

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

**MINUTES OF MEETING HELD  
MAY 28, 2013**

A regular meeting of the Board of Trustees was called to order at 1:40 by Secretary Bob Burd in the Mayors Conference Room (2<sup>nd</sup> Floor), 401 Clematis Street, West Palm Beach, Florida 33401.

Those Trustees present were:

Bob Burd, Secretary  
Dorritt Miller, Trustee  
Jeff Green, Trustee  
Leon Pinder, Trustee  
Marta Vittini, Trustee  
Vicki Barnard, Trustee

Also present were:

Audrey Ross, Administrator – Resource Centers  
Nancy Urcheck, City of West Palm Beach  
John Hamlin, Investment Manager – Dana Investment Advisors  
Jon Breth, Investment Consultant – the Bogdahn Group

**PUBLIC COMMENTS**

N/A

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

Mr. Hamlin welcomed himself back and briefly discussed the market environment during the recent quarter. He noted that the S&P 500 currently has a higher yield than the 10 year Treasury. Employment numbers improved in the month of February and the housing prices are also increasing as well. Mr. Hamlin explained that their firm's objective is to stay sector neutral to the S&P 500 and to buy companies that have strong dividends and are priced lower than the market. He stated that for the quarter ending March 31, 2013 the fund outperformed the index at 11.58% versus 10.61%, and for the fiscal year to date they are also ahead at 10.78% versus 10.19%. Lastly Mr. Hamlin reminded the board that Dana's goal is to deliver good performance with less volatility, and according to their track record they have done that since inception of the fund in 1999.

**INVESTMENT CONSULTANT REPORT – THE BOGDAHN GROUP  
(PRESENTED BY: JON BRETH)**

Mr. Breth reviewed the plans quarterly performance report for the quarter ending March 31, 2013. He stated that during the quarter we did see some improvement in the housing and employment numbers as previously mentioned. Although there was a loss in the Barclays index during the quarter, which was the first time since the market crash in 2009. Apple's stock price dropped 17% and SMID cap out performed large cap. Mr. Breth reported that the plan did outperform the index net of fees during the quarter at 6.89% versus 5.92%. Also for the fiscal year to date they are also

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ahead of the benchmark net of fees at 7.94% versus 7.06%, but they are still behind the plans assumed rate of return of 8%. He reviewed the plans asset allocation and stated that they are underweighted in domestic equities and underweighted in International. Mr. Breth briefly reported on each manager's performance during the quarter and noted that Barings is the only manager that underperformed. He explained that Barings is on watch for their underperformance long term and short term, but he does not have any recommendations to replace them at this time.

Mr. Breth reviewed the PIMCO fund that was previously presented to the board. He explained that the purpose of adding in this type of fund is to diversify the portfolio. Mr. Breth's recommendation would be to take \$1.75M from the US equity accounts to fund the PIMCO account. The PIMCO account is also about 5% cheaper than an active managed account. The Trustees had a lengthy discussion on the PIMCO investment and noted that they have been discussing this product for quite sometime now and that they need to move on with making a decision either way.

**A motion was made by Dorritt Miller to approve and authorize the funding of the PIMCO Total Return Fund by transferring \$875K from the Dana account and \$875K from the Argent account (for a total of \$1.75M) to purchase shares of the PIMCO total return account. The motion was seconded by Marta Vittini and carried 6-0.**

Lastly Mr. Breth briefly mentioned that he will be bringing back to the board at a later date information on some other alternative investments that will decrease the volatility of the plan.

**MINUTES**

The Board reviewed the minutes from the regular meeting held on April 23, 2013.

**A motion was made by Dorritt Miller to approve the minutes from the regular meeting held on April 23, 2013 as amended. The motion was seconded by Marta Vittini and carried 6-0.**

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

- **DISBURSEMENTS**

The Board reviewed the disbursement list presented for the month of May 2013.

**THE CITY OF WEST PALM BEACH RESTATED EMPLOYEES  
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**MAY 28, 2013**

**A motion was made by Bob Burd to approve the disbursements for the month of May 2013. The motion was seconded Vicki Barnard and carried 6-0.**

- **BENEFIT APPROVALS**

The board reviewed the preliminary application for retirement for Ramsey Ramsaran, and the application for a duty disability retirement for John E. Turner.

The Trustees had a lengthy discussion on the duty disability application that was presented to them today and ultimately decided that they needed more information to be able to move forward with this case. The medical letter that was attached to the duty disability application is from a Physical Therapist and not a medical doctor. Therefore the board directed Ms. Ross to contact the member to let him know he needed to get a letter from his medical doctor because as of right now the application is considered incomplete. Ms. Ross concurred. The duty disability application was tabled due to an incomplete application at this time. The application will be looked at again once all correct documents are submitted.

**A motion was made by Jeff Green to approve the preliminary application for retirement for Ramsey Ramsaran. The motion was seconded by Marta Vittini and carried 6-0.**

- **FINANCIAL STATEMENTS**

Ms. Ross presented the Board with the statement of income and expense and the balance sheet through the end of April 2013.

**The Board received and filed the financial statements through the end of April 2013.**

Ms. Ross stated that she obtained a quote from the Actuary, GRS, in regards to updating the summary plan description. They quoted a maximum fee of \$750.

**A motion was made by Vicki Barnard to approve and authorize the Actuary (GRS) to update the funds summary plan description, with the costs not to exceed \$750. The motion was seconded by Marta Vittini and carried 6-0.**

**ATTORNEY REPORT –CITY OF WEST PALM BEACH (PRESENTED BY:  
NANCY URCHECK)**

N/A

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**MAY 28, 2013**

**OTHER BUSINESS**

The Trustees reviewed and discussed the Auditor RFP results that were presented at the last meeting. The Trustees made short list of the 3 Auditing firms that they would like to interview at the next meeting. Ms. Ross noted that she will reach out and invite the 3 firms chosen here today for an interview at our next meeting.

**ADJOURN**

There being no other business, and the next regular meeting having been rescheduled to July 10, 2013 the meeting was adjourned at 3:41PM.

\*note the June 25, 2013 meeting was canceled\*

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Robert Burd, Secretary