

**COOPER CITY GENERAL EMPLOYEES PENSION PLAN  
BOARD OF TRUSTEES MEETING  
SUMMARY OF MEETING MINUTES  
February 28, 2010**

Approved \_\_\_\_\_

Approved \_\_\_\_\_



CITY HALL

Chairman Schinder called the meeting to order at 8:30 AM.

1. Roll Call

Barry Schinder - present  
Bruce Loucks – present  
Brad Sicari - present  
George Garba – present  
Bob King - present

Guests

Horacio Montes de Oca  
Stephen Palmquist – Gabriel, Roeder, Smith & Co.

5. Presentations

A. Stephen Palmquist – Gabriel, Roeder, Smith & Co. – Annual Actuarial Report

Mr. Palmquist reviewed the Actuarial Report and answered questions posed by the Board. He noted that markets were extraordinarily depressed a year ago so he anticipated a -20% return, but March and December Markets shot up, resulting in a return of 2%. He also added that the reduction of the rate of return from 8% to 7.5% and the salary estimate from 6.5% to 6% has also had a positive effect on returns.

Employer contributions increased by 1.83% which breaks down to a 1% increase for the City (24.23%) and a 5% increase to BSO (22.79%, which includes employee contributions paid by BSO). This increase resulted from changes that were made to the Plan; otherwise, the percentage would have decreased (pg. 4).

Mr. Palmquist pointed out that there has been very little change with regard to participant data. Mr. Schinder asked why annual benefit amounts would decrease if the number of employees is the same and Mr. Palmquist replied that he would check into it. The total Employer normal cost is \$715,058 or 14.76% of covered payroll.

When the actual Plan experience differs from the actuarial assumptions, an actuarial gain or loss will result. Fund earnings and salary increase assumptions have a considerable impact on the cost of the Plan so it is important that they are in line with the actual experience. For this reason, it was important for the Board to reduce the salary increase rate to 6.0% which is now equal to the average actual salary increases. Fewer actual retirements and terminations than the assumption have also resulted in an actuarial gain.

In reviewing the Revenues and Expenditures, Mr. Palmquist advised the Board that investment income for FY08-09 is \$245,326, compared to -\$2,012,415 in FY07-08. The expense ratio for the Plan is also very low compared to other pension plans. Mr. Palmquist spent some time explaining the differences between “old” and “new” methods for the development of the actuarial value of assets. The new method satisfies the requirements of actuarial practices.

The Plan's investment rate of return is 8.0% over the past 29 years. For the past 5 years, the average compounded rate of return is 3.4%. Mr. Palmquist advised that the Plan is well-positioned to increase the funded ratio. A discussion followed about average funded ratios for other Plans and increases in benefits which have resulted in increased liabilities during the last 10 years.

Mr. Palmquist summarized his review by emphasizing that the City's cost has increased as a result of strengthening the Actuarial Assumption. This cost increase is quite moderate compared to the increases that other plans are experiencing.

2. Approval of Minutes Summary for Meeting of January 27, 2010.  
The minutes were unanimously approved as submitted by the Recording Secretary.

3. Report on Fund Activity for the Month Ended January 31, 2010.

Horacio Montes de Oca

Mr. Montes de Oca reported on the performance for the month.

Portfolio Composition

Cash and equivalents	5.24%
Equities	57.09%
Fixed income	37.68%
Carrying value	\$ 15.50 million
Market value	\$ 15.80 million
Unrealized GAIN/(LOSS)	\$(315,457.00)
Total Income	\$ 28,559.00
Realized GAIN/(LOSS)	\$ 2,196.00
Investment Income	\$ 26,362.00
Contributions	\$ 126,830.00
Employer contributions	\$ 83,686.00
Employee contributions	\$ 43,144.00

4. Bills and Warrants
  - A. ICC – Management Fees for Period Ending 12/31/09 - \$19,342.84
  - B. Klausner & Kaufman – Legal Services through 11/30/09 - \$142.50
  - C. Salem Trust – Fee Advice for Period Ending 12/31/09 - \$2,611.20
  - D. Alvarez, Michelle - Travel Expenses (FPPTA School, Jacksonville) - \$207.70
  - E. Sicari, Brad – Travel Expenses (FPPTA School, Jacksonville) - \$77.88

**Mr. Garba made the motion to approve Items A-E. The motion was seconded by Mr. King and was approved unanimously by voice vote.**

6. Old Business

A. None

7. New Business

A. Fiduciary Liability Insurance – Due March 2010

Renewal of the fiduciary liability insurance policy was approved subject to an inquiry about increasing the deductible to \$5000 in order to reduce the cost of the policy.

8. Board Members Concerns

A. None

9. Adjournment

There being no further business before the Board, motion was made and seconded, and the meeting was adjourned at 9:35 AM.