

**THE CITY OF WEST PALM BEACH RESTATED EMPLOYEES'
DEFINED BENEFIT RETIREMENT SYSTEM**

**MINUTES OF MEETING HELD
JUNE 20, 2012**

A regular meeting of the Board of Trustees was called to order at 9:07AM by Secretary Benny Rodgers in the City Hall (5th Floor) Conference Room 5.19, 401 Clematis Street, West Palm Beach, Florida 33401.

Those Trustees present were:

Benny Rodgers, Secretary
Bill Swisher, Trustee
Bob Burd, Trustee
Patrick Cooney, Trustee
Vicki Barnard, Trustee

Also present were:

Audrey Ross, Administrator – Resource Centers
Claudia McKenna, Attorney – City of West Palm Beach
John Hamlin, Investment Manager – Dana Investment Advisors
Mike Welker, Investment Consultant – The Bogdahn Group

PUBLIC COMMENTS

N/A

**INVESTMENT MANAGER REPORT – DANA INVESTMENT ADVISORS
(PRESENTED BY: JOHN HAMLIN)**

Mr. Hamlin welcomed himself back to the Board and stated that for the quarter ending March 31, 2012 they outperformed the benchmark at 14.095 versus 12.59% and as of date they are down about 3-4% due to the market turn around. Mr. Hamlin commented that it is still very volatile in the US which did better than International. He reviewed the sectors of the market and commented that growth is still slow as energy, industrials and materials lead during the quarter. Mr. Hamlin explained that Dana does not overweight any one sector as they are sector neutral and they focus on companies that pay dividends and also grow them. He noted that Dana captures about 103% of the upside and stays up about 80% on the downside. Lastly Mr. Hamlin explained that he feels constructive going forward on equities and that there is also a lot of good quality financials out there that they are going to spend more time researching.

**INVESTMENT CONSULTANT REPORT – THE BOGDAHN GROUP
(PRESENTED BY: MIKE WELKER)**

Mr. Welker reviewed the Plan's compliance checklist for the quarter ending March 31, 2012 and commented that everything is in compliance although he does have a recommendation for rebalancing as we are on the high end of our target allocations. He recommends moving 2.5% (\$825K) from Dana and 2.5% (825K) from Argent and fund Garcia Hamilton. Mr. Welker explained that this rebalancing would put them back into their target range according to their investment policy guidelines.

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A motion was made by Bill Swisher to approve and authorize the transfer of \$825K from Dana Investment Advisors and \$825K from Argent Capital to fund Garcia Hamilton to be inline with the Plan's Investment Policy Guidelines per the Investment Consultants recommendation. The motion was seconded by Pat Cooney and carried 5-0.

Mr. Welker reviewed the Plan's financial reconciliation and commented that Templeton was added in the new fiscal year and has helped out the fund tremendously. For the quarter ending March 31, 2012 the total fund net of fees out performed the index at 11.76% versus 8.15% and for the fiscal year to date they are also ahead at 19.58% versus 15.77%. Mr. Welker stated that he does not have any other changes or recommendations at this time because this fund is performing very well.

Mr. Welker reviewed the flash performance reported through April 30, 2012 and commented that April was a great month as they are up about another .23% versus the market at -0.16%, and for the fiscal year to date that put them at 20.10% versus 15.59%.

Mr. Welker briefly commented on the letter that they received from RBC Global in which they announced that Michael Spencer had retired effective 6/1/2012. Mr. Welker stated that his change will not have any impact on the portfolio.

Lastly Mr. Welker reviewed the fee increase proposal letter. He explained that the Bogdahn Group bills the fund on a hard dollar basis and that fee is currently \$19,500 per year. He explained that although the Plan's assets have grown as well as the work load they have kept their same fee in place for 4 years now. Bogdahn is now presenting a proposed fee increase from \$19,500 per year to \$27,000 over the course of the next 3 years with the first increase of \$2,500 going into effect on 10/1/12 and then increasing \$2,500 each October 1 until 10/1/2014. The board discussed the proposal and noted that Bogdahn is a very efficient company compared to other Florida Consultants and had done a wonderful job for this Plan. The Trustees tabled the letter until next meeting when all Trustees had time to review the letter.

MINUTES

The Board reviewed the minutes from the regular meeting held on March 27, 2012.

A motion was made by Vicki Barnard to approve the minutes from the regular meeting held on March 27, 2012. The motion was seconded by Bill Swisher and carried 5-0.

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**ADMINISTRATIVE REPORT – RESOURCE CENTERS (PRESENTED BY:
AUDREY ROSS)**

- **DISBURSEMENTS**

The Board reviewed the disbursement list presented for the months of April, May and June 2012.

A motion was made by Vicki Barnard to approve the disbursements for the months of April, May & June 2012. The motion was seconded by Bill Swisher and carried 5-0.

- **BENEFIT APPROVALS**

The board reviewed the preliminary and final application for retirement for Angela Newton.

A motion was made by Patrick Cooney to approve the preliminary and final application for retirement for Angela Newton. The motion was seconded by Bob Burd and carried 5-0.

- **FINANCIAL STATEMENTS**

Ms. Ross presented the Board with the statement of income and expense and the balance sheet through the end of May 2012.

The Board received and filed the financial statements through the end of May 2012.

**ATTORNEY REPORT –CITY OF WEST PALM BEACH (PRESENTED BY:
CLAUDIA MCKENNA)**

Ms. McKenna reviewed the new Ethnics training and codes regarding traveling. The new guidelines are very strict and also apply to spouses and family members. Ms. McKenna noted that there are still a lot of questions regarding the revisions so as more information becomes available she will share it with the Board.

OTHER BUSINESS

N/A

ADJOURN

There being no other business, and the next regular meeting having been scheduled for July 24, 2012 the meeting was adjourned at 10:57AM.

Benny Rodgers, Secretary