

WEST PALM BEACH FIREFIGHTERS' PENSION FUND  
MINUTES OF MEETING HELD  
SEPTEMBER 9, 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  
Matt Young, Secretary  
Brian Walker, Trustee  
Randy Sherman, Trustee

**OTHERS**

Bonni Jensen, the Law Offices of Perry & Jensen  
Audrey Ross, Resource Centers  
Troy Brown, the Bogdahn Group  
Rick Curtis, West Palm Beach Firefighter  
Greg Pittenger, JP Morgan Asset Management  
Dave Merrell, WPB Firefighter (Retiree)

Ms. Jensen announced that Mr. Dorey was not able to attend today's meeting, but he would like to join via teleconference. She explained that the Attorney's General opinion stated that under extraordinary circumstances you can have a Trustee join in via teleconference as long as there is a quorum and the other Trustees' agree.

**A motion was made by Matt Young to accept and approve Rick Dorey to join the Pension meeting via teleconference. The motion was seconded by Randy Sherman and carried 4-0.**

**PUBLIC COMMENTS**

Mr. Curtis reported to the Board that he was here today to make an appeal regarding a buyback calculation that was completed for him. He explained his situation and stated that back in April of 2009 when the buyback calculation was completed he as injured and could not make a decision at that time. Now that he is well and able to continue working, he would like to move forward with buying back time using the same calculation that was previously done. The Board discussed and stated that the Pension Fund has a strict policy on buybacks. The member has 90 days from when they receive the calculation to make a decision either way. All other calculations will be at the members' expense and will be recalculated using the members pay at the time that they apply.

**A motion was made by Matt Young to deny Mr. Curtis's request to continue moving forward with his buyback using the calculation that was completed for him back in April 2009. The motion was seconded by Randy Sherman and carried 4-0.**

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

Mr. Brown stated that there is a queue to get into the Special Situation Fund (SSF), and you can not get into the Fund until all the paperwork is completed. He briefly reviewed the fund and explained how it was created. The Board reviewed the property listings and had some questions about some of their properties that were listed as having a zero value. Also the Board questioned why they were holding on to some properties for so long. Mr. Brown commented that he will go back to Mr.

WEST PALM BEACH FIREFIGHTERS' PENSION FUND  
MEETING OF SEPTEMBER 9, 2010

Sitton and get some more questions answered, in which he will bring back to share with the Board so they can make a decision.

Mr. Brown reviewed the presentation he brought with him regarding the PIMCO/BRAVO Strategy Fund. He commented that he wanted to briefly review this fund and if the Board was interested then he would have PIMCO come in. This fund is trying to recapitalize banks by using a lot of different strategies. This is the most broad fund that PIMCO has yet to offer, and that they would let this Plan get in free since we are already a client. Mr. Brown explained that this would be done as a capital call, but you do not have to put all your money in up front like we had to do with TALF. He reported that this investment does lock up the money for 5 years, and you do not get monthly disbursements. Although, PIMCO is offering TALF clients a 15 basis point discount on the BRAVO fund. Mr. Brown commented that he anticipates that the closing for this fund will be in December.

Mr. Brown explained in great detail how the BRAVO fund is structured. He stated that it is mostly made up of 2 major areas; asset sales and recapitalization. PIMCO is offering the liquidity to the places that need it the most like Government buildings. PIMCO will work with individual buyers and they target different kind of assets; whether it's residential or commercial loans, bank equity or debt and securities. Mr. Brown reported that PIMCO will actually hire a team to service loans. PIMCO's goal is to hire a service firm that will buy the loans for a discount from the banks and then they will work with the owner to right them down. Mr. Brown stated that we do not have any kind of investment like this one in the fund, and that he wouldn't do this with any other manager besides PIMCO. He would recommend allocating \$3M to this fund and it would be considered a private equity. Mr. Brown commented that the Board would just need to do a side letter, and that we would only be paying the management fee for only what is invested. The Board discussed the investment and decided that they would like to have PIMCO attend the next meeting to review this in more detail.

Mr. Brown updated the board on the fund and stated that through September 3, 2010 the fund was up 5.7% for the fiscal year to date. He commented that we will probably be distributing more to the international equity next fiscal year as we have been taking distributions from there for benefit payments.

Lastly, Mr. Brown reported that he had another idea called Managed Futures Plan, which are pools. He explained that it is a computer model that is making the decisions. The computer model is looking for trending markets, but the plus is that there are no liquidity issues with this type of investment. Mr. Brown stated that the majority of the returns will come over a longer period of time, and the purpose of adding this investment is not to enhance the return, but to smooth out the volatility within the portfolio. He commented that he will bring more information with him to the next meeting.

#### **APPROVAL OF MINUTES**

The Board reviewed the minutes of the August 12, 2010 regular meetings.

**A motion was made by Randy Sherman to approve the minutes of the August 12, 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.

WEST PALM BEACH FIREFIGHTERS' PENSION FUND  
MEETING OF SEPTEMBER 9, 2010

**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.**

Ms. Ross stated that she just received the invoice from Firehouse Treasures for the retirement axes in the amount of \$7,275, which is more than last time because we have more retirees this year.

**A motion was made by Matt Young to approve the payment to Firehouse Treasures in the amount of \$7,275. The motion was seconded by Brian Walker and carried 4-0.**

**BENEFIT APPROVALS**

The Board reviewed the applications for distribution of DROP account effective October 1, 2010 for Bill Henderson, Gary Tassin, George May, Jerry Catoe, John Boccanfuso, Thomas Williams, Tim Cook and William Cejmer.

**A motion was made by Brian Walker to approve the applications for distribution of DROP account effective October 1, 2010 for Bill Henderson, Gary Tassin, George May, Jerry Catoe, John Boccanfuso, Thomas Williams, Tim Cook and William Cejmer. The motion was seconded by Matt Young and carried 4-0.**

The Board reviewed the application for distribution of DROP account (hardship withdrawal) for Don Triana.

**A motion was made by Matt Young to approve the application for distribution of DROP account (hardship withdrawal) for Don Triana. The motion was seconded by Brian Walker and carried 4-0.**

The Board reviewed the applications for distribution of Share account effective October 1, 2010 for Ben Preston, David Abdo, George May, Larry West, Marc Leatherwood and Nathaniel McCray.

The Trustees' noted that the tax withholding on the members distributions were 28% instead of 20%. Mr. Ross confirmed that the correct withholding is 20%, and the dollar figures were correct that the 28% was just a typo.

**A motion was made by Randy Sherman to approve the applications for distribution of Share account effective October 1, 2010 for Ben Preston, David Abdo, George May, Larry West, Marc Leatherwood and Nathaniel McCray as amended for the tax withholding. The motion was seconded by Brian Walker and carried 4-0.**

The Board reviewed the application for distribution of share account effective October 1, 2010 for Matt Young.

**A motion was made by Brian Walker to approve the application for distribution of share account effective October 1, 2010 for Matt Young. The motion was seconded by Randy Sherman and carried 3-0 (Matt Young sustained from the vote).**

The Board reviewed the application for retirement for Aaron Richardson.

**A motion was made by Matt Young to approve the application for retirement for Aaron Richardson. 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 July 2010.

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

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

Ms. Jensen announced that the annual report has been approved and that we should be receiving the money shortly.

The Board discussed the RFP's. First they discussed the Custodial RFP and each Trustee gave their top 3 decisions and explained why. They stated that if they were to stay with Salem Trust then they could actually lower their fees because their proposal gave a lower fee rate than what they are currently charging.

**A motion was made by Matt Young to stay with Salem Trust as their Custodian, but switch to the new fee schedule that was outlined in the proposal. The motion was seconded by Brian Walker and carried 4-0.**

The Trustees also discussed the Actuary responses and gave their top 3 decisions and why. The Board decided to have Gabriel, Roeder, Smith & Company and Buck Consultants come to their October meeting to give a presentation so that the Board can make their decision.

Ms. Jensen stated that she was invited to another task force meeting in which she attending to speak about the Florida Statute. She commented that she has billed a separate invoice for that meeting. The Board had directed her to submit that invoice to the City.

Ms. Jensen reported that the Healthways hearing was held on September 24, 2010, and hopefully be the next meeting everything will be resolved so she will have more of an update than.

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

Ms. Ross stated that she found out the IRS 415 limit is capped off at \$195K per year. She commented that she is going to send Brad Armstrong some information so that he can look more into this. She will have an update at the next meeting.

**OTHER BUSINESS**

The Trustees took in nominations for the 5<sup>th</sup> Trustees seat which is currently held by Matt Young. With only one nomination, by default David Merrell would be selected to serve on the Board as the 5<sup>th</sup> Trustee.

**A motion was made by Matt Young to select David Merrell as the new 5<sup>th</sup> Trustee on the Fire Pension Board. The motion was seconded by Brian Walker and carried 4-0.**

WEST PALM BEACH FIREFIGHTERS' PENSION FUND  
MEETING OF SEPTEMBER 9, 2010

Ms. Ross stated that since Mr. Merrell is now on the Board he would like to attend the FPPTA School coming up at the end of September in Palm Beach Gardens. Mr. Merrell stated that he is still up to date with his credits, but he just needs to pay the fees to get recertified.

**A motion was made by Randy Sherman to approve the payments to FPPTA for the Trustee school and recertification fees for David Merrell. The motion was seconded by Brian Walker and carried 4-0.**

There being no further business and the next Pension Board meeting having been scheduled for October 14, 2010, the meeting adjourned at 3:33PM.

---