 | 48,452.61 | 54.49 | 38,143.00 | 1.0 | 3.7 | | | |
| 200 | HCA HEALTHCARE INC | 85.00 | 17,000.70 | 135.17 | 27,034.00 | 0.7 | 1.2 | | | |
| 550 | JOHNSON & JOHNSON | 103.58 | 56,966.28 | 139.28 | 76,604.00 | 1.9 | 2.7 | | | |
| 500 | MERCK & COMPANY | 58.81 | 29,404.40 | 83.85 | 41,925.00 | 1.1 | 2.6 | | | |
| 1250 | PFIZER INC | 31.33 | 39,158.79 | 43.32 | 54,150.00 | 1.4 | 3.3 | | | |
| 1100 | PREMIER INC | 32.40 | 35,640.50 | 39.11 | 43,021.00 | 1.1 | 0.0 | | | |
| 150 | UNITEDHEALTH GROUP INC | 242.88 | 36,431.48 | 244.01 | 36,601.50 | 0.9 | 1.8 | | | |
| 600 | VENTAS INC | 63.56 | 38,136.30 | 68.35 | 41,010.00 | 1.0 | 4.6 | | | |
| | | | **421,392.17** | | **522,319.00** | **13.1** | **2.3** | | | |

# *Portfolio Holdings*

| Quantity | Security | Unit Cost | Total Cost | Price | Market Value | Pct. Assets | Cur. Yield | Moody's Ratings | Coupon % | Maturity Date |
|---|---|---|---|---|---|---|---|---|---|---|
| | **Financials** | | | | | | | | | |
| 250 | AMERICAN EXPRESS | 94.38 | 23,595.50 | 123.44 | 30,860.00 | 0.8 | 1.3 | | | |
| 150 | AMERICAN FINANCIAL GROUP INC | 47.30 | 7,095.12 | 102.47 | 15,370.50 | 0.4 | 1.6 | | | |
| 1050 | AMERICAN INTERNATIONAL GROUP | 45.04 | 47,295.50 | 53.28 | 55,944.00 | 1.4 | 2.4 | | | |
| 2815 | BANK OF AMERICA CORPORATION | 22.86 | 64,340.95 | 29.00 | 81,635.00 | 2.1 | 2.1 | | | |
| 600 | BERKSHIRE HATHAWAY INC-CL B | 131.72 | 79,030.64 | 213.17 | 127,902.00 | 3.2 | 0.0 | | | |
| 100 | BLACKROCK INC | 464.47 | 46,447.41 | 469.30 | 46,930.00 | 1.2 | 2.8 | | | |
| 100 | CHUBB LTD | 139.19 | 13,918.74 | 147.29 | 14,729.00 | 0.4 | 2.0 | | | |
| 750 | CITIGROUP INC | 61.45 | 46,085.47 | 70.03 | 52,522.50 | 1.3 | 2.6 | | | |
| 200 | GOLDMAN SACHS GROUP | 228.04 | 45,608.68 | 204.60 | 40,920.00 | 1.0 | 1.7 | | | |
| 1200 | JP MORGAN CHASE & CO | 49.81 | 59,774.94 | 111.80 | 134,160.00 | 3.4 | 2.9 | | | |
| 350 | LINCOLN NATIONAL CORP | 53.51 | 18,729.13 | 64.45 | 22,557.50 | 0.6 | 2.3 | | | |
| 300 | PRUDENTIAL FINANCIAL INC | 106.05 | 31,813.98 | 101.00 | 30,300.00 | 0.8 | 4.0 | | | |
| 2600 | REGIONS FINANCIAL CORP | 14.56 | 37,867.90 | 14.94 | 38,844.00 | 1.0 | 3.7 | | | |
| 900 | US BANCORP | 43.08 | 38,773.53 | 52.40 | 47,160.00 | 1.2 | 2.8 | | | |
| 1500 | WELLS FARGO COMPANY | 51.45 | 77,181.57 | 47.32 | 70,980.00 | 1.8 | 3.8 | | | |
| | | | **637,559.07** | | **810,814.50** | **20.4** | **2.3** | | | |
| | **Information Technology** | | | | | | | | | |
| 2000 | CISCO SYSTEMS INC | 28.06 | 56,116.15 | 54.73 | 109,460.00 | 2.8 | 2.6 | | | |
| 1150 | CORNING INC | 25.15 | 28,926.46 | 33.23 | 38,214.50 | 1.0 | 2.4 | | | |
| 128.9999 | DELL TECHNOLOGIES INC C | 80.86 | 10,430.86 | 50.80 | 6,553.19 | 0.2 | 0.0 | | | |
| 124 | DXC TECHNOLOGY CO | 60.44 | 7,494.80 | 55.15 | 6,838.60 | 0.2 | 1.5 | | | |
| 2350 | HEWLETT PACKARD ENTERPRISE CO | 14.06 | 33,044.96 | 14.95 | 35,132.50 | 0.9 | 3.0 | | | |
| 1550 | INTEL CORPORATION | 22.84 | 35,404.82 | 47.87 | 74,198.50 | 1.9 | 2.6 | | | |
| 300 | MICRON TECHNOLOGY INC | 31.01 | 9,302.10 | 38.59 | 11,577.00 | 0.3 | 0.0 | | | |
| 500 | MICROSOFT CORPORATION | 45.82 | 22,909.64 | 133.96 | 66,980.00 | 1.7 | 1.4 | | | |
| 400 | ORACLE CORPORATION | 42.33 | 16,930.72 | 56.97 | 22,788.00 | 0.6 | 1.7 | | | |
| 62 | PERSPECTA INC | 16.56 | 1,026.54 | 23.41 | 1,451.42 | 0.0 | 1.0 | | | |
| 450 | QUALCOMM INC | 64.29 | 28,930.55 | 76.07 | 34,231.50 | 0.9 | 3.3 | | | |
| | | | **250,517.59** | | **407,425.21** | **10.2** | **2.3** | | | |
| | **Communication Services** | | | | | | | | | |
| 2450 | AT&T INC | 35.61 | 87,250.78 | 33.51 | 82,099.50 | 2.1 | 6.1 | | | |
| 1800 | COMCAST CORP CL A | 37.08 | 66,744.76 | 42.28 | 76,104.00 | 1.9 | 2.0 | | | |
| 1350 | VERIZON COMMUNICATIONS | 53.01 | 71,569.04 | 57.13 | 77,125.50 | 1.9 | 4.2 | | | |
| 350 | WALT DISNEY COMPANY | 116.13 | 40,644.73 | 139.64 | 48,874.00 | 1.2 | 1.3 | | | |
| | | | **266,209.31** | | **284,203.00** | **7.1** | **3.7** | | | |

# *Portfolio Holdings*

| Quantity | Security | Unit Cost | Total Cost | Price | Market Value | Pct. Assets | Cur. Yield | Moody's Ratings | Coupon % | Maturity Date |
|---|---|---|---|---|---|---|---|---|---|---|
| | **Utilities** | | | | | | | | | |
| 850 | AMERICAN ELECTRIC POWER INC | 71.54 | 60,805.36 | 88.01 | 74,808.50 | 1.9 | 3.0 | | | |
| 500 | DUKE ENERGY CORPORATION | 75.56 | 37,777.70 | 88.24 | 44,120.00 | 1.1 | 4.2 | | | |
| 1150 | EXELON CORP | 34.98 | 40,223.46 | 47.94 | 55,131.00 | 1.4 | 3.0 | | | |
| 300 | NEXTERA ENERGY INC | 173.50 | 52,048.67 | 204.86 | 61,458.00 | 1.5 | 2.4 | | | |
| | | | **190,855.19** | | **235,517.50** | **5.9** | **3.1** | | | |
| | **Real Estate** | | | | | | | | | |
| 300 | CROWN CASTLE INTL CORP | 129.42 | 38,826.27 | 130.35 | 39,105.00 | 1.0 | 3.5 | | | |
| 1450 | HOSPITALITY PROPERTIES TRUST | 24.98 | 36,218.23 | 25.00 | 36,250.00 | 0.9 | 8.6 | | | |
| 450 | IRON MOUNTAIN INC | 39.28 | 17,677.62 | 31.30 | 14,085.00 | 0.4 | 7.8 | | | |
| 550 | OMEGA HEALTHCARE INVESTORS INC | 34.74 | 19,105.53 | 36.75 | 20,212.50 | 0.5 | 7.2 | | | |
| 600 | PROLOGIS | 53.80 | 32,278.86 | 80.10 | 48,060.00 | 1.2 | 2.6 | | | |
| | | | **144,106.51** | | **157,712.50** | **4.0** | **5.3** | | | |
| | | | **3,220,751.45** | | **3,704,264.91** | **93.1** | **2.8** | | | |
| | | | **3,494,599.60** | | **3,978,113.06** | **100.0** | **2.7** | | | |
| **TOTAL PORTFOLIO** | | | **3,494,599.60** | | **3,978,113.06** | **100.0** | **2.7** | | | |

## *Purchases*

| Trade Date | Settle Date | Quantity | Security | Unit Price | Amount | Comm/ Share | Commission |
|---|---|---|---|---|---|---|---|
| **BARCLAYS-EQ** | | | | | | | |
| 6/25/19 | 6/27/19 | 150.00 | CITIGROUP INC | 67.09 | 10,062.96 | 0.04 | 6.00 |
| 5/17/19 | 5/21/19 | 500.00 | COMCAST CORP CL A | 43.66 | 21,828.80 | 0.04 | 20.00 |
| 5/2/19 | 5/6/19 | 100.00 | QUALCOMM INC | 86.89 | 8,688.89 | 0.04 | 4.00 |
| | | | | | **40,580.65** | **0.04** | **30.00** |
| **DEUTSCHE** | | | | | | | |
| 6/25/19 | 6/27/19 | 750.00 | BANK OF AMERICA CORPORATION | 27.78 | 20,836.05 | 0.02 | 15.00 |
| **REDI** | | | | | | | |
| 6/4/19 | 6/6/19 | 150.00 | AMERICAN INTERNATIONAL GROUP | 53.72 | 8,057.93 | 0.01 | 1.50 |
| 6/3/19 | 6/5/19 | 100.00 | AMGEN INC | 173.35 | 17,334.72 | 0.01 | 1.00 |
| 6/20/19 | 6/24/19 | 350.00 | EOG RESOURCES INC | 91.53 | 32,035.47 | 0.01 | 3.50 |
| 6/4/19 | 6/6/19 | 150.00 | LOCKHEED MARTIN CORPORATION | 348.83 | 52,324.58 | 0.01 | 1.50 |
| | | | | | **109,752.70** | **0.01** | **7.50** |
| **strategas** | | | | | | | |
| 5/9/19 | 5/13/19 | 150.00 | CHEVRON CORP | 120.54 | 18,080.48 | 0.03 | 4.50 |
| 4/9/19 | 4/11/19 | 300.00 | CROWN CASTLE INTL CORP | 129.42 | 38,826.27 | 0.03 | 9.00 |
| | | | | | **56,906.75** | **0.03** | **13.50** |
| **PURCHASES TOTAL** | | | | | **228,076.15** | **0.02** | **66.00** |
| | | | | | | **0.02** | **66.00** |

# *Sales*

| Trade Date | Settle Date | Quantity | Security | Unit Price | Amount | Comm/ Share | Commission |
|---|---|---|---|---|---|---|---|
| **BARCLAYS-EQ** | | | | | | | |
| 6/3/19 | 6/5/19 | 99.67 | DOWDUPONT INC | 70.47 | 7,023.02 | 0.04 | 4.00 |
| 6/17/19 | 6/19/19 | 50.00 | NORFOLK SOUTHERN CORP | 191.77 | 9,588.45 | 0.04 | 2.00 |
| | | | | | **16,611.47** | **0.04** | **6.00** |
| **DEUTSCHE** | | | | | | | |
| 6/4/19 | 6/6/19 | 800.00 | CMS ENERGY CORP | 56.21 | 44,968.74 | 0.02 | 16.00 |
| **Jones Trading** | | | | | | | |
| 4/9/19 | 4/11/19 | 450.00 | CITIGROUP INC | 65.12 | 29,304.42 | 0.04 | 18.00 |
| **REDI** | | | | | | | |
| 5/10/19 | 5/14/19 | 750.00 | GENTEX CORP | 22.52 | 16,887.78 | 0.01 | 7.50 |
| 5/2/19 | 5/6/19 | 250.00 | OSHKOSH CORPORATION | 79.02 | 19,754.59 | 0.01 | 2.50 |
| | | | | | **36,642.37** | **0.01** | **10.00** |
| **strategas** | | | | | | | |
| 4/26/19 | 4/30/19 | 700.00 | HELMERICH & PAYNE | 58.67 | 41,068.15 | 0.03 | 21.00 |
| **UNASSIGNED** | | | | | | | |
| 6/3/19 | 6/3/19 | 0.33 | CORTEVA INC | 26.51 | 8.85 | 0.00 | 0.00 |
| 4/2/19 | 4/2/19 | 0.31 | DOW INC | 59.26 | 18.37 | 0.00 | 0.00 |
| 6/3/19 | 6/3/19 | 0.33 | DOWDUPONT INC | 65.68 | 21.89 | 0.00 | 0.00 |
| 6/4/19 | 6/4/19 | 0.33 | DOWDUPONT INC | 70.48 | 23.49 | 0.00 | 0.00 |
| | | | | | **72.60** | **0.00** | **0.00** |
| **SALES TOTAL** | | | | | **168,667.75** | **0.02** | **71.00** |

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6075 Poplar Avenue, Suite 703, Memphis, TN 38119
**Tel**: 407-839-8440 | **Fax**: 407-841-2814

AndCo
4901 Vineland Road, Ste 600
Orlando, FL 32811

| Date | Invoice # |
|---|---|
| 12/28/2018 | 27892 |

| Bill To: |
|---|
| Fernandina Beach General Employees' Retirement System |

| Description | Amount |
|---|---|
| Consulting services and performance evaluation billed quarterly (October, 2018) | 1,458.33 |
| Consulting services and performance evaluation billed quarterly (November, 2018) | 1,458.33 |
| Consulting services and performance evaluation billed quarterly (December, 2018) | 1,458.34 |

| | |
|---|---|
| It is our pleasure to provide 100% independent consulting advice ALWAYS putting clients first! | **Balance Due** $4,375.00 |

SUGARMAN & SUSSKIND
PROFESSIONAL ASSOCIATION
ATTORNEYS AT LAW

Robert A. Sugarman
Howard S. Susskind
Kenneth R. Harrison, Sr.
D. Marcus Braswell, Jr.
Pedro A. Herrera
Ivelisse Berio-LeBeau
David E. Robinson

100 Miracle Mile
Suite 300
Coral Gables, Florida 33134
(305) 529-2801
Broward 763-2566
Toll Free 1-800-329-2122
Facsimile (305) 447-8115

June 11, 2019

Fernandina Beach General Employees' Pension Plan
Attn: Ms. Teresa Bryan
204 Ash Street
Fernandina Beach, FL 32034

| | |
|---|---|
| CURRENT FEES: | 2,040.00 |
| CURRENT COSTS: | 62.81 |
| PREVIOUS BALANCE: | 0.00 |
| PAYMENTS RECEIVED: | 0.00 |
| | ------------- |
| TOTAL AMOUNT DUE: | 2,102.81 |

**SUGARMAN & SUSSKIND**
100 Miracle Mile
Suite 300
Coral Gables, Florida 33134
Telephone: 305-529-2801
Fax: 305-447-8115
www.sugarmansusskind.com

Fernandina Beach General Employees' Pension Plan
Attn: Ms. Teresa Bryan
204 Ash Street
Fernandina Beach, FL 32034

June 11, 2019

Invoice # 139330

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Client:Matter CD-FBGE:MEET

In Reference To: Meeting

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Professional Services

| | | Hrs/Rate | Amount |
|---|---|---|---|
| 5/9/2019 | Attend meeting. Prepare for meeting. | 1.80<br>$425.00/hr | $765.00 |
| | Travel. | 2.40<br>$212.50/hr | $510.00 |
| | For professional services rendered | 4.20 | $1,275.00 |
| | Additional Charges : | | |
| 5/8/2019 | Travel Expense - Airfare $173.30, Hotel $322.19 and Auto $132.60 = $628.09/10 clients = $62.81 | | $62.81 |
| | Total costs | | $62.81 |
| | Total amount of this bill | | $1,337.81 |
| | Balance due | | $1,337.81 |

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Client:Matter CD-FBGE:SPD

In Reference To: Summary Plan Description

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Professional Services

| | | Hrs/Rate | Amount |
|---|---|---|---|
| 5/7/2019 | Review and edit Summary Plan Description | 1.80<br>$425.00/hr | $765.00 |
| | For professional services rendered | 1.80 | $765.00 |
| | Balance due | | $765.00 |

SUGARMAN & SUSSKIND
PROFESSIONAL ASSOCIATION
ATTORNEYS AT LAW

Robert A. Sugarman
Howard S. Susskind
Kenneth R. Harrison, Sr.
D. Marcus Braswell, Jr.
Pedro A. Herrera
Ivelisse Berio-LeBeau
David E. Robinson

100 Miracle Mile
Suite 300
Coral Gables, Florida 33134
(305) 529-2801
Broward 763-2566
Toll Free 1-800-329-2122
Facsimile (305) 447-8115


July 16, 2019

Fernandina Beach General Employees' Pension Plan
Attn: Ms. Teresa Bryan
204 Ash Street
Fernandina Beach, FL 32034

---

| | |
|---|---|
| CURRENT FEES: | 850.00 |
| CURRENT COSTS: | 0.00 |
| PREVIOUS BALANCE: | 2,102.81 |
| PAYMENTS RECEIVED: | 2,102.81-ck#1108055 |
| | ------------- |
| TOTAL AMOUNT DUE: | 850.00 |

# SUGARMAN & SUSSKIND

100 Miracle Mile
Suite 300
Coral Gables, Florida 33134

Telephone: 305-529-2801
Fax: 305-447-8115
www.sugarmansusskind.com

Fernandina Beach General Employees' Pension Plan
Attn: Ms. Teresa Bryan
204 Ash Street
Fernandina Beach, FL 32034

July 16, 2019

Invoice # 140233

---

Client:Matter CD-FBGE:MEET

In Reference To: Meeting

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| | | Amount |
|---|---|---|
| | Previous balance | $1,337.81 |
| 7/1/2019 | Payment - Thank You. Check No. 1108055 | ($1,337.81) |
| | Total payments and adjustments | ($1,337.81) |
| | Balance due | $0.00 |

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Client:Matter CD-FBGE:PLAN

---

Professional Services

| | | Hrs/Rate | Amount |
|---|---|---|---|
| 6/5/2019 | Analyze code, review definitions, and draft proposed ordinance | 0.80<br>$425.00/hr | $340.00 |
| | Review and edit proposed ordinance amendment. | 1.20<br>$425.00/hr | $510.00 |
| | For professional services rendered | 2.00 | $850.00 |
| | Balance due | | $850.00 |

Client:Matter CD-FBGE:RSPD

In Reference To: Summary Plan Description

| | | Amount |
|---|---|---|
| | Previous balance | $765.00 |
| 7/1/2019 | Payment - Thank You | ($765.00) |
| | Total payments and adjustments | ($765.00) |
| | Balance due | $0.00 |

Jo Finance 1/1/2/1/

Highland Capital
MANAGEMENT, LLC

July 5, 2019

Invoice Number: 21257

MANAGEMENT FEE: FERNANDINA BEACH GENERAL EMPLOYEES VALUE

| | | |
|---|---|---|
| 6/30/2019 Portfolio Value: | | $ 3,978,113.05 |
| Exclude Dividend Accrual | | - 3,061.33 |
| Billable Value | | $ 3,975,051.72 |
| Quarterly Fee Based On: | | |
| $ 3,975,052 @ 0.50% per annum | $ 4,968.82 | |
| $ 0 @ 0.375% per annum | $ 0.00 | |
| Quarterly Fee: | | $ 4,968.82 |
| For the Period 4/1/2019 through 6/30/2019 | | |
| | Paid by Debit Direct | ($ 0.00) |
| | **Please Remit** | $ 4,968.82 |

Wiring Instructions:

First Tennessee Bank

ABA# 084000026

**Acct# 22-0001278809**

For Credit to: Highland Capital Management, LLC.

Mailing Check:

Highland Capital Management, LLC

6075 Poplar Ave, Suite 703

Memphis, TN 38119

*****Note new checking account number*******

7/15/2019

Agincourt Capital Management, LLC

# INVOICE

#10916

INVOICE FOR PAYMENT

**Ms. Teresa Bryan**
City of Fernandina Beach General Employees' Pension Plan
204 Ash Street
Fernandina Beach, FL 32034

COPY SENT TO

Amed Avila

## FERNANDINA BEACH GENERAL EMPLOYEES' PENSION PLAN

Per Our Investment Management Agreement, the fees to Agincourt Capital Management in payment for investment services rendered from 4/1/2019 - 6/30/2019

MONTHLY MARKET VALUE

| | | | | |
|---|---|---|---|---|
| FGE - Fernandina Beach General Employees' Pension Plan \ 450079940 | | | 6/30/2019 | $4,561,670.38 |
| $4,561,670.38 | x | 0.2500 % | = | $11,404.18 |
| **Total Annual Fee** | | | | **$11,404.18** |
| **Total Quarterly Fee Due** | | | | **$2,851.04** |

PLEASE MAKE PAYMENT TO AGINCOURT CAPITAL MANAGEMENT, WITHIN 30 DAYS:

IF BY ACH
Branch Banking Trust (BBT) 901 East Byrd Street, Richmond, VA 23219
ABA# 021052053 | Account# 72169911 | FBO: Agincourt Capital Management

IF BY WIRE
Previous wire instructions are valid. Please send wire to account ending with #1778. If you need instructions, please call 804-915-1308.

IF BY CHECK
Agincourt Capital Management, LLC
ATTN: Elsie Rose
200 South 10th Street, Suite 800
Richmond, VA 23219

**Agincourt's Federal Tax ID: 54-1947440**

Please let us know if you would like a copy of our latest SEC Form ADV Part 2, our Code of Ethics or our Privacy Statement.

Fiduciary Trust International

Quarterly Fees for period ending June 30, 2019

Police Officers' and Firefighters' Pension Plan:

| A/C# | Amount |
|---|---|
| 450079800.1 | $1,400.99 |
| 450079820.1 | $657.37 |
| 450079830.1 | $293.76 |
| 450079840.1 | $798.18 |
| **Total:** | **$3,150.30** |

Fiduciary Trust International

Quarterly Fees for period ending June 30, 2019

General Employees’ Pension Plan:

| A/C# | Amount |
|---|---|
| 450079900.1 | $1,499.04 |
| 450079930.1 | $546.47 |
| 450079940.1 | $623.43 |
| **Total:** | **$2,668.94** |

## City of Fernandina Beach General Employees' Pension Plan
## Account No. 1321

For the Quarter Ended June 30, 2019

| | Date | Transaction | Unit Value | Units | Total |
|---|---|---|---|---|---|
| **Beginning Net Asset Value** | **03/31/19** | | **$ 125,784.7607** | **17.8730** | **$ 2,248,150.68** |
| Contributions | - | $ - | - | - | - |
| Withdrawals | - | - | - | - | - |
| Net Income Before Fees | | 21,406.56 | | | 21,406.56 |
| Distributions Declared | 06/30/19 | 33,722.26 | | | |
| Asset Management Fees | | (6,276.75) | | | (6,276.75) |
| Available for Reinvestment/Distribution | | 27,445.51 | | | (27,445.51) |
| Amount Reinvested | 06/30/19 | 27,445.51 | 125,817.3470 | 0.2181 | 27,445.51 |
| Distribution Payable | | - | | | |
| Unrealized Gain/(Loss) | | 12,898.11 | | | 12,898.11 |
| Realized Gain/(Loss) | | $ - | | | - |
| **Ending Net Asset Value** | **06/30/19** | | **$ 125,817.3470** | **18.0911** | **$ 2,276,178.60** |

| | |
|---|---|
| Total Number of Units | 18.0911 |
| Current Unit Value | $ 125,817.3470 |
| Percentage Interest in the Fund | 0.04% |

### Performance History

| Gross of Fees | 2Q2019 | Year-to-Date | One-Year | Three-Year* | Five-Year* | Ten-Year* | Since Inception* |
|---|---|---|---|---|---|---|---|
| Income Return | 0.95% | 1.89% | 3.79% | 3.88% | 4.22% | n/a | 4.33% |
| Appreciation Return | 0.57% | 1.39% | 3.70% | 3.76% | 5.17% | n/a | 5.33% |
| **Total Return** | **1.53%** | **3.29%** | **7.60%** | **7.74%** | **9.55%** | **n/a** | **9.83%** |

| Net of Fees | 2Q2019 | Year-to-Date | One-Year | Three-Year* | Five-Year* | Ten-Year* | Since Inception* |
|---|---|---|---|---|---|---|---|
| Income Return | 0.67% | 1.33% | 2.64% | 2.73% | 3.06% | n/a | 3.17% |
| Appreciation Return | 0.57% | 1.39% | 3.70% | 3.76% | 5.17% | n/a | 5.33% |
| **Total Return** | **1.25%** | **2.72%** | **6.42%** | **6.56%** | **8.35%** | **n/a** | **8.62%** |

**Inception Date:** January 2, 2014

**Performance Disclaimer:**
The returns above for the Investor's investment in the American Core Realty Fund include leveraged returns before (gross) and after (net) the deduction of investment management fees and may include the reinvestment of some income. The sum of annualized component returns may not equal the total return due to the chain-linking of quarterly returns. American Realty Advisors will supplement this performance information with the distribution of the Fund's full quarterly report within 45 days following the close of the quarter. Past performance is not a guarantee of future results and it is important to understand that investments of the type made by the Fund pose the potential for loss of capital over any time period. Many factors affect fund performance including changes in market conditions and interest rates in response to other economic, political, or financial developments. Investment returns, and the principal value of any investment will fluctuate, so that when an investment is sold, the amount received could be less than what was originally invested. Use of leverage may create additional risks.

*Annualized; Since Inception returns are not reported for periods less than one year.
Returns are not reported on accounts invested less than a full period.

AMERICAN REALTY ADVISORS
INSTITUTIONAL CAPITAL MANAGEMENT

515 S. Flower St.
49th Floor
Los Angeles, CA 90071
213.233.5700

www.aracapital.com

# FOSTER & FOSTER
ACTUARIES AND CONSULTANTS

# Invoice

| Date | Invoice # |
|---|---|
| 8/8/2019 | 15114 |

**Phone: (239) 433-5500**
**Fax: (239) 481-0634**
**data@foster-foster.com**
**www.foster-foster.com**

| Bill To |
|---|
| City of Fernandina Beach<br>General Employees'<br>Pension Plan<br>204 Ash Street<br>Fernandina Beach, FL 32034 |

| Terms | Due Date |
|---|---|
| Net 30 | **9/7/2019** |

| Description | Amount |
|---|---|
| Preparation of the 2018 Chapter 112.664 compliance disclosure. | 3,000.00 |

**Balance Due** **$3,000.00**

***Thank you for your business!***

Please make all checks payable to:
Foster & Foster, Inc.
13420 Parker Commons Blvd, Suite 104
Fort Myers, FL 33912