

**CITY OF MIAMI SPRINGS GENERAL EMPLOYEES'  
RETIREMENT SYSTEM  
MINUTES OF THE MEETING HELD  
FEBRUARY 7, 2013**

The regular meeting of the Board of Trustees of the City of Miami Springs General Employees' Retirement System was called to order at 8:32AM by Tom Cummings in the Commission Chambers at the City of Miami Springs City Hall at 201 Westward Drive, Miami Springs, Florida.

**TRUSTEES PRESENT**

Tom Cummings, Chair  
Sherryl Bowein, Secretary  
Robert Whittington, Trustee  
Francisco Arguelles, Trustee

**OTHERS PRESENT**

Audrey Ross, Pension Resource Centers (PRC)  
Steve Cypen, Cypen & Cypen  
Grant McMurry, ICC Capital  
Brendon Vavrica, Thistle Asset Consulting  
William Alonso, City of Miami Springs--Finance Dir.

**INVESTMENT MANAGER REPORT: ICC CAPITAL MANAGEMENT (GRANT MCMURRY)**

Mr. McMurry reviewed the current market environment during the last quarter and stated that overall it was a good quarter. He noted that last quarter they did not own any Apple stock and it hurt them, but now Apple is starting to drop. For the quarter ending December 31, 2012 the total fund net of fees out performed the index at 2.89% versus -0.11% and for the year to date they are also ahead at 12.99% versus the index at 12.14%. Mr. McMurry commented that January was a great month as well and they are up another 6%. He stated that he is still concerned about bonds and the 10 year Treasury because with the rates remaining low, bonds will continue to stay with a low yield and high prices.

Mr. McMurry updated the board in the transition with his company and Munder. He briefly touched on this at the last meeting, but he stated that as of now that transition is no longer set to happen. He explained the ICC liked their products, but Munder was not willing to take on the current ICC staff. Mr. McMurry was not going to let go if his 22 employees, so therefore he backed out of the agreement at last minute. Business as usual.

**INVESTMENT CONSULTANT REPORT: THISTLE ASSET CONSULTING (BRENDON VAVRICA)**

Mr. Vavrica reported that it was a very good quarter and this fund ranked number one against their peers. During the quarter value outperformed growth and small cap outperformed large cap which is unusual. He briefly reviewed the compliance checklist and noted that all managers are in compliance with the scrutinized companies list. Mr. Vavrica reviewed the funds assets and performance as of December 31, 2012. He noted that there is a lot of cash on hand at the close of the quarter because ICC was raising it so that Polen Capital could be funded on January 1, 2013. The total fund net of fees outperformed the index at 2.85% versus -0.07% for the quarter, and for the year they are also ahead at 12.88% versus the index at 11.58%. Mr. Vavrica reported that fixed income was the only underperforming sector in the fund during the quarter, but they are still ahead for the year.

Mr. Vavrica reminded the Trustees that last quarter they hired American Realty so now they need to decide where to take the money from to fund them. He reviewed a couple of different scenarios and commented that his recommendation is to take 7.5% from

fixed income and fund it to Real Estate. The Trustee had a lengthy discussion on where to take the funds from and how much.

**MOTION:** Ms. Bowein made a motion to approve and authorize the transfer of 7.5% from fixed income to fund the new American Realty fund.

**SECOND:** Mr. Arguelles seconded the motion.

**CARRIED:** The motion carried 4-0.

Mr. Vavrica passed out a revised Investment Policy Guidelines (IPG) to include an allocation to Real Estate. He reviewed the revisions.

**MOTION:** Ms. Arguelles made a motion to approve the revised Investment Policy Guidelines as presented.

**SECOND:** Ms. Bowein seconded the motion.

**CARRIED:** The motion carried 4-0.

Lastly Mr. Vavrica reported that Polen Capital is on board so now the board can set a schedule for the manager presentations. The Trustees stated that they would like to see both managers next quarter, and then they will make a schedule from there.

**MINUTES**

The board reviewed the minutes of the September 9, 2012 special meeting, the October 17, 2012 special meeting, and the November 1, 2012 regular meeting.

**MOTION:** Ms. Bowein made a motion to approve the minutes of the September 9, 2012 special meeting, the October 17, 2012 special meeting, and the November 1, 2012 regular meeting as amended.

**SECOND:** Mr. Arguelles seconded the motion.

**CARRIED:** The motion carried 4-0.

**DISBURSEMENTS APPROVAL**

Ratification of warrants processed since the November 1, 2012 meeting:

Warrant #	Payee	Amount	Invoice Date
320	Cypen & Cypen (Invoice # 6452- November 2012 Legal Fee)	\$1,250.00	11/1/12
	Mutual of Omaha (Inv# 000262439257 - July 2012 Life Insurance Fee)	\$135.30	10/30/12
	Thistle Asset Consulting, Inc. (Invoice #20120918 - Performance Monitoring for the Quarter Ending September 30, 2012)	\$4,398.00	10/22/12
	Resource Centers, LLC - Invoice #12159 (November 2012 Admin Fee)	\$1,575.72	10/31/12
	Salem Trust Company 7/1/2012 - 9/30/2012 (Custodian Fee)	\$1,872.16	10/15/12
	FPPTA - 2013 Annual Membership Fee	\$600.00	11/6/12

321	<b>Resource Centers, LLC</b> (Inv #12220 - December 2012 Admin Fee)	\$1,550.00	11/30/12
	<b>Holland &amp; Knight LLP</b> - Invoice #2847285 for professional services rendered through October 15, 2012 (Pension Plan Compliance Review - IRS Determination Letter).	\$700.00	11/13/12
	<b>Mutual of Omaha</b> (Inv# 000264621351 - December 2012 Life Insurance Fee)	\$462.02	11/13/12
322	<b>Cypen &amp; Cypen</b> (Invoice # 6478- December 2012 Legal Fee)	\$1,250.00	12/1/12
	<b>Holland &amp; Knight LLP</b> - Invoice #2851632 for professional services rendered through November 15, 2012 (Pension Plan Compliance Review - IRS Determination Letter).	\$100.00	11/28/12
	<b>Mutual of Omaha</b> (Inv# 000267095793 - January 2013 Life Insurance Fee)	\$156.10	12/11/12
323	<b>Thistle Asset Consulting, Inc.</b> (Invoice #20121221 - Performance Monitoring for the Quarter Ending December 31, 2012)	\$6,648.00	1/21/13
	<b>ICC Capital Management, Inc.</b> (Invoice #57532848: 1/1/2013 - 3/31/2013 Quarterly Management Fee)	\$18,298.25	1/14/13
	<b>Mutual of Omaha</b> (Inv# 000270963561 - February 2013 Life Insurance Fee)	\$161.35	1/17/13
	<b>Resource Centers, LLC</b> - Invoice #12269 (January 2013 Admin Fee)	\$1,580.46	1/2/13
	<b>Cypen &amp; Cypen</b> - Invoice #6504 (January 2013 Legal Fee)	\$1,250.00	1/2/13

**MOTION:** Mr. Whittington made a motion to approve Warrants 320 through 323.

**SECOND:** Ms. Bowein seconded the motion.

**CARRIED:** The motion carried 4-0.

**BENEFIT APPROVALS:**

- **Application for Retirement:**  
Robert Whittington (normal)
- **Application to Enter the DROP:**  
Florentino Vassalo
- **Applications for a Refund of Contributions:**  
Alexander Rodriguez  
Starisha Dillard

**MOTION:** Mr. Arguelles made a motion to approve the application for a normal retirement for Robert Whittington, the application to enter the DROP for Florentino Vassalo, and the applications for a refund of contributions for Alexander Rodriguez and Starisha Dillard.

**SECOND:** Ms. Bowein seconded the motion.

**CARRIED:** The motion carried 4-0.

**FINANCIAL STATEMENTS**

Ms. Ross presented to the board the financial statements through the end of December 2102.

**The Board received and filed the financial statements through the end of December 2012.**

**OLD BUSINESS**

Mr. Vavrica explained that a couple of months ago the board interviewed some International managers so now he wanted to know what the board's consensus is at this time. The Trustees discussed and commend that they are not interested in moving into International right now, but they would like to revisit it again in the near future.

**NEW BUSINESS**

Mr. Whittington briefly approached the board and commented that his retirement process was great. He noted that any member who is interested in retiring should check out the Pension Resource Centers online calculator because it was very beneficial.

**REPORTS**

**• Administrator: PRC (Audrey Ross)**

- Ms. Ross presented the board a letter from Salem Trust regarding the benefit enhancement changes that are effective April 1, 2013. The letter states that any member who is receiving their pension payment via a paper check will now have the option to either sign up for direct deposit, or Salem Trust will issue the member a debit card and their monthly pension payment would be uploaded to the debit card each month. Salem Trust is notifying the members who are in this salutation directly.
- Ms. Ross presented the board with a list of DROP members and their corresponding DROP exit dates. She discussed what date should be used when a member exits the DROP; the last day of the month that they can work, or the beginning of that month in which the Actuary is tracking. The Trustees noted that the last day of the month should be reflected since the member is eligible to work throughout their last month in the DROP. Ms. Ross concurred and noted that she will revise the dates on the spreadsheet and resend it out.

**• Attorney**

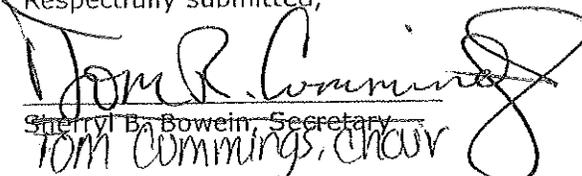
**NEXT MEETING DATE**

Thursday May 2, 2013 @ 8:30 AM

**ADJOURN**

There being no further business, a motion was made to adjourn the meeting at 9:33AM.

Respectfully submitted,

  
Sherryl B. Bowein, Secretary  
Tom Cummings, Chair