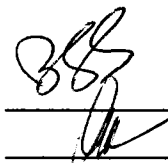


**COOPER CITY GENERAL EMPLOYEES PENSION PLAN  
BOARD OF TRUSTEES MEETING  
SUMMARY OF MEETING MINUTES  
October 23, 2013**

Approved \_\_\_\_\_

Approved \_\_\_\_\_



CITY HALL

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

1. Roll Call

<u>Barry Schinder</u> – present	<u>Guests</u>
<u>Bob King</u> – present	Horacio Montes de Oca
<u>Bruce Loucks</u> – absent	John McCann, Thistle Asset Consulting
<u>Kerri Anne Fisher</u> – present	Greg Gosch, Sawgrass - Absent
<u>Roland Berrios</u> – present	Grant McMurry, ICC - Absent
  
2. Approval of Minutes Summary for Meeting of July 24, 2013.  
The minutes were unanimously approved as submitted by the Recording Secretary.
  
4. Bills and Warrants
  - A. GRS - Quarterly Fees for period ending 9/30/13 & Retirement Benefit Calculations (5) - \$3537.00
  - B. ICC Capital Management – Quarterly Fee for period ending 6/30/13 - \$13,736.12
  - C. Klausner, Kaufman, et. al. – Fees for period ending 8/29/13 - \$712.50
  - D. Salem Trust – Fees for period ending 6/30/13 (*discounted*) - \$3,328.13
  - E. Sawgrass Asset Management – Quarterly Fee for period ending 9/30/13 - \$16,933.00
  - F. Thistle Asset Consulting – Quarterly Fee for period ending 9/30/13 - \$6,117.00
  - G. Roland Berrios – Reimbursement for Expenses (FPPTA School – 9/29/13) - \$66.26
  - H. Roland Berrios – Per Diem (3 days - FPPTA School – 9/29/13) - \$120.00
  - I. City of Cooper City – Reimburse for Berrios Hotel (FPPTA School – 9/29/13) - \$507.00
  - J. FPPTA – Berrios Registration (FPPTA School – 9/29/13) - \$450.00
  - K. Sheermohamed, Sheila – Modified Cash Refund Annuity (per month including supplement) - \$1,030.49
  - L. Scarcella, Francine - Modified Cash Refund Annuity (per month including supplement) - \$2,004.04
  - M. Gans, Mitch – DROP entry (per month including supplement) – \$1953.15
  - N. Hooks, Joanne – DROP entry (per month including supplement) – \$2500.88

**Mr. King made the motion to approve Items A-J, pending review by Mr. Montes de Oca. The motion was seconded by Mr. Berrios and passed unanimously by voice vote.**

**Mr. King made the motion to approve Items K-N. The motion was seconded by Mr. Berrios and passed unanimously by voice vote.**
  
6. Old Business
  - A. Status of Third Party Administrator Search

Ms. Fisher reported that she has developed a basic RFP, with notes from Ms. Alvarez. She did not receive any changes from the Trustees. She noted that the Boynton Beach contract appears to be the best model. They are currently renewing their

contract with Pension Resource Center, which has provided very good service to them. In response to Ms. Fisher's question, the Trustees had no problem piggy-backing on Boynton Beach's contract if possible. John McCann advised that he has worked with them and gave them a positive recommendation. He will try to find two more third party administrators for comparison, but did not feel that it was necessary to interview more than two, if those were the only responses. Mr. McCann also reminded the Board that they have the option to terminate their contract with a TPA at any time, if the Board is dissatisfied with their service.

B. Status of DROP Plan Changes

Ms. Alvarez advised that the City Attorney is drafting language to extend the DROP entry window. Once that is completed she will forward to the Actuary, so they may provide an impact statement, before this item is presented to the City Commission for approval.

7. New Business

A. Adoption of Public Comment Mechanism policy – Florida State Statute Section 286.0114, effective October 1, 2013

A discussion included the point that these Board Meetings rarely attract any interest, as the Board has only had one person, in ten years who wished to offer public comments. At the time, the comments had no relation to any items on which the Board was voting. The Board has never restricted public comment, as these are public meetings, which are publicly noticed in the City Hall lobby and City website calendar.

**Mr. King made the motion that the following procedure be followed: speakers must sign-in and indicate whether they wish to speak on a particular agenda item. The Chairman will offer them the opportunity to speak at the beginning of the minutes for three (3) minutes, on this topic, for an aggregate of ten (10) minutes if there is more than one speaker. All other comments must be offered at the end of the meeting, three (3) minute time limit per speaker. This motion was seconded by Mr. Berrios and passed unanimously by voice vote.**

B. Don Long – request for annuity change due to passing of beneficiary.

Ms. Alvarez explained that Mr. Long's wife and beneficiary passed away recently. Mr. Long elected the 100% Joint & Survivor option when he retired on March 1, 2008. Since he has no living relatives, he is requesting that the Board change his pension election to the Normal Retirement Benefit that he would have received if he had not elected a Joint & Survivor Annuity. He is currently receiving a benefit of \$1,630.46 per month. The difference he is requesting is an increase of approximately \$100.00 per month. Ms. Alvarez advised that she just received this request and has not had the opportunity to review the Plan's policy on beneficiary changes resulting from death or divorce. She also advised that this inquiry should be reviewed by the Plan Attorney before the Board takes any action.

**This item will be tabled until the Board may review the Plan's policy on this issue and obtain advice from the Plan Attorney. In light of the difficult circumstances, Ms. Alvarez may call an emergency meeting to address the issue, if there is a decision to be made by the Board.**

8. Board Members Concerns

A. Trustee terms expire November 2013 – Barry Schinder and Robert King

Mr. Schinder and Mr. King both expressed an interest in reappointment. Mr. Schinder has already supplied the City Manager with a current Citizen Resource Sheet and Mr. King will do the same.

B. Salem Trust reporting delays due to software conversion.

Mr. McCann began by addressing concerns about Salem Trust's inability to provide timely reports. He advised the Board that Salem has been implementing new software and the conversion has not gone well. Due to the fact that Salem has not provided statements for the month ending September 30<sup>th</sup>, he is only able to provide the Board with estimates of the fund's performance for the year. The same situation occurred with the June 30<sup>th</sup> statements. Mr. McCann reminded the Board that Salem Trust has not met their reporting obligations in providing timely bank statements to the Board. To date, the Board does not have access to accurate reports on the end of fiscal year performance. In response to Board inquiries, Salem Trust provided a schedule for these reports, which they failed to meet. This pattern began in June, after their software conversion, and has still not been corrected.

**Mr. McCann recommended that the Board should consider replacing Salem Trust as the Plan Custodian, after the Board has completed the search for a third party administrator. He feels that they have not conducted themselves in a professional and trustworthy manner and are not fulfilling the obligations of their contract with the Board. Mr. McCann recommended that the Board request a refund of fees for the quarters ending September 30 and December 31, 2013 and agreed to draft a letter for the Board.**

C. 2014 Meeting Calendar

The Trustees had no concerns or changes to the 2014 meeting dates as outlined in the calendar prepared by Ms. Alvarez. Board meetings will continue to be held quarterly, on the fourth Wednesday of the month and emergency meetings may be called as needed.

5. Presentations

A. Sawgrass Asset Management – Greg Gosch – Quarterly Presentation

Mr. Gosch was absent from the meeting.

B. ICC Capital – Grant McMurry – Quarterly Presentation

Mr. McMurry was absent from the meeting.

C. Thistle Asset Consulting – John McCann – Quarterly Presentation

Mr. McCann reminded the Board that he is only able to provide them with estimates of the fund's performance, since Salem Trust has not provided bank statements for the month ending September 30<sup>th</sup>. He reported that the fund's approximate total market value is \$26 million, with a return of 12.6% for the fiscal year to date. American Realty's total market value is approximately \$2,317,000, with an 11% return; Sawgrass is at \$12,315,000 with a 12.6% return and ICC is at \$11,431,000 with a 13% return for the fiscal year to date.

Mr. McCann advised that he is very happy with the fund's performance for the year and may make a suggestion for further diversification later in the year. He asked the Board to consider moving 5% of the fund from the fixed income asset class, into real estate. The motivation would be to make up for fixed income's poor performance. He stressed that it's important for the Board to consider whether the increased returns are worth the increase in risk.

Mr. McCann presented the Board with an aggregate report, outlining the various allocations within ICC and Sawgrass' portfolios. He advised that the funds are well diversified, with very little overlap in stocks.

Mr. McCann advised that he would be happy to present an end of year report in December, if Salem Trust is able to provide the September 30 reports before then. The Board agreed to a tentative date of December 4<sup>th</sup>. Ms. Alvarez advised that she will ask Greg Gosch and Grant McMurry to attend, since they were not present for this meeting.

3. Report on Fund Activity for the Month ended June 30, July 31 and August 31, 2013.  
 \* *Administrative Note: Salem Trust has not provided the September 30<sup>th</sup> bank statements and they were late in providing the June 30<sup>th</sup> bank statements, so Mr. Montes de Oca presented the June report during this meeting and September will be shared at the next meeting when it is available.*

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

Portfolio Composition	
Cash and equivalents	3.76%
Equities	55.99%
Fixed income	31.88%
Real Estate	8.37%
Carrying value	\$22.99 million
Market value	\$24.91 million
Unrealized GAIN/(LOSS)	\$(281,865.00)
Total Income	\$14,541.00
Realized GAIN/(LOSS)	\$(32,493.00)
Investment Income	\$47,034.00
Contributions	\$41,460.00
Employer contributions	\$6,364.00
Employee contributions	\$35,096.00

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

Portfolio Composition	
Cash and equivalents	5.49%
Equities	55.70%
Fixed income	30.44%
Real Estate	8.37%
Carrying value	\$23.41 million
Market value	\$ 25.91million
Unrealized GAIN/(LOSS)	\$824,623.00
Total Income	\$62,923.00
Realized GAIN/(LOSS)	\$24,687.00
Investment Income	\$38,236.00
Contributions	\$242,412.00
Employer contributions	\$137,536.00
Employee contributions	\$104,876.00

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

Portfolio Composition	
Cash and equivalents	4.54%
Equities	55.24%
Fixed income	31.68%
Real Estate	8.53%
Carrying value	\$23.45 million
Market value	\$25.41 million
Unrealized GAIN/(LOSS)	\$(493,168.00)
Total Income	\$23,637.00
Realized GAIN/(LOSS)	\$(5,095.00)

Investment Income	\$28,732.00
Contributions	\$51,168.00
Employer contributions	\$13,548.00
Employee contributions	\$37,620.00

9. Adjournment

There being no further business before the Board, motion was made and seconded, and the meeting was adjourned at 9:55 AM.