

**COOPER CITY GENERAL EMPLOYEES PENSION PLAN  
BOARD OF TRUSTEES MEETING  
SUMMARY OF MEETING MINUTES  
May 22, 2012**

Approved 

Approved 

CITY HALL

Chairman Schinder called the meeting to order at 8:35 AM.

- |  |                       |
|--|-----------------------|
| 1. <u>Roll Call</u>                    | <u>Guests</u>         |
| Barry Schinder – present               | Horacio Montes de Oca |
| Bob King – present                     | Melissa Algayer - GRS |
| Bruce Loucks – joined later in meeting |                       |
| Kerri Anne Fisher – present            |                       |
| Roland Berrios - present               |                       |

5. Presentations

- A. Melissa Algayer – Gabriel, Roeder, Smith & Company – Presentation of the Annual Actuarial Valuation Report

Ms. Algayer began her discussion of the valuation results by reminding the Board that some changes to the Plan have resulted from the fact that the Plan is now closed to new members, effective October 25, 2011. The most notable change is that the City's overall cost, as a percentage of covered payroll, will be increasing each year.

The investment return assumption was reduced from 7.5% last year to 7.4% this year. This assumption will be reduced by 0.1% each year in subsequent valuations. The funded ratio this year is 75.9% compared to 73.9%. The funded ratio was 76.7% before the change in the investment return assumption. The average funded ratio amongst their clients is in the mid-70s.

GRS recommends that the number of years used to amortize changes in the UAAL be reduced from 30 years to no more than 25 years. This change will result in a contribution increase of approximately \$4,400 or 0.05% of covered payroll.

**Mr. King made the motion to implement this change, beginning in 2013 and continuing to reduce the number of years by one (1) year each subsequent year. The motion was seconded by Mr. Berrios and approved unanimously by voice vote.**

There was a net actuarial gain of \$38,783 for the year, which means that actuarial experience was more favorable than expected, but still reflecting losses from previous years.

With regard to assumptions, a discussion of assumed versus actual salary increases (page 13) and whether the assumed rate of 6% should be reconsidered. This discussion was tabled until GRS is able to provide a recommendation based on data from Human Resources. Ms. Algayer will advise Ms. Alvarez of the information she will require from HR in order to make a recommendation. Once the Board receives Ms. Algayer's recommendation, they will vote on whether the salary

assumption should be reduced. This decision should be made before the end of the fiscal year.

*(Mr. Loucks joined the meeting at this time.)*

In reviewing the reconciliation of Plan assets, Ms. Algayer confirmed that the Plan experienced an excellent year, with an increase in Plan assets of \$3.1 million, which brings the final market value of Plan assets to \$21,788,872.00 as of September 30<sup>th</sup>, 2012. With a positive cash flow of \$860,000.00, the Plan is in a very good position for a closed plan. The review continued with a discussion of the Plan's asset allocation and the investment rate of return, which is 8%, based on market value and 7.5% based on actuarial value.

2. Approval of Minutes Summary for Meeting of January 23 and April 24<sup>th</sup>, 2013.  
The minutes were unanimously approved as submitted by the Recording Secretary.

3. Report on Fund Activity for the Month Ended April 30<sup>th</sup>, 2013.  
Mr. Montes de Oca reported on the performance for the month.

Portfolio Composition

Cash and equivalents	8.04%
Equities	53.23%
Fixed income	30.50%
Real Estate	8.23%
Carrying value	\$23.12 million
Market value	\$25.31 million
Unrealized GAIN/(LOSS)	\$301,321.00
Total Income	(\$7,797.00)
Realized GAIN/(LOSS)	(\$50,396.00)
Investment Income	\$42,599.00
Contributions	\$57,799.00
Employer contributions	\$6,374.00
Employee contributions	\$51,424.00

4. Bills and Warrants
  - A. City of Cooper City – Reimburse FPPTA CPPT 2012 Recertification Fee for Correa & Alvarez - \$60.00
  - B. Salem Trust – Fee advice for period ending March 31, 2013 - \$3,729.94
  - C. Conlon, Patrick – Rollover of DROP account balance - \$220,253.70
    1. 50% allocation to National Western Life - \$110, 126.85
    2. 50% allocation to Charles Schwab & Co. - \$110, 126.85
  - D. Woodward, Rolana – Modified Cash Refund Annuity - \$3,582.92/month
  - E. FPPTA – Registration: Annual Conference – Orlando / June 23-26, 2013 – Robert King and Karen Correa - \$1000.00
  - F. Correa, Karen – Per Diem – FPPTA Annual Conference - \$150.00
  - G. King, Robert – Per Diem – FPPTA Annual Conference - \$150.00

**Mr. Loucks made the motion to approve items A-G. The motion was seconded by Mr. Berrios and was approved unanimously by voice vote.**

6. Old Business

A. Third Party Administrator RFP

Ms. Fisher advised the Board that the City's threshold for an RFP is \$20,000, so an RFP may not be required. She reported that there are not very many third party administrators that work with defined benefit plans. A discussion followed about the procedure for hiring a TPA without an RFP. Ms. Fisher will provide the Board members with a list of questions for the 3-5 interviewees.

7. New Business

A. None

8. Board Members Concerns

A. Retiree, Aldyth Shilleh – Deceased.

Ms. Alvarez advised the Board that Ms. Shilleh elected the 10-Year Certain annuity in February of 1996, so there is no survivor benefit. The Plan's actuary has been advised of Ms. Shilleh's passing and her benefit was discontinued before the next month's disbursement so there was no overpayment of benefits to Ms. Shilleh's estate.

9. Adjournment

There being no further business before the Board, motion was made and seconded, and the meeting was adjourned at 10:30 AM.