

**COOPER CITY GENERAL EMPLOYEES PENSION PLAN
BOARD OF TRUSTEES MEETING
SUMMARY OF MEETING MINUTES
January 28, 2016**

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

Guests

Horacio Montes de Oca
Grant McMurry & Todd Wishnia– ICC Capital
Rusty Creighton– Sawgrass Asset Management
John McCann – Thistle Asset Consulting
Margie Adcock– Pension Resource Center

2. Public Comments

There were no public comments.

4. Presentations

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

Mr. McMurry reported on performance for the quarter ending December 31, 2015. He stated that the total market value as of December 31, 2015 was \$13,317,915. The asset allocation was comprised of 48.7% in value; 37.0% in core fixed; 9.5% in international; and 4.8% in cash. The total portfolio was up 3.12 for the quarter while the benchmark was up 3.02%. The value portfolio was up 5.54% for the quarter while the benchmark was up 5.64%. The international portfolio was up 6.29% for the quarter while the benchmark was up 4.71%. The core fixed portfolio was down .40% for the quarter while the benchmark was down .51%. Mr. McMurry stated that he does not think it is the investors that are moving the market in this volatility, but rather the traders. He noted that growth has done better than value in the past year which is expected. He stated that the focus is on companies that have stronger earnings. He stated that the traditional way of investing is consistent with what it ought to be. Having a growth and value manager tends to pay off.

A. Sawgrass Asset – Rusty Creighton– Quarterly Presentation

Mr. Creighton provided a brief background. He stated that he has been with the firm for nine years. He is an equity portfolio manager for the large cap equity strategy. He 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. Creighton reported on performance for the quarter ending December 31, 2015. The total market value of the portfolio was \$14,589,722 as of December 31, 2015. The portfolio was up 3.2% net of fees for the quarter while the benchmark was up 4.3%. The Diversified Large Cap Growth portfolio was up 6.4% while the Russell 1000 Growth was up 7.3%. The Diversified Small Cap Growth portfolio was up 1.7% while the Russell 2000 Growth was up 4.3%. The Fixed Income portfolio was down .1% while the benchmark was down .7%. Mr.

Creighton stated that they had a tough finish to a challenging year. The market was dominated by a narrow list of names that were risky, low beta stocks which they do not participate in. He stated that large cap stocks held them back. The longer term total portfolio has outperformed and so have the individual parts of the portfolio.

Mr. Creighton reviewed the Diversified Large Cap Growth portfolio. He noted that it did lag behind in the year, but consistently beat the benchmark in other time periods. He noted that their strength is in protecting capital in market downfalls. He stated that the market hates uncertainty and noted that election years are full of uncertainty. It was noted that four stocks represented 5% of the Russell 1000 Growth Index's total return: Facebook, Amazon, Netflix and Google. Mr. Creighton reviewed the top ten performers and the bottom ten performers. He reviewed the attribution of the portfolio. He stated that they will never make huge sector bets. They are overweight in consumer staples and utilities. He stated that they eliminated Wal-Mart from the portfolio. They pulled back their exposure in consumer discretionary.

Mr. Creighton 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.

Mr. Creighton reviewed the fixed income portfolio. He reviewed the portfolio characteristic.

C. Thistle Asset Consulting – John McCann – Quarterly Presentation

Mr. McCann reported on performance for the quarter ending December 31, 2015. He reviewed the Callan Periodic Table of Investment Returns. It was noted that for 2015 the S&P 500 Growth was the highest asset class with emerging markets being the worst. This conveys a strong case for diversification across asset classes.

Bruce Loucks departed the meeting.

Mr. McCann reviewed the market environment. He stated that fixed income was the only negative asset class in the quarter. He reviewed the compliance report. He reviewed the Fund's performance for the quarter ending December 31, 2015. The total market value as of December 31, 2015 was \$31,280,000. The Fund was up 3.08% net of fees for the quarter while the benchmark was up 3.99%. Total equities were up 5.61% for the quarter while the benchmark was up 6.43%. Total fixed income was down .33% for the quarter while the benchmark was down .69%. The total Highland Capital portfolio was up 3.13% for the quarter while their benchmark was up 3.64%. The total Sawgrass portfolio was up 3.16% for the quarter while their benchmark was up 4.32%. With respect to equities, Highland Capital was up 5.87% while their benchmark was up 5.71% and Sawgrass was up 5.38% while their benchmark was up 6.74%. With respect to fixed income, Highland Capital was down .57% and Sawgrass was down .09% while their benchmarks were down .69%. American Realty was up 2.78% for the quarter while the NCREIF was up 3.11%.

Mr. McCann provided a revised Investment Policy Statement. He reviewed the Statement with the Board noting that it was revised to change the allocation to real estate.

Mr. Berrios made a motion to adopt the revised Investment Policy Statement. The motion was seconded by Ms. Fisher and approved unanimously by voice vote.

Mr. McCann reported on changes to his firm. He stated that in December 2015 he made Brendon Vavrica a partner and they merged with The Bogdahn Group. He stated that The Bogdahn Group has 62 employees and oversee \$55 billion in client assets. He stated that the acquisition will take place on April 1, 2016. He advised that nothing will change as it relates to this Plan except for the name of his firm. He presented the Board with a Consent to the Assignment of the Investment Monitor Agreement with Thistle Asset Consulting to The Bogdahn Group. He advised that Attorney Adam Levinson is aware of the acquisition and has reviewed the Consent and has no issue.

Mr. Berrios made a motion to approve the Consent to the Assignment. The motion was seconded by Ms. Fisher and approved unanimously by voice vote.

8. Old Business

A. Discussion on 2016 Meeting Dates

Ms. Adcock provided a revised meeting date schedule for the remainder of 2016. It was noted that due to the change in meeting dates, the new meeting schedule is not as convenient for Sawgrass. It was mentioned that it is unusual for plans to have each manager at every meeting, rather most plans alternate managers and have them attend once or twice a year as opposed to attending every quarter. The Board decided to alternate the attendance of Highland Capital and Sawgrass so that they each attend twice a year as opposed to attending every quarter.

3. Approval of Minutes Summary for Meeting of October 27, 2015.

The minutes of the meeting of October 27, 2015 were reviewed.

Mr. Nacknoux made the motion to approve the minutes of the meeting of October 27, 2015. The motion was seconded by Ms. Fisher and approved unanimously by voice vote.

5A. Bills and Warrants

A. GRS – For actuarial services for period ending 12/31/15 - \$5,911.00

B. Pension Resource Center–For administrative services for November and December 2015 and January 2016-\$5,098.50

C. Thistle Asset Consulting – Quarterly Fee for period ending 12/31/15 - \$6,743.00

D. Highland Capital Management – Quarterly Fee for period ending 12/31/15 - \$16,647.18

E. Sawgrass Asset Management–Quarterly Fee for period ending 12/31/15-\$20,061.00

F. FPPTA – 2016 Membership Dues - \$600.00

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

5B. Benefit Approvals

- A. DROP Distributions –Steve Younghans partial distributions (\$10,000.00); James Bowman monthly recurring distribution (\$500.00 for November and December 2015; \$4,200 for January 2016 forward)

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

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

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

7. Plan Administrator –Margie Adcock

It was noted that there was a delay in obtaining a final calculation for a Member that entered the DROP in July 2015. Due to the timing of when the Member entered the DROP, payroll had to be adjusted. It was noted that future similar calculations should not have such a delay as a process is now in place with the City to adjust for DROP entries that occur in the middle of a pay cycle. Additionally, it was noted that the City would like for the end of the year processing to be completed sooner so that the City's Auditor can obtain the necessary information at the beginning of the year. Ms. Adcock apologized for any delay that was caused on their part and advised that they would try to work closer within the City's time constraints in the future.

8. Old Business

B. NCPERS Code of Conduct for Public Pension Service Providers

The Board discussed the email from the Attorney dated October 14, 2015 regarding the NCPERS Code of Conduct for Public Pension Service Providers that was presented at the last meeting. It was noted that a lot of states do not have fiduciary duty language like Florida has. This Code provides a level of conduct for vendors of public pension plans. Since this Fund already has a level of liability, it was determined that this is not really something the Board needs to worry about. The Board decided to take no action at this time.

9. New Business

There was no new business.

10. Board Members Concerns

There were no further Board Member Concerns.

11. Adjournment

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