

**WEST PALM BEACH FIREFIGHTERS' PENSION FUND  
MINUTES OF MEETING HELD  
NOVEMBER 19, 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  
Brian Walker, Trustee  
David Merrell, Trustee  
Randy Sherman, Trustee  
Rick Dorey, Trustee

**OTHERS**

Bonni Jensen, the Law Offices of Perry & Jensen  
Audrey Ross, Resource Centers  
Troy Brown, the Bogdahn Group  
Matt Young, WPB Firefighter (Retiree)

**PUBLIC COMMENTS**

Ms. Miller stated that she would like the Attorney's report to be moved to the first item on the agenda as Ms. Jensen will have to depart the meeting by 3PM.

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

Ms. Jensen stated that she sent out letters to all the Investment Managers to make sure they are in compliance with the SEC. So far 4 managers have responded.

Ms. Jensen commented that she has the addendum to the contract with Gabriel, Roeder, Smith & Company with her today to be approved and executed by the Board. She briefly reviewed the changes that were made to the fee schedule.

***A motion was made by Rick Dorey to approve and execute the addendum to the contract with Gabriel, Roeder, Smith & Company (Actuary), revising the fee schedule. The motion was seconded by David Merrell and carried 5-0.***

Ms. Jensen reported that the task force committee presented their recommendations to the City Council on November 15. The City has taken it into advisement and Ms. Jensen will keep the Board updated as she hears more.

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

Mr. Brown briefly reviewed the BRAVO fund and explained the purpose of this investment. He stated that there are two more closings in addition to the one that just occurred in October. Mr. Brown commented that he still likes this investment, but the Bogdahn committee did not approve of it. Also, his other client that was looking into this investment did not proceed as well. The Board discussed and reviewed the investment and decided not to move forward with it.

Mr. Brown reviewed the report for the quarter ending September 30, 2010. He reported that July and August were not good months, September was very strong, and as for October they are up 2.3%. He reviewed the asset allocation as of the end of the quarter and stated that they are underweighted in international equities. Within the fiscal year the fund gained about \$10M, and beat the assumed rate of return. For the quarter ending September 30, 2010 the fund was up 9.26% versus the benchmark at 11.39%, but for the fiscal year the fund outperformed at 15.76%

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versus 14.74%. Mr. Brown reviewed each manager's performance for the quarter and also the fiscal year. He reported that Aletheia fails 3 criteria which puts them on a watch. Mr. Brown explained that two research staff members from the Bogdahn Group went to Aletheia in October, and at the end of the process The Bogdahn Group still puts them on their list of recommendations. Although Mr. Brown's recommendation to the Board is to consider looking for a replacement for Aletheia. He discussed the process of getting the money out of Aletheia and stated that he would use the fund's Commission Recapture program to transition the money between the managers. The whole transition process would happen over 1 business day.

Mr. Brown commented that after the Aletheia issue is settled and resolved, then he would like to look into TIPS. He stated that the Board should make an allocation to TIPS from the Oppenheimer portfolio and explained why.

Lastly, Mr. Brown reviewed the Managed Futures presentation. He commented that this program is what got him into client services. In this program you are paying a paid professional to buy future contracts or future obligations. The majority of the investment strategies are quantities and you only pay one commission called a round trip, for buying and selling. The historic returns show that they are usually up more than the market in good times and less down then the market in bad times. Managed Futures are professionally managed pools with no lock ups. There is a 1-2% management fee in addition to an incentive fee. The Board reviewed the risk chart and Mr. Brown explained that the majority of the returns occur within one or two months of the year and that is it. Mr. Brown reviewed the three managers that do the Managed Futures; Abbey Capital, Princeton Futures and Guidance Capital Futures. The minimum investment for all the Mangers is \$1M, and Mr. Brown recommends allocating 5% of the portfolio. Mr. Brown stated that he has four other clients in this investment and he recommends that the Board should invite the managers in to do a presentation. The Board discussed this investment and stated that they are interested and will review more information at the next meeting.

#### **APPROVAL OF MINUTES**

The Board reviewed the minutes of the October 14, 2010 regular meetings.

***A motion was made by Randy Sherman to approve the minutes of the October 14, 2010 regular meeting as amended. The motion was seconded by Brain Walker and carried 5-0.***

#### **DISBURSEMENTS**

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

***A motion was made by Rick Dorey to approve the disbursements that were presented by the Administrator. The motion was seconded by David Merrell and carried 5-0.***

#### **BENEFIT APPROVALS**

The Board reviewed the application for retirement for David Nelson and the application for a refund of contributions for Ricardo Thompson. The Board discussed Mr. Thompson's refund and asked Ms. Ross to provide more information on him.

***A motion was made by Brian Walker to approve the application for retirement for David Nelson. The motion was seconded by Rick Dorey and carried 5-0.***

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**A motion was made by Rick Dorey to defer the approval of Ricardo Thompson's refund of contributions until more information is provided. The motion was seconded by David Merrell and carried 5-0.**

**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 September 2010. The Board questioned why the equity mutual fund account was negative when Mr. Brown reported that all funds were positive for September. Ms. Ross commented that she would look into it and get back to the Board.

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

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

Ms. Ross presented the Board with the share allocation list for 2010.

**A motion was made by Brian Walker to approve the 2010 share allocations. The motion was seconded by David Merrell and carried 5-0**

Ms. Ross updated the Board on the Don Triana case regarding his divorce and stated that she just recently went to a deposition hearing for him and will have to go to court in the near future.

Ms. Ross stated that she has the DJ contract for the upcoming retirement dinner. The contract is for \$650, which is the same amount that they charged at the last event. She commented that she will bring the check with her the night of the dinner.

**A motion was made by Brian Walker to accept and approve the DJ contract for \$650. The motion was seconded by Rick Dorey and carried 5-0**

**OTHER BUSINESS**

Mr. Young presented the Board with the different menu options for the upcoming retirement dinner. The Board has to choose one item from each category; salad, entrée and desert.

There being no further business and the next Pension Board meeting having been previously scheduled for December 9, 2010, the meeting adjourned at 3:27PM.

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Rick Dorey, Secretary