

WEST PALM BEACH FIREFIGHTERS' PENSION FUND
MINUTES OF MEETING HELD
JUNE 10, 2010

Chair Dorritt Miller called the meeting to order at 1:30 P.M. in the Third Floor Conference Room at Station 1; 500 N. Dixie Highway, West Palm Beach, Florida. Those persons present were:

TRUSTEES

Dorritt Miller, Chair
Rick Dorey, Trustee
Brian Walker, Trustee
Randy Sherman, Trustee

OTHERS

Bonni Jensen, the Law Offices of Perry & Jensen
Audrey Ross, Resource Centers
Troy Brown, the Bogdahn Group
David Bunzel, Aletheia Research Management
Tom Sheppard, WPB Firefighter (Retiree)

PUBLIC COMMENTS

N/A

INVESTMENT MANAGER REPORT – ALLIANZ GLOBAL INVESTORS
(PRESENTED BY TOM SCERBO)

Mr. Scerbo introduced himself to the Board and stated that he is the Managing Director at Allianz and he was previously with Oppenheimer. Mr. Scerbo has been with the firm since 1996, and he reviewed the organizational structure of the Company. He explained that with the transition from Oppenheimer to Allianz there have been no changes to this Fund's portfolio or to the portfolio team. This Fund's portfolio is still managed by their sister Company; PIMCO which a commingled vehicle.

Mr. Scerbo reviewed the Funds performance. As of 12/31/2009 the Fund had \$25M which increased to \$28M at the end of 3/31/2010. For the calendar year they are up 17.74% versus 5.93%, and for the year to date (as of 5/31/10) they are also ahead at 4.42% versus 3.71%. He stated that they are trying to limit their risk within the portfolio since it is high risk. They are slightly underweighted in Government bonds and MBS securities, and they have exposure in Corporate Bonds, Non US Bonds and Build America Bonds. Mr. Scerbo explained that during the down markets in 2009 PIMCO moved towards the credit side of the market which would have been a bad time to do that since all the big banks were failing. Somehow that move worked for PIMCO and the good performance has continued throughout 2010, and with that said Allianz will stay with their same strategy.

Mr. Scerbo reported on the current market environment and stated that everything but Treasuries are doing well. The yields have fallen and the riskier bonds continue to outperform. Unemployment is still low and he thinks that is because banks are still not lending credit to small businesses. He explained that there are two themes that he thinks we will see in 2010; there is still a lot of debt around which will hold back the recovery process, and he also believes the recovery will be better overseas versus here in the United States.

INVESTMENT CONSULTANT REPORT – THE BOGDAHN GROUP (PRESENTED BY TROY BROWN)

Mr. Brown reported that all the equity managers have lost value, although they are sitting about \$300K ahead of where they were on 12/31/2009. He stated that the size of the equity market is so much larger than the bond market so that has in impact as well.

Mr. Brown briefly reviewed the Allianz presentation and stated that he is very comfortable with the fund and that they are a domestic fixed income manger with foreign exposure.

NON-CORE BOND OPPORTUNITIEIS

Mr. Brown recommended to the Board to take \$5M from PIMCO and allocate it to this new non core fund. He also recommended either going with Franklin Templeton or PIMCO for the new fund. Mr. Brown explained that he thinks Franklin Templeton has a more diversified portfolio. Also it is a mutual fund and does not cost anything to get into or out of, but you do have to remain invested for 31 days. The Board discussed the different investment options and managers.

A motion was made by Randy Sherman to move \$5M from Allianz/PIMCO to the new non core bond investment with Franklin Templeton. The motion was seconded by Rick Dorey and carried 4-0.

Lastly, Mr. Brown reported that he has some ideas as to what they could do with the money that was not invested in the TALF fund. He stated that JP Morgan has another fund that he thinks would be a great diversification within Real Estate. The "Special Situations Fund" is an ERISA fund, and this Plan would only need to attach an add on agreement to their current real estate fund that they have with JP Morgan. Mr. Brown commented that this Special Situations Fund has a higher rate of residential properties than the current Strategic fund they are in. There is no queue to get into this fund and it also has the same liquidity as the fund they are in now. He stated that this fund is cheap to get into to right now, and they will take \$2M to start since this Plan already has an account with them. Mr. Brown mentioned that if the Board was interested in this investment, then he would have JP Morgan come in and give a presentation. The Board agreed.

APPROVAL OF MINUTES

The Board reviewed the minutes of the May 13, 2010 regular meetings.

A motion was made by Rick Dorey to approve the minutes of the May 13, 2010 regular meeting as amended. The motion was seconded by Brian Walker and carried 4-0.

DISBURSEMENTS

The Board reviewed the disbursements presented for approval by the Administrator.

Ms. Miller notified the Board that she was accepted to attend the advanced trustee school in July which is put on by NCPERS, so she will have some expenses from that trip coming through soon.

A motion was made by Randy Sherman to approve the disbursements that were presented by the Administrator. The motion was seconded by Brian walker and carried 4-0.

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BENEFIT APPROVALS

The Board reviewed the application for retirement for Thomas Harrison and the application for (change in) distribution of DROP account for David Baxter.

A motion was made by Rick Dorey to approve the applications for retirement for Thomas Harrison and the application for (change in) distribution of DROP account for David Baxter. The motion was seconded by Brian Walker and carried 4-0.

REPORTING OF PLAN FINANCIALS

The Administrator provided the Board with an unaudited financial statement and an income and expense report for review through the month of April 2010.

The Board received and filed the un-audited financial statements through the month of April 2010.

ATTORNEY'S REPORT: THE LAW OFFICES OF PERRY & JENSEN (PRESENTED BY: BONNI JENSEN)

The Board discussed the RFP responses that they received. Mr. Dorey commented that his opinion is that he likes who they have now and that he would keep the same providers. Mr. Walker concurred. Mr. Sherman explained that he doesn't have a problem with the current providers, but would like to have someone new take a look into the Plan. The Trustees discussed the responses and gave their opinions. The Board decided that at next meeting each Trustee should chose two or three providers that they would like to come in and interview.

Ms. Jensen reviewed the City's public records request policy and noted their fees. The Board discussed what clauses they would like to use from the City's policy and adopt into their Pension Board Policy regarding public records request. Ms. Jensen noted the revisions and stated that she will bring back the policy at the next meeting to be reviewed.

ADMINISTRATOR REPORT: RESOURCE CENTERS (PRESENTED BY: AUDREY ROSS)

Ms. Ross presented the Board with the class action report from Salem Trust for the quarter ending March 31, 2010. They recovered a total of \$12,783.06 within the quarter.

OTHER BUSINESS

There being no further business and the next Pension Board meeting having been scheduled for August 12, 2010, the meeting adjourned at 2:59PM.

note the July 6, 2010 meeting was canceled

Matt Young, Secretary