CITY HALL

Chairman Schinder called the meeting to order at 8:04 AM.

1. Roll Call
   Barry Schinder – present
   George Garba – present
   Bob King – present
   Bruce Loucks – present
   Kerri Anne Fisher – present

   Guests
   Horacio Montes de Oca
   Grant McMurry - ICC
   Gregg Gosch - Sawgrass
   Brendan Vavrica - Thistle

5. Presentations
   B. Gregg Gosch – Sawgrass Asset Management – Quarterly Presentation
      Mr. Gosch reported that low quality stocks and cyclical sectors led this quarter and more quality stocks tended to have weaker returns. The Financial and Tech sectors led, while defensive, higher-yielding sectors like Utilities and Telecom Services lagged. Small caps underperformed large caps and Growth stocks outperformed Value stocks by 3.6%. There was a gain of $821,000 for the quarter, which was a little behind the index. The bond market for 2011 performed well due to the European crisis, which resulted in flight to safety in fixed income.
      Sawgrass beat the index for four quarters in a row, but it’s hard to keep up when the market moves so fast. Sawgrass’ performance is better when higher quality stocks are performing better. They feel good about where they stand as they have beaten the index 7 out of 9 years.

   A. Grant McMurry – ICC Capital – Quarterly Presentation
      Starting last quarter, Growth is being considered more risky and more volatile. In the Bond market “junk” is performing better. Consumer Discretionary is performing better than Consumer Staples. Investors seem to be more willing to take risk. There is a negative correlation with 10-year treasuries. Investors are pulling their money out of fixed income, which is more expensive, and moving into U.S. equities, where they are finding value; looking for value in riskier equities. Mr. McMurry is concerned that the market may hold back until after the election.
      In response to Mr. Loucks’ question, Mr. McMurry explained that 1% of the fixed income in the portfolio is comprised of “Build America” bonds, which are backed by the federal government and have been performing very well. They were a bargain a few years ago when municipal bonds had less value.
B. Brendon Vavrica – Thistle Asset Consulting – Quarterly Presentation

In reviewing the Executive Summary, Mr. Vavrica began by reporting that the fund’s intermediate position in fixed income is well-positioned for market recovery. With regard to compliance, he advised that any items marked "no" were performance related and he is not concerned. There was a dramatic increase in the value of the fund this quarter, with performance gains of $1.65 million this quarter. The $1.7 completion of commitment to American Realty will be reflected in the next quarterly report. The fund is in a good position with a very good start to the fiscal year.

The portfolio is taking on a bit more risk but it is being rewarded. ICC is getting more return for their level of risk, compared to the policy, but this level of volatility is normal for their investment style. Mr. Vavrica reminded the Board that “Alpha” measures whether market returns are positive as compared to the level of risk. If the fund is getting paid for the risk then Alpha is positive. Sawgrass returns, compared to risk, are not as high but are appropriate for their investment style.

In response to Mr. Garba’s question, Mr. Vavrica confirmed that the fund is well-positioned and well-allocated as far as diversification of portfolios amongst the three managers. He anticipates increased market volatility after the first of the year, due to issues after the election that will affect the economy.

The Board had a brief discussion about further diversification and whether the allocation to American Realty should be increased, but decided to table the discussion until the next quarterly meeting when Mr. McCann is able to be present and provide a projection.

Horacio Montes de Oca
Mr. Montes de Oca reported on the performance for the month.
Portfolio Composition

<table>
<thead>
<tr>
<th>Cash and equivalents</th>
<th>2.74%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equities</td>
<td>56.25%</td>
</tr>
<tr>
<td>Fixed income</td>
<td>34.83%</td>
</tr>
<tr>
<td>Real Estate</td>
<td>6.18%</td>
</tr>
</tbody>
</table>

Carrying value $20.02 million
Market value $21.84 million
Unrealized GAIN/(LOSS) $298,032.00
Total Income $86,914.00
Realized GAIN/(LOSS) $24,092.00
Investment Income $62,822.00
Contributions $42,195.00
Employer contributions $4,886.00
Employee contributions $37,309.00

The minutes were unanimously approved as submitted by the Recording Secretary.
4. Bills and Warrants
   A. FPPTA – Annual Conference Registration for Robert King - $500.00
   B. Gabriel, Roeder, Smith & Co. – Quarterly Fee (ending 3/31/12) - $2,287
   C. ICC Capital – Quarterly Fee (ending 3/31/12) - $12,136.59
   D. King, Robert – Reimbursement for Expenses – FPPTA Conference (Jacksonville
      / February 5-8, 2012) - $376.86.
   E. Salem Trust – Fee Advice for Quarter (ending 3/31/12) - $3,394.51
   F. Sawgrass Asset Management – Quarterly Fee (ending 3/31/12) - $14,819
   G. Thistle Asset Consulting – Quarterly Fee (ending 3/31/12) - $5,826.00

Mr. Loucks made the motion to approve items A-G, pending review by Mr. Montes de Oca. The motion was seconded by Mr. Garba and approved unanimously by voice vote.

6. Old Business
   A. Mr. Montes de Oca and Ms. Fisher raised a point for clarification, relative to the
      Board's decision on March 28, 2012 relative to a change in interest rate on
      refunds of member contributions:
      "Interest rate shall be equal to the average earnings or losses during the time
      period for which the contributions were made, not to be less than the actual
      contributions, based on the Annual Valuation Report."

      With regard to the question of an "effective date", it was confirmed that the intent
      was to calculate the rate of return from date of hire.

7. New Business
   A. None

8. Board Members Concerns
   A. None

9. Adjournment

   There being no further business before the Board, motion was made and seconded,
   and the meeting was adjourned at 9:30 AM.