

WEST PALM BEACH FIREFIGHTERS' PENSION FUND
MINUTES OF MEETING HELD
MAY 12, 2011

Chair Dorritt Miller called the meeting to order at 1:31 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
Dave Merrell, Trustee (arrived 2:06P)
Randy Sherman, Trustee

OTHERS

Bonni Jensen, the Law Offices of Perry & Jensen
Audrey Ross, Resource Centers
Troy Brown, the Bogdahn Group
Ryan Carroll, City of WPB Firefighter

PUBLIC COMMENTS

N/A

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

Mr. Brown updated the board on some housekeeping items. He commented that as of April 30, 2011, the fund has a fiscal year to date return of 15.1% which is a gain of \$18,270,961. Also he reported that Abbey Capital has still not been funded yet, but will be once it is approved today. Lastly, there is still another \$12K in the Aletheia portfolio which will be moved out and closed shortly.

Mr. Brown explained to the board that when they raise funds for benefit payments on a monthly basis it's considered insignificant trading. He discussed changing the procedures to fund on a quarterly basis, but Ms. Ross commented that it is very hard to predict 3 months in advance the amount of money that we will need for disbursements. Mr. Brown then recommended opening an index fund with about \$5M, and then using that money/fund for benefit payments, accounts payable, etc. The Trustees suggested using the City's contributions, the State contribution and the employee contributions monies for payments. The board discussed and Troy stated that the index fund would get the return of the benchmark and that it would be considered part of the portfolio asset class.

Mr. Brown reviewed the report for the quarter ending March 31, 2011 and stated that it was the best first calendar quarter for the year since 1998. The equities had a strong performance in which this fund benefited from because they were overweighted in them. Also energy was doubled for the first quarter. No matter if you were a value or growth manager, if you were underweighted in energy then you did not perform well. Government and agencies were negative for the quarter as well, and anything less than BBB was outperforming. Mr. Brown reviewed the sector allocation as of March 31, 2011 and there was 55.6% in domestic equity, 23.6% in fixed income, 9.9% in international equity, 6.1% in real estate, 4.6% in cash, and .2% in alternative investments. For the quarter the total fund outperformed the benchmark at 4.44% versus 3.72%, the total equities also outperformed at 5.98% versus 5.89%, and the total domestic equities underperformed the benchmark at 6.25% versus 6.38%. The total international equities had a great quarter and were ahead at 4.43% versus the benchmark at 3.49%, as well as the total fixed income

WEST PALM BEACH FIREFIGHTERS' PENSION FUND
MEETING OF MAY 12, 2011

which was also ahead at 1.07% versus .42%. Lastly, real estate had a better quarter and outperformed at 3.51% versus 3.36%.

Mr. Brown briefly mentioned that the fee increase Bogdahn was presenting has been removed off the table and they can discuss it next year.

APPROVAL OF MINUTES

The Board reviewed the minutes of the April 14, 2011 regular meetings.

A motion was made by Randy Sherman to approve the minutes of the April 14, 2011 regular meeting as amended. The motion was seconded by Brian Walker and carried 5-0.

DISBURSEMENTS

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

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

BENEFIT APPROVALS

The Board reviewed the application for retirement for Ken Riblett, the applications for distribution of share accounts for Ken Riblett and Paul Fortunato and application for distribution of DROP account for Paul Fortunato.

A motion was made by Randy Sherman to approve the application for retirement for Ken Riblett. The motion was seconded by Brian Walker and carried 5-0.

A motion was made by Randy Sherman to approve the applications for distribution from share account for Ken Riblett and Paul Fortunato. The motion was seconded by Dave Merrell and carried 5-0.

A motion was made by Brian Walker to approve the application for distribution from DROP account for Paul Fortunato. The motion was seconded by Rick Dorey 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 March 2011.

The Board received and filed the un-audited financial statements through the month of March 2011.

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

Ms. Jensen reviewed the Resource Centers draft statement of policy regarding expenses associated with public records, class action, and domestic relations orders. The Trustees discussed and made a couple changes. Ms. Jensen stated that she will bring back a final copy to be approved and executed to the next meeting.

Ms. Jensen reminded the Trustees that their Form 1 Disclosures are due July 1, 2011.

WEST PALM BEACH FIREFIGHTERS' PENSION FUND
MEETING OF MAY 12, 2011

Ms. Jensen gave the board a brief update on the Legislative session that just recently ended. She reviewed the new requirements and changes that will affect the defined benefit plans. She commented that most of the changes the legislative session made this year had to do with the FRS.

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

Ms. Ross presented the board with the Salem Trust class action report for the quarter ending March 31, 2011

OTHER BUSINESS

There being no further business and the next Pension Board meeting having been rescheduled for May 12, 2011, the meeting adjourned at 2:57PM.

Rick Dorey, Secretary