

**VILLAGE OF PALM SPRINGS GENERAL EMPLOYEES' PENSION FUND**  
**MINUTES OF MEETING HELD**  
**May 6, 2008**

The meeting was called to order at 6:31 P.M. at the Conference Room on the First Floor of Village Hall in Palm Springs, Florida. Those persons present were:

**TRUSTEES**

Phil Ralya  
Patti Waller  
Butch Cooper

**OTHERS**

Bonni Jensen, Hanson, Perry & Jensen, Fund Counsel  
Margie Adcock, Pension Resource Center  
Chad Little, Actuary  
Dave West, Bogdahn Consulting  
Dan Doucette, Anchor Capital

**MINUTES**

The Board reviewed the minutes of the meetings held February 5, 2008 (joint) and February 5, 2008. A motion was made, seconded and carried 3-0 to approve the minutes of the meetings held February 5, 2008 (joint) and February 5, 2008.

**INVESTMENT MANAGER: ANCHOR CAPITAL**

Dan Doucette appeared before the Board. Mr. Doucette reported on the performance of the Fund for the quarter ending March 31, 2008. He stated that it was a difficult quarter and past six months in the market with the credit crisis, housing market pull back, and with consumer pressure from energy and oil continuing to move up. The total market value of the Fund as of March 31, 2008 was \$9,405,911.11. The total portfolio was down 3.52% gross of fees for the quarter while the benchmark was down 3.96%. He stated that on a relative basis they are pleased that they outperformed the benchmark and avoided any major blow-ups. He noted that there has been a nice rally since March 31 and the market was flat as of yesterday. The equity portion of the portfolio was down 6.96% for the quarter while the Russell 1000 Value was down 8.72% and the S&P 500 was down 9.47%. The fixed income portion of the portfolio was up 3.24% for the quarter while the benchmark was up 3.0%. He stated that they were not trying to make any major changes in light of the market. He reviewed the portfolio summary.

**INVESTMENT MONITOR REPORT**

Dave West appeared before the Board. He reported on the performance of the Fund for the quarter ending March 31, 2008. He discussed the market environment. He reviewed the assets class and sector performance. He stated that there was no place to hide as far as sectors were concerned. With respect to equities, everything was negative during the quarter. He reviewed the equity style performance. The total market value of the Fund as of March 31, 2008 was \$9,419,353. The asset allocation was 60.6% in equities; 21.1 in fixed income and 18.3% in cash. For the quarter the Fund was down 3.52% net of fees while the benchmark was down 3.83%. The equity portfolio was down 6.9% for the quarter while the Russell 1000 Value was down 8.72%. The fixed income portfolio was up 3.35% for the quarter while the benchmark was up 2.53%. Mr. West stated that it was a good showing in both equities and fixed income by Anchor. He stated that their only

recommendation would be to fund international so the Fund can continue to build out diversification.

### **ACTUARY REPORT**

Chad Little appeared before the Board. He stated that he presented the Actuarial Valuation as of October 1, 2007 at the last meeting. He stated that Ms. Morse reviewed the Valuation and had a couple of questions to which he responded. A motion was made, seconded and carried 3-0 to approve the Actuarial Valuation as of October 1, 2007.

### **ATTORNEY REPORT**

Ms. Jensen provided updated Administrative Rules of the Board. She noted that Ms. Morse advised of one change to be made on the election of the Board of Trustees on page 12 regarding the staggering of members. A motion was made, seconded and carried 3-0 to approve the Administrative Rules as amended.

Bonni Jensen provided an update on the contract with Voyager. She stated that the contract that Voyager provided had a provision requiring the Board to adopt their trust agreement as part of the Fund's Plan Document. She stated that Voyager believes the law requires this. Ms. Jensen stated that she does not think the law requires the Board to adopt Voyager's trust agreement. However, Voyager responded that they would not enter into an agreement where the Board did not adopt the Voyager trust agreement. As such, Ms. Jensen went to the second choice, which was Manning and Napier. She stated that she negotiated an agreement with Manning and Napier and go them to invest the funds through their mutual funds so the Fund will not incur costs of trading international stocks, which is very expensive. A motion was made, seconded and carried 3-0 to execute an Investment Manager Agreement with Manning and Napier.

### **ADMINISTRATIVE REPORT**

Margie Adcock presented the Beneficiary/Enrollment Forms received from the Village. A motion was made, seconded and carried 3-0 to approve the list of Enrollment Applications.

Ms. Adcock presented the disbursements. A motion was made, seconded and approved 3-0 to pay the listed disbursements.

### **OTHER BUSINESS**

There being no further business, the meeting was adjourned.

Respectfully submitted,

Phil Ralya, Secretary