

WEST PALM BEACH FIREFIGHTERS' PENSION FUND

MINUTES OF MEETING HELD

August 6, 2015

Chairman David Merrell called the workshop to order at 1:36.M. in the Conference Room at Station 1, 3rd Floor; 500 North Dixie Highway, West Palm Beach, Florida. Those persons present were:

TRUSTEES

David Merrell, Chair
Ron, Frano
Mark Parks (arrived 3:06PM)

OTHERS

Audrey Ross, Resource Centers
Bonni Jensen, KKJ&L
Dan Johnson, The Bogdahn Group
Troy Brown, The Bogdahn Group
Janna Hamilton, GHA
Jeff Detwiler, GHA
Rick Roberts, Retired WPB Firefighter
Rick Dorey, Retired WPB Firefighter

INVESTMENT MANAGER PRESENTATION: GHA (PRESENTED BY: JANNA HAMILTON & JEFF DETWILER)

Ms. Hamilton welcomed herself back and introduced Mr. Detwiler. She commented that GHA has recently received two awards in which they were honored to share with the Board. Mr. Detwiler reported on the Fund's performance as of June 30, 2015 and noted that for the quarter they were negative but slightly ahead of the benchmark at -2.6% versus -2.7%. For the fiscal year to date they are in line with the index at 1.7%. He reviewed the Plan's asset allocation and interest rates and discussed how they affect the portfolio. Currently they are underweighted to the corporate sector and they think spreads are going to continue to spread, so they are more volatile at this point and they also think inflation will remain as is. GHA has a higher rated portfolio than the index and they don't invest in certain assets such as derivatives and other risky asset classes. Mr. Detwiler discussed the down performance for the quarter, which was mainly due to the rates moving as they have not changed anything in regards to their investment process or philosophy. He also discussed GHA's outlook on the interest rates and where they stand. They are keeping their duration long for now as they think rates will actually go down later this year when the fed announces they are going to raise them. He thinks longer term rates will remain low. GHA's max bet on duration is 10% and they are pretty close to that right now. Mr. Brown noted that this is the only bond manager that he knows of that is long duration as all other managers are short duration, but overall they are doing great and are very diversified.

INVESTMENT CONSULTANTS REPORT: THE BOGDAHN GROUP (PRESENTED BY: TROY BROWN & DAN JOHNSON)

Mr. Johnson reviewed the June 30, 2015 quarterly report and noted that this is the 11th quarter in a row that the S&P500 is positive. Interest rates slightly increased during the quarter, which brought the bonds down. Energy was the worst performing sector during the quarter. As of June 30, 2015 the total fund was slightly ahead of the index net of fees at 0.27% versus 0.17% and for the fiscal year to date they are up 6.90% versus the index at 5.18%. The Plan's assets have increased to \$183.6M and they rank in the top 24th percentile for the quarter and 3rd percentile for the fiscal year. Mr. Johnson reviewed the Plan's asset allocation and noted that fixed income is now 15% of their total assets but he does not have any recommendations at this time for rebalancing or for any manager changes.

WEST PALM BEACH FIREFIGHTERS' PENSION FUND
MEETING OF AUGUST 6, 2015

Lastly Mr. Johnson reviewed the July 31, 2015 flash performance report and noted that for the quarter they are up another 1%, but for the fiscal year to date they are up a total of 7.9%.

ATTORNEY'S REPORT: KKJ&L (PRESENTED BY: BONNI JENSEN)

Ms. Jensen explained that House Bill 1309 changes the mortality table to the same table the FRS uses. She commented that she does not think this will be an intrusive change. This change is not effective until the Valuation for the fiscal year ending September 30, 2016, but prior to that the Board will need to get with their Actuary to discuss the change and impact.

Ms. Jensen stated that after the last meeting she heard back from Mr. Green in regards to the State of Pension Report and he had a couple of comments/suggestions. The Trustees reviewed the comments and noted that the material in the report is as of last fiscal year ending September 30, 2014 and they would like to proceed with distributing the report as is and as directed at the last meeting.

Lastly Ms. Jensen stated that she received some correspondence from the IRS regarding the Plan's IRS determination letter, in which she has responded.

THE MEETING WAS CALLED TO ORDER AT 3:06PM

APPROVAL OF MINUTES

The Board reviewed the minutes of the regular meeting held on June 4, 2015.

A motion was made by Ron Frano to approve the minutes of the regular meeting held on June 4, 2015. The motion was seconded by Mark Parks and carried 3-0.

~~A motion was made, seconded and carried 4-0 to accept the minutes of the meeting held May 23, 2011.~~
DISBURSEMENTS

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

A motion was made by Ron Frano to approve the disbursements that were presented by the Administrator. The motion was seconded by Mark Parks and carried 3-0.

BENEFIT APPROVALS

The Board reviewed the benefit approval list presented for approval by the Administrator dated August 6, 2015 (1 application for distribution from Share account due to retirement, 3 applications for distributions from DROP accounts for October 1, 2015, 2 applications for distributions from Share accounts for October 1, 2015, 2 applications for DROP loans, and 1 application for a refund of contributions.)

A motion was made by Ron Frano to approve the 1 application for distribution from Share account due to retirement, 3 applications for distributions from DROP accounts for October 1, 2015, 2 applications for distributions from Share accounts for October 1, 2015, 2 applications for DROP loans, and 1 application for a refund of contributions. The motion was seconded by Mark Parks and carried 3-0.

FINANCIAL STATEMENTS

WEST PALM BEACH FIREFIGHTERS' PENSION FUND
MEETING OF AUGUST 6, 2015

Ms. Ross presented the Board with the statement of income and expense and the balance sheet through the end of June 2015.

The Board received and filed the financial statements through the end of June 2015.

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

N/A

OTHER BUSINESS

N/A

PUBLIC COMMENTS

N/A

There being no further business and the next Pension Board meeting having been scheduled for Thursday September 3, 2015 @ 1:30PM, the meeting adjourned at 3:31PM.

Brian Walker, Secretary