

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

Approved _____

Approved _____



CITY HALL

Chairman Schinder called the meeting to order at 8:45 AM.

1. Roll Call

Barry Schinder – present
Bob King – present
Bruce Loucks – present
Kerri Anne Fisher – present
Roland Berrios - present

Guests

Horacio Montes de Oca
Grant McMurry – ICC Capital
Gregg Gosch – Sawgrass Asset Management
John McCann – Thistle Asset Consulting

5. Presentations

A. ICC Capital – Grant McMurry – Quarterly Presentation

Mr. McMurry advised the Board that Andrew Richey, a partner in the firm, has retired. The Board was assured that Mr. Richey's departure will have no effect on ICC's clients in Florida. Mr. McCann confirmed that he had no concerns about this change. Mr. McMurry stated that ICC's performance was good for the quarter. All sectors were in double digits last quarter so no particular sector stood out above the others.

B. Sawgrass Asset Management – Gregg Gosch – Quarterly Presentation

Mr. Gosch reported that Sawgrass performs well in this type of market, which he described as "fundamental"; where earning, debt, etc. matter. With regard to the bond market, he advised that Sawgrass is shortening duration, heavier on short maturity, which are easier to get in and out of. They were in the top quartile of managers and beating the index, but the fixed income market was not good.

C. Thistle Asset Consulting – John McCann – Quarterly Presentation

Mr. McCann advised the Board that the current market value of the Plan is \$25 million. ICC holds 43.9%, Sawgrass holds 47.4% and American holds 8.7% of the total fund. He reminded the managers that they may invest a larger portion (up to 67%) in equities, now that the investment policy has been changed and American Realty is making up a larger portion of the fixed income allocation.

The total fund was up 8.66% for the fiscal year to date and up 12.73% for the 1-year numbers, but was behind the index by a couple of percentage points, at 10.98% for the 3-year and 5.77% for the 5-year numbers. Total equities numbers were excellent, and beating the index, for the fiscal year to date at 16.77%, 1-year with 23.68% and 3-years with 17.65%. Total fixed income beat the index for the 3-year with 3.36% and 5-year with 5.03%. Mr. McCann reminded the Board that the "smoothing method" allows for the poor returns of

2008 to drop off after September 30th, greatly improving the fund's actuarial valuation. In reviewing the performance for the individual managers, he reported that ICC's total returns for the quarter are dragging a bit, but their numbers for the fiscal year to date are excellent. Sawgrass is also behind for the quarter, but they beat the index for the fiscal year to date.

6. Old Business

A. Kerri Anne Fisher Re-Elected to serve through June 21, 2015.

The Board congratulated Ms. Fisher on her re-election by the membership.

B. Status of Third Party Administrator Search – Kerri Anne Fisher

Ms. Fisher a summary of considerations, advising that she will issue an informal RFP (as the City's Purchasing Agent), since the Board is not required to advertise or have a review committee. She has a list 8 -10 firms and anticipates receiving about 4 proposals. She is utilizing search and transition documents, which were provided by Pension Services, as a guide to formulating this RFP process. She asked the Board for input on the process. The Trustees agreed they will review the draft document and submit and changes or suggestions to her within 2 weeks. Mr. McCann suggested sending the RFP out in the next 2 weeks and allowing applicants 3-4 weeks to respond. The Board should then meet to review the proposals. He also advised that the Board should insist that an Administrator attend all Board meetings. Mr. McCann suggested that the Plan's attorney may be able to recommend names of administrators and provide input. Mr. McCann confirmed that he will attend the final meeting and comment, but will not vote.

C. American Realty - 7/1/13 capital call executed - \$105,000.00

There was not discussion and no concerns were expressed on this item.

2. Approval of Minutes Summary for Meeting of May 22nd, 2013.

The minutes were unanimously approved as submitted by the Recording Secretary.

3. Report on Fund Activity for the Month Ended May 31st, 2013.

Horacio Montes de Oca, Finance Director

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

Portfolio Composition

Cash and equivalents	4.81%
Equities	55.12%
Fixed income	31.81%
Real Estate	8.26%
Carrying value	\$22.91 million
Market value	\$25.22 million
Unrealized GAIN/(LOSS)	\$181,925.00
Total Income	\$29,113.00
Realized GAIN/(LOSS)	\$(5,509.00)
Investment Income	\$34,622.00

Contributions	\$46,446.00
Employer contributions	\$9,490.00
Employee contributions	\$36,956.00

4. Bills and Warrants

- A. Gabriel, Roeder, Smith & Co. – Services through 4/30/13 - \$995.00
- B. Gabriel, Roeder, Smith & Co. – Quarterly Fee and Services through 6/30/13 - \$2,511.00
- C. Sawgrass Asset Management – Fees for Quarter ending 6/30/13 - \$16,273.00
- D. Thistle Asset Consulting, Inc. – Fees for Quarter ending 6/30/13 - \$6,117.00
- E. City of Cooper City – Reimbursement for FPPTA Hotel Accommodations – Correa & King (Orlando / June 23-26, 2013) - \$1152.00
- F. King, Robert – Reimburse for FPPTA Expenses (Orlando / June 23-26, 2013) - \$322.67

Mr. Loucks made the motion to approve items A-F. Mr. King seconded the motion, which was approved unanimous by voice vote.

7. New Business

A. DROP Plan Changes – Entry/Eligibility Age

Mr. Loucks reminded the Board that the current DROP participation window is age 55-60. On the City's behalf, Mr. Loucks proposed that the Board consider extending the entry window to age 65. A discussion followed.

Mr. King made the motion to allow members to participate in the DROP for 5 years, beginning any time after age 55. Mr. Loucks seconded the motion.

Ms. Alvarez will ask the Plan Attorney if they have any objections to this change. She reminded the Board that the State requires an impact statement from the Plan Actuary before this change may be implemented by the City Commission. The Board gave Ms. Alvarez permission to proceed.

B. Order Distributing Marital Interests in Retirement Plan – Petina Hudson

Ms. Alvarez explained the order to the Board, advised that the Plan Attorney has advised that no action must be taken by the Board. This document is for informational purposes only. It will be kept on file and referred to when Ms. Hudson retires from the Plan.

C. State Acceptance (Florida Department of Management) – All reports through 10-1-12

Ms. Alvarez reported that she has discussed these requirements with the Plan Actuary, who has confirmed the Board has already taken action to lower the amortization period for future Valuations. As a reminder, the Board directed that the number of years used to amortize changes in the UAAL will continue to decrease by one year each year.

8. Board Members Concerns

- A. Florida League of Cities article RE: New Florida Department of Management reporting requirements for publicly funded defined benefit plans.

Ms. Alvarez has discussed the SB534 topic with the Plan Actuary, who advised that they are in the process of confirming with the State the specifics of these requirements and the timeframe involved. Once they receive a confirmation from the State, they will provide the Board with a description of the disclosure requirements and advise the Board of any additional fees for these calculations. Until then, no action is required by the Board.

9. Adjournment

There being no further business before the Board, motion was made and seconded, and the meeting was adjourned at 10:25 AM.