

**COOPER CITY GENERAL EMPLOYEES PENSION PLAN
BOARD OF TRUSTEES MEETING
SUMMARY OF MEETING MINUTES
July 29, 2015**

Approved _____

Approved _____

CITY HALL

Chairman Schinder called the meeting to order at 8:34 AM.

1. Roll Call

Barry Schinder – present
Bruce Loucks – present
Kerri Anne Fisher – present
James Nacknouch – present
Roland Berrios – present (8:52 AM)

Guests

Horacio Montes de Oca
Grant McMurry & Todd Wishnia– ICC Capital
Gregg Gosch– Sawgrass Asset Management
John McCann – Thistle Asset Consulting
Margie Adcock– Pension Resource Center
Richelle Hayes-American Realty

2. Public Comments

There were no public comments.

4. Presentations

A. Sawgrass Asset – Greg Gosch– Quarterly Presentation

Mr. Gosch provided a brief firm update. He stated that there have been no changes on the investment team and no significant changes to the portfolio.

Mr. Gosch reported on performance for the quarter ending June 30, 2015. The total market value of the portfolio was \$14,425,633 as of June 30, 2015. He stated that the benchmark was pretty flat for the quarter. The portfolio was down .9% net of fees for the quarter while the benchmark was up .2%. The Diversified Large Cap Growth portfolio was down 1.0% while the Russell 1000 Growth was up .1%. The Diversified Small Cap Growth portfolio was flat at .0% while the Russell 2000 Growth was up 2.0%. The Fixed Income portfolio was down .9% while the benchmark was down .6%. The asset allocation for the quarter ending June 30, 2015 was 64% in equities; 32% in fixed income; and 3% in cash.

Mr. Gosch reviewed the Diversified Large Cap Growth portfolio. He reviewed the top ten performers and the bottom ten performers. He discussed QUALCOMM which had a negative .42% contribution to the return for the quarter. He stated that they still believe it is a great company and are being very patient with them. Mr. Gosch reviewed the sector breakdown. He stated that they were slightly overweight in information technology and industrials with a heavy overweight in utilities and energy. He stated that they are underweight in consumer discretionary, healthcare, financials and consumer staples. Mr. Gosch stated that stocks are very expensive right now and it is tough to find attractive stocks that they think will do well for the portfolio at this time. He reviewed the portfolio characteristics and the holdings in the portfolio as of June 30, 2015.

Mr. Gosch reviewed the Diversified Small Cap Growth portfolio. He reviewed the portfolio holdings and reviewed the portfolio characteristics. He reviewed the sector breakdown and contributions to return. He stated that they

have a significant overweight in healthcare with 41% versus the benchmark at 28%.

Mr. Gosch reviewed the fixed income portfolio. He stated that the bond market has been volatile. He thinks the Fed will increase short-term rates in September. He stated that they continue to keep duration short.

Roland Berrios entered the meeting.

B. Highland Capital Management – Grant McMurry & Todd Wishnia – Quarterly Presentation

Mr. McMurry introduced Mr. Wishnia noting that he is in their client service area. Mr. McMurry reported on performance for the quarter ending June 30, 2015. He stated that the total market value as of June 30, 2015 was \$13,426,041. The asset allocation was comprised of 52.2% in value; 37.1% in core fixed; 8.6% in international; and 2.2% in cash. The total portfolio was down .79% for the quarter while the benchmark was down .13%. The value portfolio was down .57% for the quarter while the benchmark was up .12%. The international portfolio was down .60% for the quarter while the benchmark was up .62%. The core fixed portfolio was down 1.04% for the quarter while the benchmark was down .67%.

Greg Gosch departed the meeting.

C. American Realty – Richelle Hayes

Ms. Hayes provided a brief background of the firm. She stated that they have nine offices nationwide and discussed their professional staff. They have \$7 billion under management and have 360 institutional investors. She reviewed the fundamental principles of their strategy. She stated that they focus on income. They invest in significant innovation hubs/growth clusters. They target supply constrained markets and capture economic diversification to reduce risk. Ms. Hayes discussed the specifics of the American Core Realty Fund. The net contributions were \$2,500,000 as of March 31, 2015. The total market value as of March 31, 2015 was \$3,055,247. Ms. Hayes reviewed performance as of March 31, 2015. Since inception of January 3, 2011 the total net return was 11.69% while the benchmark was 12.23%. She stated that commercial real estate is still doing very well. She reviewed the four property type strategies (office, industrial, retail and multi-family) and investment highlights. She reviewed the portfolio composition. She stated that there were 77 properties in the portfolio. Ms. Hayes stated that they will be doing the next capital call probably in January. It was noted that the Fund is fully invested in the portfolio which lead to discussion on possibly increasing the allocation. She reviewed investment activity and recent transactions.

D. Thistle Asset Consulting – John McCann – Quarterly Presentation

Mr. McCann reviewed the market environment. He reviewed the Fund's performance for the quarter ending June 30, 2015. The total market value as of

June 30, 2015 was \$31,029,000. The Fund was down .44% net of fees for the quarter while the benchmark was up .53%. Total equities were down .64% for the quarter while the benchmark was up .54%. Total fixed income was down .94% for the quarter while the benchmark was down .62%. The total Highland Capital portfolio was down .79% for the quarter while their benchmark was up .10%. The total Sawgrass portfolio was down .93% for the quarter while their benchmark was up .16%. With respect to equities, Highland Capital was down .49% while their benchmark was up .41% and Sawgrass was down .78% while their benchmark was up .50%. With respect to fixed income, Highland Capital was down 1.0% and Sawgrass was down .89% while their benchmarks were down .62%. American Realty was up 3.48% for the quarter while the NCREIF was up 3.82%.

There was discussion on increasing the Fund's allocation in real estate. It was noted that real estate has a cycle with a long term horizon of 35 years. It was noted that currently the Fund has a 10% allocation. Mr. McCann stated that the Fund could increase the allocation to 12% but he thinks going to 15% is a bit high. The Board decided to discuss this further at the next meeting.

Grant McMurry, Todd Wishnia and Richelle Hayes departed the meeting.

3. Approval of Minutes Summary for Meeting of April 29, 2015.

The minutes of the meeting of April 29, 2015 were reviewed.

Mr. Loucks made the motion to approve the minutes of the meeting of April 29, 2015. The motion was seconded by Mr. Berrios and approved unanimously by voice vote.

5A. Bills and Warrants

A. GRS – For actuarial services for period ending 6/30/15 - \$5,983.00

B. Pension Resource Center–For administrative services for May, June and July 2015-\$5,227.10

C. Klausner, Kaufman – For legal services for April 2015-\$570.00

D. Thistle Asset Consulting – Quarterly Fee for period ending 6/30/15 - \$6,743.00

E. Highland Capital Management – Quarterly Fee for period ending 6/30/15 - \$16,791.70

F. Sawgrass Asset Management–Quarterly Fee for period ending 6/30/15-\$19,835.00

Mr. Loucks made the motion to approve items A-F. Mr. Berrios seconded the motion, which passed unanimously by voice vote.

5B. Benefit Approvals

A. DROP Distributions –Steve Younghans partial distributions (\$10,000.00; \$10,000.00 and \$10,000.00); Bradley Sicari 3/31/15 balance less 10% holdback (\$216,685.56)

B. Refund of Contributions – Brett Neiviller (\$50,117.96)

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

6. Report on Fund Activity as of June 30, 2015

The Board was provided an unaudited financial statement as of June 30, 2015. The Board reviewed the Balance Sheet as well as the Income and Expense Sheet.

7. Plan Administrator –Margie Adcock

Ms. Adcock provided an update on the status of the online calculator. She stated that the online calculator is now functional. They are in the process of obtaining the joint and survivor factors from the Actuary to include that in the program.

8. Old Business

There was no old business.

9. New Business

A. Salem Trust Company SSAE-16/Request for Proposal for Custodial Services

The Board reviewed the responses received to the Request for Proposal for Custodial Services. It was noted that Salem Trust Company had begun the process for the SSAE-16 for this year and expected to have an opinion by the end of the Fund's fiscal year. There was a lengthy discussion. The Board decided not to take any action at this time but rather to wait for the Salem Trust SSAE-16 audit report for this year.

B. Attorney Reminder for Florida Defined Benefit Plans of New Reporting Deadlines

The Board was provided with a Memorandum dated July 8, 2015 from the Attorney. The Memorandum provided an outline of requirements and deadlines set forth by SB 534. It was noted that the Fund complied with the June 29, 2015 deadline for all of the new requirements.

10. Board Members Concerns

There were no Board Member Concerns.

11. Adjournment

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