

**City of Miami Springs Police and Firefighters'**  
**Retirement System**  
**Minutes of the Meeting Held**  
*August 7, 2014*

The regular meeting of the Board of Trustees of the City of Miami Springs Police and Firefighters' Retirement System was called to order at 8:34 AM by Chairman Peter Baan in the Commission Chambers at the City of Miami Springs City Hall at 201 Westward Drive, Miami Springs, Florida.

**TRUSTEES PRESENT**

Peter Baan, Chair  
Robert Gordon, Trustee  
Jonathan Kahn, Trustee

**OTHERS PRESENT**

Audrey Ross, Pension Resource Centers (PRC)  
Steve Cypen, Cypen & Cypen  
Brendon Vavrica, Thistle Asset Consulting  
Grant McMurry, ICC Capital  
Anthony Xuereb, Polen Capital  
Damon Ficklin, Polen Capital  
William Alonso, City of Miami Springs Finance Director  
Maira Ramos, City of Miami Springs Finance Dpt.

**PUBLIC COMMENTS**

N/A

**INVESTMENT MANAGER REPORT: POLEN CAPITAL (ANTHONY XUEREB & DAMON FICKLIN)**

Mr. Xuereb updated the board on the firm and stated that they are up to \$5B in assets with about 50% of those assets being with clients like this Plan's. On July 1, 2014 they hired another portfolio manager, but it does not affect this Plan. Mr. Xuereb reviewed the Plan's performance for the quarter ending July 31, 2014. The fund outperformed the index net of fees at 3.49% versus 3.06%. Long term the fund is doing great and they perform much better in recovery periods. Lastly he commented that they are more in line with the market since July 31, 2014.

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

Mr. McMurry discussed the firm changes and commented that on June 1, 2014 they hired 3 new portfolio managers from State Street, but it should have no impact on this Plan's portfolio. Mr. McMurry briefly discussed the market environment during the quarter and noted that overall it is doing good as a lot of people seem to be moving back into bonds for security. For the quarter ending June 30, 2014 the fund was behind the index net of fees at 3.10% versus 4.07% and for the fiscal year to date they are in the same position at 9.87% versus 13.21%.

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

Mr. Vavrica reviewed the Plan's compliance checklist and commented that they plan is behind performance for the 3 and 5 years. The Plan assets are up to \$17M and for the quarter ending June 30, 2014 the total fund net of fees is behind the index at 3.32% versus 3.88%, and for the fiscal year to date they are also behind the index net of fees at 11.43%

versus 12.25%. Mr. Vavrica briefly reviewed each manager's performance for the quarter. All the managers underperformed for the quarter with the exception of ICC's fixed income. Real Estate is doing great and American Realty is fully funded now.

Mr. Vavrica reviewed the International allocation handout. He reminded the Trustees' that they have been looking into International for quite some time now and he still recommends it because it adds great diversification to the portfolio and reduces the risk as well, but it is not going to hugely increase the returns. The Trustees also discussed the index account with Vanguard which is also another option. Index funds are not actively managed but they do have lower fees. The Trustees reviewed different scenarios of adding in International with different active managers to the portfolio and what the returns and diversification would be. Mr. Vavrica explained that his firm is still recommending a 10% allocation to International. The board had a very lengthy discussion as to where they would take the money from to fund International and what manager they would go with.

**MOTION:** Mr. Gordon made a motion to hire Harding Loevner effective October 1, 2014 as their International manager with a 10% allocation. Also the Board directed Salem Trust to open a separate mutual fund account for the new International account with the fees not to exceed \$1K per year.

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

**CARRIED:** The motion carried 3-0.

Mr. Vavrica stated that now the investment policy guidelines will need to be revised to add in International and Harding Loevner.

**MOTION:** Mr. Gordon made a motion to approve the revised investment policy guidelines to add in an International allocation as well as adding the new International manager, Harding Loevner.

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

**CARRIED:** The motion carried 3-0.

**MINUTES**

The board reviewed the minutes of the March 5, 2014 special meeting, the May 1, 2014 regular meeting, and the July 18, 2014 special meeting.

**MOTION:** Mr. Kahn made a motion to approve the minutes of the March 5, 2014 special meeting, the May 1, 2014 regular meeting, and the July 18, 2014 special meeting.

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

**CARRIED:** The motion carried 3-0.

**DISBURSEMENTS APPROVAL**

Ratification of warrants processed since the May 1, 2014 Meeting

Warrant No.	Payee	Amount	Invoice Date
290	Resource Centers, LLC Invoice #13097 (April 2014)	\$900.00	3/31/14

	Admin Fee)		
	<b>Marcum, LLP</b> - Invoice # 10490420 (Progress billing for the September 30, 2013 Audited Financial Statements)	\$5,430.00	3/31/14
	<b>Cypen &amp; Cypen</b> Invoice # 6962 (April 2014 Legal Fee)	\$1,250.00	4/1/14
	<b>Gabriel Roeder Smith &amp; Company</b> - Inv. # 406907 for services rendered through 3/31/14 (Preparation of new Actuarial Confirmation of Statement Money = \$1,500 & Preparation of the revised 10/1/2013 Actuarial Valuation Report = \$3,980)	\$5,480.00	4/8/14
	<b>ICC Capital Management, Inc.</b> Inv. # 57533617 (4/1/2014 thru 6/30/2014 Quarterly Management Fee)	\$23,351.26	4/3/14
	<b>Thistle Asset Consulting, Inc.</b> Inv. # 20140316 (Executive Reports for the Quarter Ending March 31, 2014 = \$4,617 & 2014 COLA = \$230)	\$4,847.00	4/16/14
291	<b>Resource Centers, LLC</b> - Invoice # 13160 (May 2014 Admin Fee)	\$900.00	5/1/14
	<b>Marcum, LLP</b> - Invoice # 10499263 (Final billing for the September 30, 2013 Audited Financial Statements)	\$6,987.00	4/30/14
	<b>Cypen &amp; Cypen</b> Invoice # 6986 (May 2014 Legal Fee)	\$1,250.00	5/1/14
	<b>Salem Trust Company</b> 1/1/2014 - 3/31/2014 (Custodian Fee)	\$3,405.87	4/18/14
	<b>Polen Capital Management, Inc.</b> - 1/1/2014 thru 3/31/2014 Quarterly Management Fee	\$9,774.00	4/30/14
292	<b>Resource Centers, LLC</b> - Invoice # 13217 (June 2014 Admin Fee)	\$910.78	5/30/14
	<b>Holland &amp; Knight LLP</b> - Invoice # 3051448 for professional services rendered through 5/15/2014 (Pension Plan Compliance Review - IRS Determination Letter)	\$50.00	5/27/14
	<b>Cypen &amp; Cypen</b> Invoice # 12956 (June 2014 Legal Fee)	\$1,250.00	6/1/14
	<b>Gabriel Roeder Smith &amp; Company</b> - Inv. # 407821 for services rendered through 5/31/14 (Preparation of the 10/1/2013 Actuarial Valuation Report = \$1,984 & 1 Benefit Calculation = \$300)	\$1,984.00	6/10/14
293	<b>Resource Centers, LLC</b> - Invoice # 13274 (July 2014 Admin Fee)	\$907.75	6/30/14
	<b>Evergreen Insurance Agency</b> - Invoice # 7909 (2014/2015 Fiduciary Liability Renewal)	\$6,281.00	7/2/14
	<b>Cypen &amp; Cypen</b> Invoice # 7035 (July 2014 Legal Fee)	\$1,250.00	7/1/14
	<b>Salem Trust Company</b> 4/1/2013 - 6/30/2013 & 4/1/2014 - 6/30/2014 (Custodian Fees)	\$6,190.43	10/7/2013 & 7/15/2014
	<b>Polen Capital Management, Inc.</b> - 4/1/2014 thru 6/30/2014 Quarterly Management Fee	\$9,863.00	7/8/14
	<b>Gabriel Roeder Smith &amp; Company</b> - Inv # 408615 for services rendered through 6/30/14 (Final Charges for the 10/1/2013 Actuarial Valuation Report = \$6,600 & Preparation of the GASB 67 Disclosures = \$2,500)	\$9,100.00	7/8/14
	<b>Thistle Asset Consulting, Inc.</b> Inv # 20140616 (Executive Reports for the Quarter Ending June 30, 2014)	\$4,847.00	7/28/14
	<b>ICC Capital Management, Inc.</b> Inv # 57533719 (4/1/2014 thru 6/30/2014 Quarterly Management Fee)	\$23,447.95	7/8/14

**MOTION:** Mr. Gordon made a motion to approve Warrants 290 through 293.

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

**CARRIED:** The motion carried 3-0.

**BENEFIT APPROVALS:**

- **Application to enter the DROP:**
  - Charles Schubert

**MOTION:** Mr. Kahn made a motion to approve the application to enter the DROP for Charles Schubert.

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

**CARRIED:** The motion carried 3-0.

**FINANCIAL STATEMENTS**

Ms. Ross presented to the board the financial statements through the end of July 2014.

**The Board received and filed the financial statements through the end of July 2014.**

**OLD BUSINESS**

Ms. Ross presented the board with the revised and updated summary plan description.

**MOTION:** Mr. Gordon made a motion to approve the revised summary plan description as presented.

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

**CARRIED:** The motion carried 3-0.

**NEW BUSINESS**

N/A

**OTHER BUSINESS**

N/A

**REPORTS**

- **Chairman: (Pete Baan)**
  - N/A
- **Administrator: PRC (Audrey Ross)**
  - N/A
- **Attorney: Cypen & Cypen (Alison Bieler)**
  - N/A

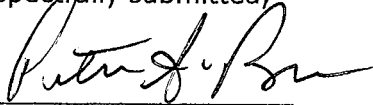
**NEXT MEETING DATE**

Thursday November 6, 2014 @ 8:30 AM

**ADJOURN**

There being no further business, a motion was made to adjourn the meeting at 9:53 AM.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Pete Baan". The signature is written in a cursive style with a horizontal line underneath it.

Pete Baan, Chairman