

**WEST PALM BEACH FIREFIGHTERS' PENSION FUND
MINUTES OF MEETING HELD
JANUARY 18, 2011**

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, 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
Richard Cristini, Davidson, Jamieson & Cristini
Jeanine Bittinger, Davidson, Jamieson & Cristini

PUBLIC COMMENTS

N/A

PRESENTATION OF THE SEPTEMBER 30, 2010 AUDITED FINANCIAL STATEMENTS – DAVIDSON, JAMIESON & CRISTINI, P.L. (PRESENTED BY RICHARD CRISTINI & JEANINE BITTINGER)

Mr. Cristini welcomed himself back and stated that they have issued a clean opinion in regards to this year's audit. He noted that they did not encounter any significant or material findings when performing the audit. Also he stated that they did not find any problems when testing the City records or the pension records. Mr. Cristini reviewed the statement of plan assets and commented that the cash has slightly decreased from \$1,891,683 in 2009 to \$1,876,973 in 2010, although the total investments increased this year to \$119,860,361. When you add all the total additions together and then subtract all the total deductions for the year, it leaves the fund with a net increase of \$9,617,500 for the fiscal year ending September 30, 2010, compared to the net decrease of (\$297,533) last year. He reported that the contributions increased in 2010 on both parties end; employee and employer. Also the fund received less Chapter 175 monies in 2010 compared to 2009 which he has seen State wide. Mr. Cristini stated that the benefit payments increased this year due to more retirees, but the admin expenses actually decreased which is beneficial to the Plan.

Ms. Bittinger reviewed the internal control structure of the plan and stated that all the comments and recommendations that were issued last year have been resolved in this year's audit. Therefore they did not find any observations while performing the audit, nor did they submit any recommendations to the board of Trustees this year.

A motion was made by Randy Sherman to approve the September 30, 2010 Audited Financial Statements as presented. The motion was seconded by Brian Walker and carried 4-0.

The auditors presented the board with the completed 2010 State Annual Report that needed to be executed by the Chair and Secretary and then filed with the Division of Retirement.

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A motion was made by Brian Walker to approve and execute the 2010 State Annual Report as presented. The motion was seconded by Rick Dorey and carried 4-0.

Ms. Ross noted that she will file the report with the Division of Retirement this week.

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

Mr. Brown reviewed the preliminary returns for the quarter ending December 31, 2010. He noted that there was close to \$9M added within the quarter and that fixed income was hit hard. The total fund (gross of fees) has a preliminary return of 7.26%, and for the month they are up 4.61%.

Ms. Jensen inquired about the notice that she received from PIMCO regarding the lawsuit they just recently settled. Mr. Brown stated that neither the lawsuit nor the settlement had any impact on this fund, and he reminded the board that they have the Fiduciary acknowledgement through Oppenheimer.

Ms. Ross stated that Aletheia has contacted her and they would like the board to consider having one of the partners from their firm attend a meeting to explain their personnel changes. The board agreed that it would not be necessary for Aletheia to attend a meeting as the Board is moving forward in their search for a replacement manager. Mr. Brown stated that what he would like the board to narrow their search down to 2 or 3 managers today and then have those managers come in next month to do a presentation. He noted that when reviewing the different managers Aletheia had a different portfolio structure compared to a standard fixed income manager, so it is hard to compare their portfolio to others. Mr. Brown commented that he would recommend Brown Investments and Wells Capital to the board because he thinks they would work well with Fayeze. The board discussed their options and reviewed the historic performance of the managers that were recommended. The Trustees agreed to invite Brown Investment Advisory and Wells Capital Management to the February 10, 2011 meeting for an interview.

Mr. Brown briefly reviewed the transition process and explained that they will use a commission recapture program to make the conversion. He explained that the transition will happen over one day and the recapture program sells and buys for a penny.

APPROVAL OF MINUTES

The Board reviewed the minutes of the December 9 2010 regular meetings.

A motion was made by Brian Walker to approve the minutes of the December 9, 2010 regular meeting as amended. The motion was seconded by Randy Sherman and carried 4-0.

DISBURSEMENTS

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

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

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BENEFIT APPROVALS

The Board reviewed the application for distribution from share account (closeout due to retirement) for Aaron Richardson and the application for distribution from DROP account (due to retirement) for Aaron Richardson.

A motion was made by Rick Dorey to approve the application for distribution of share account (closeout due to retirement) for Aaron Richardson. The motion was seconded by Randy Sherman and carried 4-0.

A motion was made by Rick Dorey to approve the application for distribution of DROP account (due to 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 November 2010.

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

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

Ms. Jensen notified the board that the IRS increased the mileage rate for 2011 to \$.51.

Ms. Jensen reviewed the litigation alert that she received from Scott & Scott regarding Tekelec. She explained that the board owns the stock, but she is working on finding out which Manager holds this stock in their portfolio. The board received and filed, opting not to be the lead plaintiff in this case.

Lastly, Ms. Jensen stated that she registered as a lobbyist with the City in case she has to meet with the City Council on behalf of the board.

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

N/A

OTHER BUSINESS

N/A

There being no further business and the next Pension Board meeting having been rescheduled for February 10, 2011, the meeting adjourned at 3:16PM.

Rick Dorey, Secretary