

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

**MINUTES OF MEETING HELD
MAY 27, 2014**

A regular meeting of the Board of Trustees was called to order at 1:33 by Chairman Robert Burd in Room 5.19 (5th Floor), 401 Clematis Street, West Palm Beach, Florida 33401.

Those Trustees present were:

Robert Burd, Chairman
Dorritt Miller, Secretary
Leon Pinder, Trustee
Michelle Sias, Trustee
Jose Rodriguez, Trustee

Also present were:

Audrey Ross, Administrator – Resource Centers
Nancy Urcheck, Attorney - City of West Palm Beach
Jon Breth, Investment Consultant – The Bogdahn Group

PUBLIC COMMENTS

N/A

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

Mr. Breth reviewed the market environment during the quarter and noted that there is still a little of volatility going on. The Fed had a new chairman that came in which affected the market as well. He reviewed the fund's performance for the quarter ending March 31, 2014 and commented that they ended the quarter with \$44.7M. The Plan outperformed the index net of fees at 3.14% versus 1.76% and for the fiscal year to date they are in the same position at 11.21% versus the index at 7.51%. Mr. Breth briefly discussed each manager's performance during the quarter and stated that all the managers outperformed their index with the exception of Barings and Templeton. Mr. Breth reminded the board that effective April 1, 2014 the fund moved out of Barings and into TSW, which is not reflected in the this report. The portfolio is currently over weighted to large cap value and growth and has a slight underweight to fixed income and international, which is intentional due to those markets. Lastly he reviewed the Plan's risk versus reward chart and commented that overall the Plan is taking less risk, but they also have more room for a better return.

Mr. Breth reviewed the flash performance report which was updated through April 30, 2014. For the month the Plan was down -0.31%, but for the fiscal year they are still ahead at 11.03%. He also noted that this reports reflects the new account with TSW and also does not reflect Barings anymore. Lastly Mr. Breth discussed the current asset allocation as of April 30, 2014 and noted that he would like to rebalance back to target. Therefore he is recommending a total transfer of \$2M, or 5% of the portfolio from Argent & Dana (\$1M each) back to GHA to be back in line with the Plan's policy. The

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Trustees discussed the recommendation and noted that they agreed because GHA has been doing a great job.

A motion was made by Michelle Sais to approve and authorize the transfer of \$1M from Argent & \$1M from Dana to GHA (the total amount of \$2M) per the recommendation of the Plan's investment consultant to rebalance back to policy target. The motion was seconded by Dorritt Miller and carried 5-0.

Lastly Mr. Breth reviewed some different asset alternatives that he would like to introduce into the portfolio. He briefly discussed the global tactical allocation fund in which the Trustees were not interested in at this time because they are more on the conservative side since this is a closed fund. The Trustees did comment that they would be more interest in a hedge fund of fund type investment in the future.

MINUTES

The Board reviewed the minutes from the regular meeting held on March 25, 2014.

A motion was made by Michelle Sias to approve the minutes from the regular meeting held on March 25, 2014. The motion was seconded by Leon Pinder and carried 5-0.

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

• **DISBURSEMENTS**

The Board reviewed the disbursement list presented through May 13, 2014.

A motion was made by Michelle Sias to approve the disbursements through May 13, 2014. The motion was seconded Leon Pinder and carried 5-0.

• **BENEFIT APPROVALS**

The board reviewed the preliminary and final application for retirement for David Lawson.

A motion was made by Michelle Sias to approve the preliminary and final application for retirement for David Lawson. The motion was seconded by Leon Pinder 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 April 2014.

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The Board received and filed the financial statements through the end of April 2014.

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

N/A

OTHER BUSINESS

Ms. Ross presented the board with the updated summary plan description but noted that due to more Trustee changes, it will need to be updated again.

ADJOURN

There being no other business, and the next regular meeting having been scheduled for August 26, 2014 the meeting was adjourned at 2:32PM.

Note the June & July 2014 meetings were canceled

Dorritt Miller, Secretary