

**COOPER CITY GENERAL EMPLOYEES PENSION PLAN
BOARD OF TRUSTEES MEETING
SUMMARY OF MEETING MINUTES
October 26, 2017**

Approved _____

Approved _____

CITY HALL

Chairman Barry Schinder called the meeting to order at 8:33 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– Highland Capital
John McCann – AndCo Consulting
Margie Adcock– Pension Resource Center

2. Public Comments

There were no public comments.

4. Presentations

A. Highland Capital Management – Grant McMurry– Quarterly Presentation

Mr. McMurry discussed the market environment for the quarter ending September 30, 2017. He stated that it was not a bad quarter. He also noted that it was not a bad September, which September has usually been a terrible month for performance in years past. Equities were the place to be during the quarter. He noted that growth did better than value. He stated that a lot of people think the stock market is getting rather expensive. However, he thinks that while the market as a whole might be getting quite expensive, yields are low and PE is low, especially in technology stocks.

Mr. McMurry reported on performance for the quarter ending September 30, 2017. He stated that the total market value as of September 30, 2017 was \$14,424,194. The total portfolio was up 2.91% for the quarter while the benchmark was up 2.34%. The value portfolio was up 4.30% for the quarter while the benchmark was up 3.11%. The international portfolio was up 5.81% for the quarter while the benchmark was up 5.40%. The core fixed portfolio was up .67% for the quarter while the benchmark was up .60%.

B. American Realty – Richelle Hayes

It was noted that Ms. Hayes was unable to travel to the meeting today. Mr. McCann stated that he would be reporting on the performance for American Realty so he did not think there was a need to have Ms. Hayes join on a conference call. He stated that she would attend the meeting in April.

C. AndCo Consulting – John McCann – Quarterly Presentation

Mr. McCann discussed the market environment for the quarter ending September 30, 2017. He reviewed the Fund's performance for the quarter ending September 30, 2017. He stated that the total market value as of September 30, 2017 was \$33,725,023. The Fund was up 2.96% net of fees for the quarter while the benchmark was up 3.01%. The Fund was up 10.22% net of fees for the

fiscal year while the benchmark was up 11.81%. Total equities were up 4.77% for the quarter while the benchmark was up 4.80%. Total fixed income was up .84% for the quarter while the benchmark was up .60%. Total real estate was up 1.61% for the quarter while the benchmark was up 1.64%.

The total Highland Capital portfolio was up 2.91% for the quarter while their benchmark was up 2.89%. The total Sawgrass portfolio was up 3.40% for the quarter while their benchmark was up 3.71%. With respect to equities, Highland Capital was up 4.67% while their benchmark was up 4.04% and Sawgrass was up 4.85% while their benchmark was up 5.29%. With respect to fixed income, Highland Capital was up .78% and Sawgrass was up .90% while their benchmarks were up .60%. American Realty was up 1.61% for the quarter while the NCREIF was up 1.64%. Mr. McCann stated that the managers are doing well. The Fund is very nicely diversified and has had nice returns.

Mr. McCann provided proposed educational materials that he thought could be used for the members. His materials were regarding pension fundamentals and the role of the consultant. He reviewed the material with the Board. It was noted that topics for member education could be about the defined benefit plan, the 457 plan, federal taxation of pension benefits, and how to prepare for retirement. It was noted that Mr. Schinder might know someone that would be willing to talk to the members on how to prepare for retirement.

3. Approval of Minutes Summary for Meeting of July 27, 2017.

The minutes of the meeting of July 27, 2017 were reviewed.

Mr. Loucks made the motion to approve the minutes of the meeting of July 27, 2017. 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 9/30/17 - \$2,600.00
- B. Pension Resource Center–For administrative services for August, September and October 2017-\$6,109.00
- C. AndCo – Quarterly Fee for period ending 9/30/17 - \$7,434.15
- D. Highland Capital Management – Quarterly Fee for period ending 9/30/17 - \$18,034.24
- E. Sawgrass Asset Management–Quarterly Fee for period ending 9/30/17- \$20,452.64
- F. FPPTA – 2018 Membership Dues - \$600.00
- G. FPPTA – Registration for October 2017 School for R. Berrios - \$600.00
- H. Tampa Marriott – Hotel Reservations for R. Berrios for October 2017 FPPTA School - \$537.00

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

5B. Benefit Approvals

- A. Application to Retire –Susan Poling
- B. Application to Enter the DROP – Jeanette Wofford
- C. DROP Distributions –Steve Younghans partial distribution (\$5,000);

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

6. Report on Fund Activity as of September 30, 2017.

The Board was provided an unaudited financial statement as of September 30, 2017. The Board reviewed the Balance Sheet as well as the Income and Expense Sheet.

7. Plan Administrator –Margie Adcock

A. The Board reviewed a letter from the Division of Retirement regarding electronic reporting compliance dated August 15, 2017. It was noted that actuarial reporting must be submitted using an online portal beginning with all valuations dated on or after September 30, 2017.

B. The Board was provided with a letter from the Actuary dated October 17, 2017 regarding their fee to comply with the State's electronic reporting portal requirement. It was noted that there would be a startup fee of \$1,000-\$1,250 with an ongoing fee in subsequent years of \$400-\$500.

Mr. Berrios made the motion to approve the fee proposed by the Actuary to comply with the State's electronic reporting portal requirement. Mr. Loucks seconded the motion, which passed unanimously by voice vote.

C. The Board was provided with a Salem Trust Service Report as of June 30, 2017.

D. The Board was provided with certification from Salem Trust that they received a clean opinion on their SOC 1 Audit Report as of June 30, 2017.

E. The Board was provided with certification from the Resource Centers that they successfully completed their SSAE 16 SOC 1 Audit as of June 30, 2017. Ms. Adcock advised of a change in their policy related to employee terminations and the need for a smooth transition of accounts.

F. The Board was provided with a letter dated August 29, 2017 from the Administrator advising of an increase in their fee to include a monthly financial statement fee of \$750 effective December 1, 2017. It was noted that due to changes in reporting and testing requirements, the cost of the production and audit of plan financials has increased substantially which resulted in the fee increase. There was a lengthy discussion regarding the reporting and testing requirements and other possible options

Mr. Loucks made the motion to approve the monthly financial statement fee of \$750 effective December 1, 2017 pending the Board's possible review of other options.

8. Old Business

There was no old business.

9. New Business

A. The Board was provided with a proposed schedule of 2018 meeting dates.

10. Adjournment

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