

**COOPER CITY GENERAL EMPLOYEES PENSION PLAN
BOARD OF TRUSTEES MEETING
SUMMARY OF MEETING MINUTES
April 26, 2018**

Approved _____

Approved _____

CITY HALL

The meeting was called to order at 8:31 AM.

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| 1. <u>Roll Call</u>
Barry Schinder – absent
Bruce Loucks – present
Kerri Anne Fisher – present
James Nacknouck – present
Roland Berrios – present | <u>Guests</u>
Marie Elianor, Finance
Grant McMurry – Highland Capital Management
John McCann – AndCo Consulting
Margie Adcock– Pension Resource Center
Richelle Hayes - American Realty |
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2. Public Comments
There were no public comments.

3. Approval of Minutes Summary for Meeting of January 25, 2018.
The minutes of the meeting of January 25, 2018 were reviewed.
Mr. Loucks made the motion to approve the minutes of the meeting of January 25, 2018. The motion was seconded by Mr. Nacknouck and approved unanimously by voice vote.

5A. Bills and Warrants

- A. GRS – For actuarial services for period ending 3/31/18 - \$10,984.00
- B. Pension Resource Center–For administrative services for February, March and April 2018-\$7,767.18
- C. FMIT – Renewal of Fiduciary Liability Insurance Policy - \$5,808.00
- D. AndCo – Quarterly Fee for period ending 3/31/18 - \$7,805.85
- E. Highland Capital Management – Quarterly Fee for period ending 3/31/18 - \$18,249.96
- F. Sawgrass Asset Management–Quarterly Fee for period ending 3/31/18-\$21,243.85

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

5B. Benefit Approvals

- A. DROP Distributions –Steve Younghans partial distributions (\$10,000 & \$7,000); Mitch Gans 12/31/17 balance less 10% holdback (\$121,245.41)

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

6. Report on Fund Activity as of March 31, 2018.

The Board was provided an unaudited financial statement as of March 31, 2018. The Board reviewed the Balance Sheet as well as the Income and Expense Sheet.

4. Presentations

A. American Realty –Richelle Hayes

Ms. Hayes provided a brief background of the firm. The firm was founded in 1987. They have 8 offices and are 100% employee owned. They have \$8.2 billion in assets under management.

Ms. Hayes reviewed the performance. The total market value as of December 31, 2017 was \$4,237,810. She reviewed performance as of December 31, 2017. She stated that the total return was 1.44% net of fees for the quarter ending December 31, 2017 while the benchmark was up 1.85%. Since inception of January 3, 2011 the total return was 11.47% while the benchmark was 12.06%. Ms. Hayes reminded the Board that this product dampens volatility and acts as a fixed income hedge. She reviewed the portfolio. She noted that there was no redemption queue at the moment. They have \$105 million in undrawn contributions. There are currently 410 investors. She reviewed the portfolio composition. They have six properties in Florida. The company is in good financial condition. The company holds no debt on the balance sheet. There is only debt on the fund level with 89.3% of the core fund's debt at a fixed rate. Ms. Hayes reviewed the investment activity and the holdings in the portfolio.

B. Highland Capital – Grant McMurry - Quarterly Presentation

Mr. McMurry discussed the market environment for the quarter ending March 31, 2018. He stated that the market has had about seven to eight years where there has not been much volatility. The market has just continued to go up. However, in January 2018 there was a turn in the marketplace and now there is tremendous volatility. Mr. McMurry noted that they are going to be running models more often. He stated that there will be more active management. He stated that they are not deviating from their approach but using the opportunity in the market to increase performance.

Mr. McMurry reported on performance for the quarter ending March 31, 2018. He stated that the total market value as of March 31, 2018 was \$14,598,198. The total portfolio was down 1.83% for the quarter while the benchmark was down 1.93%. The value portfolio was down 2.79% for the quarter while the benchmark was down 2.83%. The international portfolio was down .28% for the quarter while the benchmark was down 1.18%. The core fixed portfolio was down .96% for the quarter while the benchmark was down .98%.

Bruce Loucks departed the meeting.

C. AndCo Consulting – John McCann – Quarterly Presentation

Mr. McCann discussed the market environment for the quarter ending March 31, 2018. He reviewed the annual asset class performance market indices as of December 31, 2017. He noted that the best performing asset class in 2017 was emerging markets. Large cap growth was the second best performing asset class in 2017.

Mr. McCann reviewed the Fund's performance for the quarter ending March 31, 2018. He stated that the total market value as of March 31, 2018 was \$34,472,615. The Fund was down .87% net of fees for the quarter while the benchmark was down .44%. Total equities were down 1.32% for the quarter while the benchmark was down .48%. Total fixed income was down .95% for the quarter while the benchmark was down .98%. Total real estate was up 1.95% for the quarter while the benchmark was up 1.97%.

The total Highland Capital portfolio was down 1.94% for the quarter while their benchmark was down 1.33%. The total Sawgrass portfolio was down .62% for the quarter while their benchmark was down .15%. With respect to equities, Highland Capital was down 2.41% while their benchmark was down 1.88% and Sawgrass was down .47% while their benchmark was up .51%. With respect to fixed income, Highland Capital was down 1.00% and Sawgrass was down .87% while their benchmarks were down .98%. American Realty was up 1.95% for the quarter while the NCREIF was up 1.97%.

7. Plan Administrator –Margie Adcock
 - A. The Board was provided with a Salem Trust Service Report as of December 31, 2017.
8. Old Business

There was discussion on providing education to Participants.
9. New Business
10. Adjournment

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