

**COOPER CITY GENERAL EMPLOYEES PENSION PLAN
BOARD OF TRUSTEES MEETING
SUMMARY OF MEETING MINUTES
July 27, 2017**

Approved _____

Approved _____

CITY HALL

Chairman Barry Schinder called the meeting to order at 8:40 AM.

1. Roll Call

Barry Schinder – present
Bruce Loucks – present
Kerri Anne Fisher – present
James Nacknouch – absent
Roland Berrios – present

Guests

Horacio Montes de Oca
Gregg Gosch – Sawgrass Asset Management
John McCann – AndCo Consulting
Margie Adcock – Pension Resource Center

2. Public Comments

There were no public comments.

4. Presentations

A. Sawgrass Asset – Gregg Gosch– Quarterly Presentation

Mr. Gosch appeared before the Board. He stated that there were no changes in the firm. He stated that there have been no changes in terms of staff or the investment team. He stated that they did lose two clients this year. One took their fixed income portfolio in house and the other decided to go with passive management for their entire US equities. He noted that they still have 94 Florida municipal clients.

Mr. Gosch reported on performance for the quarter ending June 30, 2017. The total market value of the portfolio was \$14,518,595 as of June 30, 2017. The portfolio was up 2.5% net of fees for the quarter while the benchmark was up 2.9%. The Diversified Large Cap Growth portfolio was up 3.4% while the Russell 1000 Growth was up 4.7%. The Diversified Small Cap Growth portfolio was up 3.6% while the Russell 2000 Growth was up 4.4%. The Fixed Income portfolio was up 1.1% while the benchmark was up .9%.

Mr. Gosch reviewed the market. He stated that so far this bull market has lasted 110 months. The average bull market is 55 months. There has been unprecedented federal liquidity with quantitative easing. He stated that the market is in an asset bubble right now. Everything is very expensive on a relative basis. He noted that a lot of the reason for this is due to government intervention. Mr. Gosch stated that there has been eight years in a row of positive markets. There has not been a negative month in nine months. The economy is good. The market is at the top of an economic cycle. The Fed is seeing some stability in the economy. He stated that they were prepared for risk management if a sell off was to occur.

Mr. Gosch reviewed their holdings. He stated that there have been a couple of stocks that hurt their performance the past year (AutoZone and TJX). The fact that they did not own Amazon also hurt performance. He stated that Amazon is very expensive and they look for stocks with valuations in the ballpark. They try to maximize returns while protecting capital. If the market stays in a risky kind of mood they could continue to underperform moving forward. The market has an appetite for risk right now. Mr. Gosch reviewed the portfolio changes. He reviewed the top ten and bottom ten performers. He stated that there have only been three other periods in the last 100 years that have been as strong as now: 1929 Black Tuesday; 1987 Black Monday; and 2000 Tech Bubble.

B. AndCo Consulting – John McCann – Quarterly Presentation

Mr. McCann discussed the market environment for the quarter ending June 30, 2017. He reviewed the Fund's performance for the quarter ending June 30, 2017. He stated that the total market value as of June 30, 2017 was \$33,044,798. The Fund was up 1.76% net of fees for the quarter while the benchmark was up 2.47%. Total equities were up 2.42% for the quarter while the benchmark was up 3.38%. Total fixed income was up 1.10% for the quarter while the benchmark was up .94%. Total real estate was up 1.70% for the quarter while the benchmark was up 1.49%.

The total Highland Capital portfolio was up 1.06% for the quarter while their benchmark was up 1.93%. The total Sawgrass portfolio was up 2.46% for the quarter while their benchmark was up 2.90%. With respect to equities, Highland Capital was up 1.28% while their benchmark was up 2.48% and Sawgrass was up 3.42% while their benchmark was up 3.93%. With respect to fixed income, Highland Capital was up 1.10% and Sawgrass was up 1.10% while their benchmarks were up .94%. American Realty was up 1.70% for the quarter while the NCREIF was up 1.49%. Mr. McCann stated that the Fund has a nice diversified portfolio that is doing fine.

There was discussion on providing education to Participants. Mr. McCann stated that he could put something together on investments. Mr. Gosch stated he could do somethings as well, and the Attorney could be asked to attend. There was discussion on maybe making a continual education program and Mr. McCann could start with the fundamentals of investments. The Board decided that there would be further discussion at the next meeting.

Gregg Gosch and John McCann departed the meeting.

3. Approval of Minutes Summary for Meeting of April 27, 2017.
The minutes of the meeting of April 27, 2017 were reviewed.

Mr. Loucks made the motion to approve the minutes of the meeting of April 27, 2017. 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 6/30/17 - \$4,596.00
- B. Pension Resource Center–For administrative services for May, June and July 2017-\$5,409.00
- C. AndCo – Quarterly Fee for period ending 6/30/17 - \$7,434.15
- D. Highland Capital Management – Quarterly Fee for period ending 6/30/17 - \$17,692.41
- E. Sawgrass Asset Management–Quarterly Fee for period ending 6/30/17-\$19,963.07

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

5B. Benefit Approvals

- A. Application to Retire –William J. Wallace, Jr.; Claudius Hutchinson
- B. Application to Enter the DROP – Diane Patanelli; James Molaschi
- C. DROP Distributions –Steve Younghans partial distribution (\$5,000); Deborah Jerger 3/31/17 final balance (\$28,450.93); Noel Rivera 3/31/17 final balance (\$156,658.98)

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

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

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

7. Plan Administrator –Margie Adcock

The Board was presented with a Signature Authorization from Salem Trust. It was noted that the Custodian requires the Authorization to be updated every three years. The Board executed the updated Signature Authorization.

The Board was provided with a Salem Trust Service Report as of March 31, 2017.

The Board was provided with a Memorandum from the Attorney dated June 19, 2017 regarding the 2017 Legislative Update.

8. Old Business

There was no old business.

9. New Business

There was no new business.

10. Adjournment

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