

**VILLAGE OF
PALM SPRINGS POLICE OFFICERS' PENSION FUND
MINUTES OF MEETING HELD
May 4, 2010**

The meeting was called to order at 10:05 A.M. in the Conference Room on the First Floor at Village Hall in Palm Springs, Florida. Those persons present were:

TRUSTEES

Randy Hoffer
James Gregory
Mark Hall
Tim Conboy

OTHERS

Bonni Jensen, Attorney
Margie Adcock, The Resource Centers
Dan Johnson, Bogdahn Consulting
Larry Wilson, Actuary
Kevin Quinn, ICC
Chris Long & George Nobilski, Manning & Napier

INVESTMENT MANAGER REPORT – ICC

Kevin Quinn appeared before the Board. Mr. Quinn reported on the performance of the portfolio. He stated that the total market value as of March 31, 2010 was \$10,695,591. Mr. Quinn stated that the asset allocation was 49.0% in multicap equities; 15.9% in value equities; 31.1% in fixed income and 4.0% in cash. The portfolio was up 4.08% for the quarter while the benchmark was up 4.08%. Value equities were up 5.82% while the benchmark was up 6.78%. Multicap equities were up 5.04% while the benchmark was up 5.39%. Fixed income was up 1.79% while the benchmark was up 1.81%. Mr. Quinn discussed the market and outlook.

INVESTMENT MANAGER REPORT – MANNING & NAPIER

Chris Long and George Nobilski appeared before the Board. Mr. Long reported on the performance of the portfolio. The total market value as of April 28, 2010 was \$1,151,689.21. He reported on the performance as of March 31, 2010 for the composite. For the quarter, the composite was up 2.50% while the EAFE was up .87% and the ACWIexUS was up 1.58%. For the one year, the composite was up 58.58% while the EAFE was up 54.44% and the ACWIexUS was up 60.93%. Since inception of October 1, 1996, the composite was up 9.78% while the EAFE was up 4.39% and the ACWIexUS was up 5.49%. Mr. Long stated that they have performed solid on a short-term basis and on the long term are exceeding the indices by quite a bit. He discussed the issue with regard to the refinancing of Greece that needs to be done soon. He reviewed the top ten sectors and the top ten countries as of March 31, 2010. He noted that information technology, industrials and health care were the top sectors. France, Germany and Switzerland were the top ten countries. There was discussion on the timing of reports. It was noted that the Board sometimes meets earlier than their quarterly reports are generated.

Mr. Nobilski reviewed Lipper's best international multicap core performance for the ten-year period ending December 31, 2009. He reviewed the annualized international indices market returns as of March 31, 2010. He noted that the EAFE does not have emerging markets. The total market value of the portfolio as of March 31, 2010 was \$1,172,647. The portfolio was up 2.75% as of March 31, 2010 while the EAFE was up .87% and the ACWIexUS was up 1.58%. Mr. Nobilski reviewed the portfolio allocation. The largest underweight is in financials because banks can change what they do very quickly. They are also underweight in telecommunication services. It was noted that there was no allocation at all to utilities, which has been a benefit to the portfolio.

Kevin Quinn, Chris Long and George Nobilski departed the meeting.

INVESTMENT MONITOR REPORT

Dan Johnson appeared before the Board. Mr. Johnson reviewed the market environment as of March 31, 2010. International stocks underperformed domestic stocks for the first time in quite a while due to the strength of the US dollar. Mr. Johnson reported on the performance of the Fund for the quarter ending March 31, 2010. The total market value of the Fund as of March 31, 2010 was \$11,868,902. The asset allocation was 58.5% in domestic equities; 9.9% in international; 27.8% in domestic fixed income; and 3.8% in cash. The asset allocation by manager was 45.5% with ICC Multicap; 29.9% with ICC Fixed Income; 14.7% with ICC Core Value; and 9.9% with Manning & Napier.

The total portfolio was up 3.32% net of fees for the quarter while the benchmark was up 3.60%. The total equity portfolio was up 4.88% for the quarter while the benchmark was up 5.39%. The total domestic equity portfolio was up 5.24% for the quarter while the S&P 500 was up 5.39%. The total fixed income portfolio was up .10% for the quarter while the benchmark was up 1.81%. The total international portfolio was up 2.75% for the quarter while the EAFE was up .94%. The ICC Core portfolio was up 5.83% for the quarter while the Russell 1000 Value was up 6.78%. The ICC Multicap portfolio was up 5.05% for the quarter while the Russell 3000 was up 5.94%. The ICC Fixed Income portfolio was up .10% for the quarter while the benchmark was up 1.81%. The Manning & Napier portfolio was up 2.75% for the quarter while the EAFE was up .94%. Mr. Johnson stated that the Plan is doing well. He stated that he was still comfortable with a 10% allocation to international. He noted that in the short term it might be a little weak but is needed for the long term.

ACTUARY REPORT

Larry Wilson appeared before the Board. There was discussion on the establishment of a Share Account for the Police Officers. It was noted that at the last meeting, the Board decided to wait on any decisions until pending legislation was determined. Ms. Jensen stated that nothing happened on the legislative side. Mr. Wilson stated that he still needs to prepare an impact statement and needs the latest information from the Village. Ms. Jensen stated that she would get the information from the Village for Mr. Wilson. It was noted that the Plan would close to new members and will not receive any more 185 monies. There are still excess 185 monies that the Board will need to decide what to do with. There was a lengthy discussion. A motion was made, seconded and carried 4-0 to

allocate the excess 185 monies in the same fashion as was done with the Fire Plan. There was discussion on the need for an impact statement. A motion was made, seconded and carried 4-0 to authorize the Actuary to prepare an impact statement and provide it to the Village. Ms. Jensen stated that she would need to amend the Plan to incorporate all the changes. A motion was made, seconded and carried 4-0 to authorize the Attorney to prepare a proposed Ordinance to amend the Plan.

ATTORNEY REPORT

Ms. Jensen provided a Memorandum on State Legal Updates. She discussed the updates with the Board.

MINUTES

The Board reviewed the minutes of the meetings held February 2, 2010 and March 5, 2010. A motion was made, seconded and carried 4-0 to approve the minutes of the meetings held February 2, 2010 and March 5, 2010.

ADMINISTRATIVE REPORT

Ms. Adcock presented the disbursements. It was noted that Mr. Conboy could not vote to approve the disbursement listed related to his own Share Account. A motion was made, seconded and carried 4-0 to pay all listed disbursements with the exception of the Share Account for Tim Conboy. A motion was made, seconded and carried 3-0 to approve the distribution of the Share Account for Tim Conboy. It was noted that Mr. Conboy abstained from the vote.

OTHER BUSINESS

There being no further business, the meeting was adjourned.

Respectfully submitted,

Randy Hoffer, Secretary