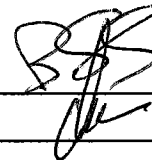


**COOPER CITY GENERAL EMPLOYEES PENSION PLAN  
BOARD OF TRUSTEES MEETING  
SUMMARY OF MEETING MINUTES  
April 24, 2013**

Approved \_\_\_\_\_

Approved \_\_\_\_\_



CITY HALL

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

1. Roll Call

Barry Schinder – present

Roland Berrios – present

Kerri Anne Fisher - present

Bob King – present

Bruce Loucks – present

Guests

Horacio Montes de Oca

Grant McMurry, ICC Capital Management

Greg Gosch, Sawgrass Asset Management

Richelle Hayes, American Realty

John McCann – Thistle Asset Consulting

5. Presentations

B. Greg Gosch, Sawgrass Asset Management - Quarterly Presentation

Mr. Gosch reported that this has been a very good quarter. They started the quarter with \$11.5 million and finished with just under \$12 million. The portfolio experienced a gain of almost 8% for the quarter. This market favors Sawgrass' investment style. Fixed income is hanging on but they are anticipating earnings from interest rates that will rise soon. They try to position themselves to mitigate risk loss.

A. Grant McMurry, Sawgrass Asset Management - Quarterly Presentation

In continuing the discussion of bonds, Mr. McMurry explained that "duration" describes the sensitivity of a bond to interest rate change. This factor is used to price bonds. He reported that the average duration of bonds held in the ICC portfolio is 4.02 (pg. 9). Currently, 25% of the fixed income portfolio is in cash, which is a defensive move because bonds are too expensive. They could hedge by buying futures but they are very risky. The strategic position is to weigh more heavily in corporate and keep the rest in cash.

He advised that manager's are not enthusiastic about the market. Earnings are strong, and world events do not seem to be having an effect on equity markets. They are focusing on companies that look good after researching. This is a time when stock picking pays off.

C. Richelle Hayes, American Realty – End of Year Presentation

Ms. Hayes began by confirming that the Board chose to enter this asset allocation at a very good time. Since she meets with the Board only once a year, she gave a brief overview of the company. American Realty holds over \$5.2 billion assets under management, with more than 170 income-producing properties across the U.S. With regard to the overall economic outlook, they feel that unemployment continues to drag on the economy. When these numbers improve, so will the economy. American focuses on properties involved in globally competitive industries, focused on professional services and technology,

as well as properties that are close to mass transit, which tend to attract younger urban workers.

She reminded the Board that the fund is open-ended and can be liquidated at any time, but they rarely receive such a request from their clients. Their current debt ratio is 18.7%, which is very low in order to minimize event risk. Ms. Hayes reported that they made a capital call of \$45,000 April 1<sup>st</sup> and will make another for \$105,000 on July 1<sup>st</sup>. American currently has \$180 million in undrawn commitments. Returns are difficult to report as quickly because they are dependent on appraisals which take longer. As of December 31<sup>st</sup>, 2012, the fund's total return since inception was 13.12%. American is currently paying a quarterly dividend of 1.5% (6% annually) back to the Plan. American Realty appreciates the fact that the Board wishes to increase their allocation to 10% of the total fund in order to mitigate fixed income losses. Ms. Hayes advised that other funds have taken similar actions.

D. John McCann, Thistle Asset Consulting – Quarterly Presentation

Mr. McCann reported that the fund is doing very well with a total value of \$25,109,000. ICC is in line with \$11,074,000 (44%) and Sawgrass is a little over with \$11,949,000 (48%). 57% of the fund is in equities, 30% in fixed income, 8% in alternative (real estate) and 5% in cash. Returns beat the policy for the quarter (6.64%), fiscal year to date (7.7%) and excellent 1-year (9.6%) numbers. The 3-year number lagged behind by approximately 1% at 8.62% and slightly behind the benchmark for 5-years at 5.37%. ICC and Sawgrass both beat their benchmarks for 1, 3 and 5-year numbers. The poor market numbers of 2008 will soon drop off, which will result in a dramatic increase in these averages.

Mr. McCann mentioned that he will be asking American Realty for preliminary numbers since they come in later than the other managers. He will make adjustments to the numbers for the previous quarter as their performance numbers become available.

6. Old Business

A. Investment Policy Guidelines – 2013 Revision

There was a discussion of the changes to the investment policy. Equities now comprise 60% of the fund, fixed income is 26%, real estate is 10% and cash is 4%. Mr. McCann confirmed that this is a very conservative asset allocation.

**Mr. Loucks made the motion to approve the changes to the investment policy. Mr. King seconded the motion, which passed unanimously by voice vote.**

**Ms. Alvarez will submit executed originals to the State of Florida and the Plan Actuary.**

7. New Business

A. Discussion – Should the GE Board of Trustees consider hiring a third party administrator?

Mr. Loucks advised the Board that he requested this item for the agenda. He reported that there are more demands on the time of the employees who provide administrative services to the Pension Board, due to additional passport duties.

**Ms. Fisher, as the City's Purchasing Agent, will develop a targeted RFP. The Board will review and approve the RFP before it goes out.**

B. FPPTA Trustee Annual Conference – Orlando – June 23-26, 2013

**Mr. King advised that he would like to attend this event.**

8. Board Members Concerns

A. May 22, 2013 Meeting – Annual Actuarial Valuation Report

**Mr. Loucks made the motion to hold a special meeting on May 22<sup>nd</sup>. Mr. King seconded the motion which passed unanimously by voice vote.**

4. Bills and Warrants

A. ICC Capital – Quarterly fee for period ending 3/31/13 - \$13,842.57

B. Gabriel, Roeder, Smith & Co. – Quarterly fee for period ending 3/31/13 and calculations for Boyle, Russo and Stoner) - \$3,037.00

C. Salem Trust – Quarterly fee for period ending 12/31/13 - \$3,502.28

D. Sawgrass Asset Management - Quarterly fee for period ending 12/31/13 - \$16,430

E. Thistle Asset Consulting - Quarterly fee for period ending 12/31/13 - \$5,826.00

F. Thistle Asset Consulting - Quarterly fee for period ending 12/31/13 - \$6,117.00  
( Includes COLA 5% increase per contract)

G. Florida Municipal Insurance Trust – 2013 Fiduciary Liability Insurance - \$4,798.58

H. Fisher, Kerri Anne – Reimburse expenses (FPPTA 1/27/13) - \$22.20

I. King, Robert – Reimburse expenses (FPPTA 1/27/13) - \$24.56

J. King, Robert – Reimburse expenses (FPPTA 1/27/13) - \$181.26

K. FPPTA – Robert King CPPT 2012 Re-Certification - \$30.00

L. Boyle, Carol – Retiree (Modified Cash Refund Annuity) - \$1106.59 per month.

M. Conlon, Patrick – DROP end (10-year certain) - \$2,967.87 per month.

N. Russo, Anthony – Retiree (Modified Cash Refund Annuity) - \$1,214.84 per month.

O. Wheldon, A.J. – Lump Sum Rollover - \$15,055.91

P. City of Cooper City – Plan Administration Fee (3/1/13-2/28/14) - \$8,000.00

Q. City of Cooper City – Reimburse for Fisher Car Rental (FPPTA 1/27/13) - \$70.39

**Mr. Loucks made the motion to approved items A-Q. Mr. King seconded the motion, which passed unanimously by voice vote.**

2. Approval of Minutes Summary for Meeting of January 23, 2013.

**Approval of the Minutes Summary was tabled until the next meeting.**

3. Report on Fund Activity for the Months Ended January 31, February 28 and March 31, 2013. Horacio Montes de Oca

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

Portfolio Composition	
Cash and equivalents	5.68%
Equities	55.05%
Fixed income	30.08%
Real Estate	8.48%
Carrying value	\$22.69 million
Market value	\$24.34 million
Unrealized GAIN/(LOSS)	\$696,341.00
Total Income	\$44,342.00
Realized GAIN/(LOSS)	\$9,985.00
Investment Income	\$34,357.00
Contributions	\$42,848.00
Employer contributions	\$6,364.00
Employee contributions	\$36,484.00

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

Portfolio Composition	
Cash and equivalents	5.10%
Equities	54.88%
Fixed income	31.58%
Real Estate	8.43%
Carrying value	\$22.74 million
Market value	\$24.47 million
Unrealized GAIN/(LOSS)	\$142,765.00
Total Income	\$23,942.00
Realized GAIN/(LOSS)	\$(4,837.00)
Investment Income	\$28,779.00
Contributions	\$42,554.00
Employer contributions	\$6,434.00
Employee contributions	\$36,120.00

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

Portfolio Composition	
Cash and equivalents	4.96%
Equities	56.76%
Fixed income	30.05%
Real Estate	8.23%
Carrying value	\$22.78 million
Market value	\$25.08 million
Unrealized GAIN/(LOSS)	\$608,146.00
Total Income	\$52,788.00
Realized GAIN/(LOSS)	\$8,982.00
Investment Income	\$43,806.00
Contributions	\$42,132.00
Employer contributions	\$6,400.00
Employee contributions	\$35,732.00

9. Adjournment

**There being no further business before the Board, motion was made and seconded, and the meeting was adjourned at 10:15 AM.**

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