CITY HALL

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

1. Roll Call
   Barry Schinder – present
   Bob King – present
   Bruce Loucks – joined later in meeting
   Kerri Anne Fisher – present
   Roland Berrios - present

   Guests
   Horacio Montes de Oca
   Melissa Algayer - GRS

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 30th, 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 24th, 2013.
The minutes were unanimously approved as submitted by the Recording Secretary.

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

Portrayl 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
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
      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.