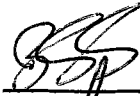


**COOPER CITY GENERAL EMPLOYEES PENSION PLAN
BOARD OF TRUSTEES MEETING
SUMMARY OF MEETING MINUTES
January 23, 2013**

Approved



Approved



CITY HALL

Chairman Schinder called the meeting to order at 8:35 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

Gregg Gosch – Sawgrass Asset Management

Grant McMurry – ICC Capital

John McCann – Thistle Asset Consulting

5. Presentations

A. Gregg Gosch, Sawgrass Asset Management – Quarterly Presentation

Mr. Gosch reported that the portfolio value for year end is \$11,150,519. They are a bit behind for the quarter and one year numbers, but beat the index since inception. With 5-year blending, the unfortunate numbers from 2008 will fall off soon. Sawgrass' growth investment style works against them in this kind of market because they look for strong companies with slower growth. Risk strategies that led the earnings charge were smaller with more volatility; B rated or worse. These are not the type of companies that Sawgrass invests in. When stocks were more highly valued, stock pickers pull away from the index. These are the opportunities that they look for. Their standard deviation of 15.26 is very good and results from maximizing high returns with lower risk.

With regard to fixed income, Mr. Gosch advised that Sawgrass has had a good year and a good quarter. They anticipate that interest rates will rise to 4% in 2014. The Fed has been limiting a rise in interest rates. They are being cautious with duration and looking at floating rate securities at a discount. A discussion of the bond market followed and Mr. McCann confirmed that the fixed asset managers at Sawgrass have been doing very well.

B. Grant McMurry, ICC Capital – Quarterly Presentation

Mr. McMurry began with a discussion of bond risk and advised that there are two ways to look at it: 1) how expensive is it and 2) security against event risk. 33% of their portfolio is fixed income and he does not feel that this is too high. He believes that real estate is a good proxy for fixed income. Bond risk is getting very expensive but it does offer protection against event risk. Investors looking for a place to hide will go into treasuries because they are easier to get in and out of them than corporates.

C. John McCann – Thistle Asset Consulting – Quarterly Presentation

In continuing the discussion of fixed income, Mr. McCann called the Board's attention to the Callan Sheet that he provided. Describing the investment returns for key indices between 1993-2012, he noted in 2011 Barclays fixed income was the best asset class, then it was at the bottom in 2012, with unbelievably high volatility.

Overall, the fund had a very good year. With 16.74% investment returns for the year, the Actuary will be happy to provide the annual valuation report. The fund is slightly behind the policy for the year, but the fiscal year to date was excellent. Mr. McCann reiterated that the 5-year numbers will jump dramatically once the poor performance of 2008 drops off the 5-year smoothing.

D. Richelle Hayes – American Realty

Ms. Hayes was unable to attend due to a death in the family. After some discussion, Mr. McCann advised the Board that he feels it is only necessary for Ms. Hayes to report to the Board annually. He suggested that a meeting after the first of the year would be best since American Realty's end of year numbers are usually available much later than the other managers.

6. Old Business

A. Fixed Income Asset Allocation – John McCann Recommendation on 10/24/12

Mr. McCann recommends that the Board consider reducing the fixed income allocation to 30%. This would require a change to the investment policy. The Board determined that this discussion should be tabled until the next meeting when all Trustees are present.

Mr. McCann reported that the fund value on 12/31/12 was \$23.5 million. He confirmed that the portfolio managers have the correct percentage of the total fund, but the fixed income allocation is way too low at 32.6%, when the target is 40% of the total fund. He recommends a small change to the investment policy, which would result in 60% equities, 30% fixed income and 10% real estate. The real estate allocation would be considered as a supplement to fixed income.

In order to rebalance, Mr. McCann suggested that funds (\$460,000) should be taken from Sawgrass in order to bring American Realty up to their 10% allocation. Mr. McCann also recommended that the Board should consider adding International as an additional asset allocation later in the year.

Mr. Loucks made the motion to change the asset allocation to reflect Mr. McCann's recommendation of 60% equities, 30% fixed income and 10% real estate. The motion was seconded by Mr. King and passed unanimously by voice vote.

2. Approval of Minutes Summary for Meeting of October 24, 2012.

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

3. Reports on Fund Activity for the Month Ended October 31, November 30 and December 31, 2012.

Horacio Montes de Oca

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

Portfolio Composition	
Cash and equivalents	8.42%
Equities	51.86%
Fixed income	31.60%
Real Estate	8.12%
Carrying value	\$22.31 million
Market value	\$23.31 million
Unrealized GAIN/(LOSS)	\$ (88,427.00)
Total Income	\$31,394.00
Realized GAIN/(LOSS)	\$ (9,608.00)
Investment Income	\$41,002.00
Contributions	\$1,113,986.00
Employer contributions	\$1,055,060.00
Employee contributions	\$58,926.00

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

Portfolio Composition	
Cash and equivalents	5.45%
Equities	53.50%
Fixed income	32.94%
Real Estate	8.11%
Carrying value	\$22.42 million
Market value	\$23.35 million
Unrealized GAIN/(LOSS)	\$130,309.00
Total Income	\$ (26,056.00)
Realized GAIN/(LOSS)	\$ (58,130.00)
Investment Income	\$32,074.00
Contributions	\$48,382.00
Employer contributions	\$9,526.00
Employee contributions	\$38,856.00

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

Portfolio Composition	
Cash and equivalents	4.43%
Equities	54.85%
Fixed income	32.67%
Real Estate	8.05%
Carrying value	\$22.48 million
Market value	\$23.50 million
Unrealized GAIN/(LOSS)	\$145,354.00
Total Income	\$43,768.00
Realized GAIN/(LOSS)	\$ (10,190.00)
Investment Income	\$53,958.00
Contributions	\$43,572.00
Employer contributions	\$6,400.00
Employee contributions	\$37,172.00

4. Bills and Warrants

- A. ICC Capital Management – Quarterly Services ending 12/31/12 - \$13,081.05
 - B. Gabriel, Roeder, Smith & Co. – Quarterly fee, benefit calculations, DROP accounting - \$6,408.00
 - C. Klausner, Kaufman, Jensen & Levinson – Legal Services - \$142.50
 - D. Salem Trust – Fee Advice for Period ending 09/30/12 - \$3,336.02
 - E. Sawgrass Asset Management – Quarterly Services ending 12/31/12 - \$15,332.00
- A Motion was made by Mr. King to approve items A-E. The motion was passed by Mr. Loucks and passed unanimously by voice vote.**
- F. FPPTA 2013 Annual Membership - \$600.00
 - G. FPPTA – Trustee School Registration Fees (Jacksonville / January 27-30, 2013): Berrios, Fisher, King - \$1350.00
 - H. City of Cooper City – Reimburse for Hotel (FPPTA School / Jacksonville / January 27-30, 2013): Berrios, Fisher & King - \$1431.00
 - I. City of Cooper City – Reimburse for Airfare (FPPTA School / Jacksonville / January 27-30, 2013): Alvarez, Berrios & Fisher - \$597.50
 - J. Berrios, Roland – Per Diem (FPPTA School / Jacksonville / January 27-30, 2013) - \$120.00
 - K. Fisher, Kerri Anne – Per Diem (FPPTA School / Jacksonville / January 27-30, 2013) - \$120.00
 - L. King, Robert - Per Diem (FPPTA School / Jacksonville / January 27-30, 2013) - \$120.00
 - M. King, Robert - Airfare (FPPTA School / Jacksonville / January 27-30, 2013) - \$212.80

A Motion was made by Mr. King to approve items F-M. The motion was passed by Mr. Loucks and passed unanimously by voice vote.

- N. Jerger, Deborah – DROP election approval
- O. Rivera, Noel – DROP election approval
- P. Trautman – Adjustment to Monthly Benefit Letter of Direction
- Q. Younghans – DROP election approval

A Motion was made by Mr. Loucks to approve items N-Q. The motion was passed by Mr. King and passed unanimously by voice vote.

7. New Business

- A. Approval of payment to Cooper City General Fund for administrative costs - \$8000.00 per year. Mr. Loucks advised the Board that this service has always been provided by the City at no cost to the Plan, but now that Cities are under so much pressure to cut costs, it's important to review the cost of services. 3 City employees are currently providing administrative services to the GE Pension Plan. The Police and Fire plans are currently paying approximately \$12,000 per year for the services of a third party administrator. A discussion followed.

Mr. Loucks made the motion to approve payment of \$8000.00 per year to the City of Cooper City, payable annually in March. Mr. King seconded the motion which passed unanimously by voice vote.

8. Board Members Concerns

A. Frequency of Meetings reduced to quarterly schedule. Discussion tabled from October 24, 2012 meeting.

Mr. King made the motion to change regular meeting schedule to four meetings per year, following the end of each quarter, unless special meetings are required to address an emergency matter. The motion was seconded by Ms. Fisher and approved unanimously by voice vote.

9. Adjournment

There being no further business before the Board, motion was made and seconded, and the meeting was adjourned at 10:00 AM.