

**WEST PALM BEACH FIREFIGHTERS' PENSION FUND**  
**MINUTES OF MEETING HELD**  
**AUGUST 11, 2011**

Chair Dorritt Miller called the meeting to order at 1:32 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  
Dave Merrell, Trustee  
Randy Sherman, Trustee

**OTHERS**

Bonni Jensen, the Law Offices of Perry & Jensen  
Audrey Ross, Resource Centers  
Troy Brown, The Bogdahn Group)  
Rick Curtis, City of WPB Firefighter (terminated)

**PUBLIC COMMENTS**

N/A

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

Mr. Brown briefly updated the board on the current market environment and commented that recovery is still very slow and that we still have the largest GEP. Also the risks versus the rewards are still very high on the fixed income side, and last Tuesday we hit the lowest rates ever. Mr. Brown stated that as a long term investor it is crazy to be trading in these kinds of markets right now, so that is why there is so much cash sitting in the sidelines right now.

For the quarter ending June 30, 2011 the fund outperformed at 1.10% versus the index at .74%. Mr. Brown reported that during the quarter all the Equity managers outperformed, although the Spectrum CD was negative. Fixed Income was the strongest performer during the quarter, with PIMCO taking the lead. As of June 30, 2011 there was 50.1% in domestic equity, 25.1% in fixed income, 10% in international equity, 6.4% in real estate, 4.7% in cash and 3.6% in alternative investments. Mr. Brown commented that we are inline with the Policy and that he does not have any recommendations for rebalancing at this time. Also during the quarter the defense sectors such as health care, telecommunications and consumer discretionary did outperformed, as financials were a big drag. Mr. Brown then reviewed each manager's performance for the quarter:

- TBC – slightly underperformed for the quarter at -.55% versus -.50%, but for the fiscal year to date they are outperforming the index at 19.69% versus 17.08%.
- Brown Advisory – had a great quarter and outperformed the index at 1.11% versus .76%. They had a good position in consumer discretionary and energy, which were the leading sectors during the quarter.
- Fayez Sarofim – this manager has very low trading with high quality, and outperformed for the quarter at 1.84% versus .76%. They have outperformed for all other time periods as well.
- TSW – they took a hit this quarter as it is a tough market environment out there for their style. Although they were still able to outperform the index at -1.01% versus -1.47%.
- Baron Assets – had a great quarter as they own a lot of the top 10 holdings in their portfolio. Also they have a strict processes and

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procedures that help them with their stock selections. 1.23% versus the index at -.59%.

- EuroPacific – health care was the biggest contributor for this manager during the quarter which helped to their outperformance of 1.05% versus .61%.
- Templeton – this manager waits until the market moves to them, which did not benefit them this quarter since they only slightly outperformed at .76% versus .61%.
- Oppenheimer/PIMCO – this fund just recently moved out of Treasuries because the Fed's are artificially keeping the rates low. Underperformed for the quarter at 1.95% versus the index at 2.29%.
- Templeton Global – Slightly behind the index for the quarter at 2.48% versus 3.05%, but their long term performance is strong.
- JP Morgan – had the strongest return in the portfolio for the quarter at 5.32% versus 3.94%.
- ACL Alternative (Managed Futures) – this manager has only been in the portfolio for 1 month, therefore there is not a full quarter return available yet.
- Spectrum CD - for the quarter they were negative -.92%, therefore we will receive 2 coupons.

Mr. Brown reported that for quarter to date the fund is down about -6.5% versus the market which is down about -20%. As of current, for the fiscal year to date we are up about 8%, and the Plan's actuarial assumed rate of return is 8.25%. Lets hope that September will be a positive month so that we can still have a chance to meet our goal by the end of the fiscal year, September 30, 2011.

Lastly Mr. Brown commented that when the State Money is received, he recommends that we keep it in the R&D account and use it for benefit payments.

#### **APPROVAL OF MINUTES**

The Board reviewed the minutes of the June 9, 2011 regular meeting.

**A motion was made by Rick Dorey to approve the minutes of the June 9, 2011 regular meeting. The motion was seconded by Brian Walker and carried 5-0.**

The Board reviewed the minutes of the July 11, 2011 special meeting.

**A motion was made by Randy Sherman to approve the minutes of the July 11, 2011 special meeting. 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 Randy Sherman to approve the disbursements that were presented by the Administrator. The motion was seconded by Brian Walker and carried 5-0.**

#### **BENEFIT APPROVALS**

The Board reviewed the application for retirement for Jonathan Brasseur, the applications for an October 1, 2011 distributions from share accounts for Margaret Clyne and Mike Wennergren, the applications for an October 1, 2011 distribution

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from DROP accounts for Dennis Withington and Lee Miller, the application for a DROP loan for Bill Motter and the application for a refund of contributions for Rick Curtis.

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

**A motion was made by Rick Dorey to approve the applications for an October 1, 2011 distributions from share accounts for Margaret Clyne and Mike Wennergren. The motion was seconded by Brian Walker and carried 5-0.**

**A motion was made by Dave Merrell to approve the applications for an October 1, 2011 distributions from DROP accounts for Dennis Withington and Lee Miller. The motion was seconded by Brian Walker and carried 5-0.**

**A motion was made by Dave Merrell to approve the application for a DROP loan for Bill Motter. The motion was seconded by Brian Walker and carried 5-0.**

The board discussed Mr. Curtis's application for a refund of contributions. Ms. Jensen noted that she asked Mr. Curtis to be present at today's meeting so that he and the Trustees understand his situation and the rules and policies that surround it. Since Mr. Curtis is a vested member and if he takes a refund of his contributions today, then he will be forfeiting this future monthly pension benefit, and also the lump sum of money that is in his share account. Mr. Curtis will not be entitled to either of the above mentioned benefits if he chooses to take a refund of his contributions. Mr. Curtis acknowledged that he understood this policy and still wanted to continue with his application to withdrawal his accumulated pension contributions today. Ms. Jensen also noted that Mr. Curtis will sign a wavier acknowledging that he was explained to and understands these rules and policies in return for his check. Lastly it was also noted that if Mr. Curtis was rehired back by the City within 5 years of his termination date, then he does have the opportunity to repay back his contributions plus interest (@ 8.25%), over a 5 year timeframe.

**A motion was made by Randy Sherman to approve the application for a refund of contributions for Rick Curtis who is a vested member. 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 June 2011.

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

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

Ms. Jensen commented that the IRS has increased the mileage rate effective July 1, 2011 to 55.5 cents.

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

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Ms. Ross presented the board with the Salem Trust class action report for the quarter ending June 30, 2011, in which \$109.55 was received in settlements.

**OTHER BUSINESS**

There being no further business and the next Pension Board meeting having been rescheduled for Thursday September 22, 2011 @ 1:30PM, the meeting adjourned at 2:38PM.

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Rick Dorey, Secretary