

***LAKE WORTH FIREFIGHTERS' PENSION TRUST FUND***  
**MINUTES OF MEETING HELD**  
**August 13, 2014**

The meeting was called to order at 9:12 A.M. in the Conference Room at Station 93, Lake Worth, Florida. Those persons present were:

**TRUSTEES**

Mark Lamb  
Pat Highland  
Valerie Hurley

**OTHERS**

Dixie Martinez, Administrator  
Adam Levinson, Attorney  
Tim Nash, Investment Monitor  
Timothy Sellitti, Participant  
James Longenecker, Participant  
Rory Kimbrell, Participant

**ELECTION OF CHAIR**

It was noted that James Shook resigned from the Board. Since Mr. Shook was the Chair of the Board, the Board needs to elect a new Chair. There was a lengthy discussion. A motion was made, seconded, and carried 3-0 to table the election of the Chair until the next meeting when a full Board should be present.

It was further noted that an election notice was sent to the eligible Plan Participants advising that there was a vacancy on the Board. No one submitted a written notice of interest within the time frame required. The Administrator advised that a second notice will be sent. It was noted that Timothy Sellitti and Rory Kimbrell expressed interest in possibility running for the vacant Trustee position. Mr. Sellitti introduced himself to the Board and provided a brief background of his work experience and some additional personal information. Mr. Kimbrell introduced himself to the Board and provided a brief background of his work experience and some additional personal information. Mr. Levinson briefly discussed the responsibilities of being a Trustee on the Board. He explained the Sunshine Law and the educational requirements.

**PUBLIC COMMENTS**

There were no public comments.

**ADDITIONS AND DELETIONS**

There were no additions or deletions.

**MINUTES**

The Trustees reviewed the minutes of the meeting of May 20, 2014. A motion was made, seconded, and carried 3-0 to accept the minutes of the meeting of May 20, 2014.

## **INVESTMENT MONITOR REPORT**

Tim Nash appeared before the Board. He discussed the market environment and reviewed the major market index performance as of June 30, 2014. He stated that value did better than growth for the quarter and growth did better than value for the year. He noted that Whole Foods was the worst performer for the quarter and the year and is one of the reasons why Brown has underperformed.

Mr. Nash reviewed the performance as of June 30, 2014. The total market value as of June 30, 2014 was \$37,721,538. The asset allocation was comprised of 59.4% in domestic equities; 9.0% in international equities; 19.0% in fixed income; 5.4% in real estate; 4.7% in alternative investments; and 2.5% in cash. The Fund was up 2.60% net of fees for the quarter while the benchmark was up 3.87%. Total equities were up 2.90% while the benchmark was up 4.95%. Domestic equities were up 2.55% while the Russell 3000 was up 4.87%. International was up 5.31% while the benchmark was up 5.25%. Fixed income was up 1.69% while the benchmark was up 2.04%.

Mr. Nash provided a review on the individual managers. Cornerstone was up 2.82% while the Russell 1000 Value was up 5.10%. Wells was up 2.01% while the Russell 3000 Growth was up 4.86%. Brown was up 1.96% while the Russell 1000 Growth was up 5.13%. Mr. Nash stated that although Brown has underperformed, they are still comfortable with their strategy and believe in them long term. Advisory was up 4.40% while the Russell 2500 Value was up 4.20%. Vanguard Developed was up 4.23% while the benchmark was up 4.34%. The Vanguard Emerging Market was up 7.37% while the benchmark was up 6.71%. With respect to fixed income, Garcia Hamilton was up 1.69% while the benchmark was up 2.04%. American Realty was up 2.76% while the NCREIF was up 2.76%. The PIMCO All Asset Fund was up 4.48% while the benchmark was up 2.94%. Mr. Nash reviewed the compliance checklist. He stated that he had no recommendation for change.

## **ADMINISTRATIVE REPORT**

The Board was presented with disbursements, including the investment manager disbursements. A motion was made, seconded and carried 3-0 to pay the listed disbursements.

The Board reviewed the financial statements for the period ending June 30, 2014.

The Board was presented with a list of benefit approvals. A motion was made, seconded and carried 3-0 to approve the benefit approvals.

Ms. Martinez provided an update on the status of the refund of 25% member contributions that resulted from the settlement of the lawsuit. It was noted that a second notice was sent to those members that had not responded. All but ten people returned the form indicating how they wanted the refund to be paid. Ms. Martinez advised that the remaining ten would have their refund paid either via rollover into their DROP Account if they had a DROP Account or, for those that do not have a DROP Account, they would receive their refund by check with 20% withheld for federal taxes.

Tim Nash departed the meeting.

### **ATTORNEY REPORT**

Mr. Levinson discussed his firm and various other legal and Plan matters so as to provide information and background to Mr. Sellitti and Mr. Kimbrell, the potential candidates for the vacant Trustee position.

Mr. Levinson discussed an issue raised at a prior meeting regarding possibly extending the DROP. He stated that he would like to set up a meeting with one Trustee and the City Attorney to further discuss this issue.

Mr. Levinson provided an update on the proposed Ordinances. He stated that he has not heard back from the City as of yet.

### **OTHER BUSINESS**

There being no further business, the Trustees adjourned the meeting.

Respectfully submitted,

Mark Lamb, Secretary