

WEST PALM BEACH FIREFIGHTERS' PENSION FUND
MINUTES OF MEETING HELD
November 10, 2011

Secretary Rick Dorey called the meeting to order at 1:27 P.M. in the Third Floor Conference Room at Station 1; 500 N. Dixie Highway, West Palm Beach, Florida. Those persons present were:

TRUSTEES

Rick Dorey, Secretary
Brian Walker, Trustee
Dave Merrell, Trustee
Randy Sherman, Trustee

OTHERS

Bonni Jensen, The Law Offices of Perry & Jensen
Audrey Ross, Resource Centers
Troy Brown, The Bogdahn Group
Tom Wesolek, City of WPB Firefighter (Union President)

PUBLIC COMMENTS

Mr. Wesolek commented to the board that the Union has been successful in working with the City on getting language set for the pension article and at this point they are just waiting on the Actuarial Impact Statement. He briefly reviewed the proposed revision and stated that this is a 3 year proposal. Mr. Walker had a question regarding the fees for all the studies and statements that the Actuary prepared. It was noted that the pension board will pay the cost for the actuarial impact statement.

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

Mr. Brown stated that it has been the worst quarter since 2008. Debt is close to 100% and they are not going to mature it either. Also he noted that the dollar has been weakening constantly for the past 5 years.

Mr. Brown reviewed the fund during the last quarter and commented that they missed the benchmark by 2%, which was mostly due to equities and a little fixed income. The PIMCO total return fund was negative for the quarter, although they were the best performing manager on the fixed income side. He reported on the fixed income market and commented that this fund does not hold any Treasuries in the portfolio due to the fact that they are less sensitive to interest rates. For the quarter ending September 30, 2011 the fund was positive but behind the index at .68% versus 3.82%, and for the fiscal year the Fund was also behind at 2.22% versus 5.26%. He commented that there were very few funds that were positive for the fiscal year ending September 30, 2011, and this was one.

Mr. Brown reviewed each manager's performance during the quarter and stated that he does not have any recommendations at this time. Lastly he stated that we will be funding the DiSCO 2 product as soon as all the paperwork is in order and executed by both copies.

APPROVAL OF MINUTES

The Board reviewed the minutes of the October 13, 2011 regular meeting.

A motion was made by Brian Walker to approve the minutes of the October 13, 2011 regular meeting. The motion was seconded by Randy Sherman and carried 4-0.

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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 4-0.

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

Ms. Jensen reviewed the DiSCO 2 memo that she put together that breaks down and explains the investment. She also discussed the side letter with the board which basically states that PIMCO is in charge of the investment and will make all the decisions. This DiSCO 2 fund will automatically reinvest all distributions and there is a 1 year lock up. The management fee is 75 basis points per year, and then there is an additional fee of 20 basis points on the first \$500M. The board now needs to determine whether they want to invest in an off shore or on shore account. Ms. Jensen explained the difference between the 2 accounts and stated that this fund has used both on shore and off shore accounts in the past. She also noted that the off shore accounts have additional fees. Lastly she noted that the DiSCO 2 fund is open and currently has about \$1B funded. This boards target funding date is November 23, 2011.

The board discussed the differences between the on shore and off shore accounts, including the differences in fees.

A motion was made by Brian Walker to authorize the board to invest in the off shore account relating to the PIMCO DiSCO 2 fund. The motion was seconded by Dave Merrell and carried 4-0.

Ms. Jensen briefly reviewed the House Bill 365 that has been filed and relates to 175/185 Plans and also disability clauses. She commented that she will keep the board updated as more information is available.

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

Ms. Ross presented the board with the 2011 Share allocation worksheet. She commented that this document was just produced so therefore she would like the Trustees to review it and comment back on any changes and/or corrections. Mr. Dorey noted a couple of corrections.

Ms. Ross passed out the Salem Trust class action report for the quarter ending September 30, 2011. There was a total of \$386.67 recovered during the period and one new claim filed.

Lastly Ms. Ross provided the 2012 meeting date list to the board.

OTHER BUSINESS

N/A

There being no further business and the next Pension Board meeting having been rescheduled for Thursday December 8, 2011 @ 1:30PM, the meeting adjourned at 2:33PM.

Rick Dorey, Secretary