

**City of Delray Beach
Police and Firefighters' Retirement System
Minutes of
June 15, 2011**

Members: Lt. Joseph Liguori, Sgt. Brady Myers, Lt. John Palermo, FF Justin Caruso, Chief Greg Giaccone, Asst. City Manager Douglas Smith, Allen Kirschenbaum

Stephen Cypen, Board Counsel (arrived 2pm) Anne Woods, Plan Administrator
Karen Schell, Pension Administrator

Absent: Commissioner Adam Frankel, Chief Strianese

Guests: Mike Welker, Bogdahn Consulting; Jerry Congress and Adam Bobkin, Milberg

Lt. Liguori, Chairman, called the meeting to order at 1:09 pm. Roll call was taken of members and guests.

1. Reports:

a. Mike Welker, Bogdahn Group

i. Large Cap Growth Investment Manager Presentations

The following large cap growth managers made presentations to the Board: Brown Advisory Large Cap Growth, Heritage All Cap Growth and Sawgrass Best Ideas. After discussion, Lt. Palermo made the motion to retain Sawgrass Asset Management. FF Caruso seconded the motion. Motion passes unanimously. Fee 55 basis points on the first \$10 million and 50 basis points on the balance. Allocation of approximately \$15 million (from I-Share). Performance vs. Russell 1000 Growth - Quarter to Date: Sawgrass 0.4% vs. R1G Index -3.8%. Year to Date: Sawgrass 6.4% vs. R1G Index 2.0%

ii. Flash Report for May 2011

Total Fund Value \$119,529,900 Quarter Return 1.51% Fiscal Year to Date 12.32%

Mr. Welker suggested that Board consider retaining Franklin Templeton Global Multi Sector Plus in place of PIMCO. The allocation would be approximately \$5.6 million (or 4.5% of the portfolio. Fee 89bps.

Sgt. Myers made the motion to replace PIMCO with Templeton with the suggested allocation. Chief Giaccone seconded the motion. Motion passes unanimously.

2. Approve Meeting Minutes:

a. February 15th, March 16th, April 20th and May 25, 2011: Sgt. Myers made the motion to approve minutes as presented. Chief Giaccone seconded the motion. Motion passes unanimously.

3. New Business: None

4. Old Business:

a. Lt. Liguori – Further Discussion on Annual Performance Evaluation for Plan Administrator: Tabled to the August meeting.

b. Chief Giaccone – Further Discussion on Data Base Reconciliation: Lt. Liguori stated that at a previous meeting the Board discussed the possibility of sending out an RFP to an outside vendor. He stated that Chief Giaccone had been looking into the options and would provide the trustees with an update.

Chief Giaccone stated that the City is in the process of finalizing a contract with a firm for a CAD system that would probably address this issue. Lt. Liguori stated that the goal is to have all of the City's taxable addresses listed on the State's database.

Mr. Smith stated that the City's new public safety software developed a complete address database that will eventually be used for a number of different reasons. When the Finance Dept. computer system is updated,

it will feed into all systems that access addresses. The City uses a GIS consulting firm that updates the database and is setting up a maintenance system that will eventually be turned over to City staff. Over the last several years, on a semi-annual basis, Planning and Zoning (P&Z) has sent the State an updated list of addresses by a certain area range. Lt. Liguori stated that the main concern is that each address (e.g. condominium) is sent to the State and not just the main location address.

Lt. Liguori stated that due to a contractual agreement to provide fire service between Delray and the Town of Gulf Stream any properties that have been annexed should be included in the Delray database. P&Z has nothing to do with reporting the address.

5. Reports: cont'd.

a. Steve Cypen, Board Counsel

i. Status of Pending and Potential Litigation Matters:

Smith Barney – Jerry Congress and Adam Bobkin, Milberg, were in attendance and updated on the pending litigation. Mr. Congress stated that the first telephone conference with the arbitration panel had taken place and the hearing has been scheduled for May 2012 in Palm Beach County. (Arbitrators – William Alheim, John Morack and Harold Stein)

Benchmark Financial Services – Barry Balmuth, who represents the Board, had a motion set for Summary Judgment. The motion has been postponed due to a motion made by Mr. Siedle. In his motion, Mr. Siedle was allowed to add the names of Milberg, Cypen & Cypen and Saxena White as defendants. Mr. Cypen stated that if the named firms were to decide to retain outside counsel would the Board have any objection to them retaining Mr. Balmuth. There would be a separate fee arrangement and Board would incur no expense. There was no objection to the request made by Mr. Cypen.

Mr. Cypen made a request for a Shade Meeting and executive session for sometime in the future to discuss outside of the Sunshine Law, the parameters of these two cases or either one at a time. The Board had no objection.

99-1 Overtime Calculations: Ms. Schell stated that due to an inadvertent error a second letter was mailed to retirees. Contributions will be collected from members who retired as of October 1, 2006 or later.

6. Input From Active and Retired Members of the Plan: N/A

7. Expenditures:

a. Approve Warrants 1581 through 1593 – Chief Giaccone made the motion to waive the reading of the warrants and approve payments. FF Caruso seconded the motion. Motion passes unanimously.

Warrant 1581: Approve Normal Retirement Benefit Enhancements for P.D. Effective August 1, 2011 (1% Enhancement) – Kenneth Herndon (\$2,725.05), Thomas Judge (\$3,114.47), Vincent Mintus (\$3,365.75), Jeffrey Rancour (\$3,529.42), David Ringersen (\$3,494.22), Richard Senff (\$3,031.28)

Warrant 1582: Approve Normal Retirement Benefit Enhancement for F.D. Effective August 1, 2011 (2.5% Enhancement) – Richard Ackerman (\$7,119.77, Robert Brown (\$2,742.57), Alfred Damato (\$2,820.62), James DeCarie (\$2,826.65), Edward Meissner (\$5,211.59), Joseph Weitman (\$4,222.28)

Warrant 1583: Approve DROP Retirement Benefit Enhancement for P.D. Effective August 1, 2011 (1% Enhancement) – Jeffrey Messer (\$5,019.96)

Warrant 1584: Approve Normal Retirement Benefit Enhancements for P.D. Effective September 1, 2011 (1% Enhancement) – Robert Brand (\$4,812.15)

Warrant 1585: Approve Normal Retirement Benefit Enhancement for F.D. Effective September 1, 2011 (2.5% Enhancement) – Dennis Morley (\$2,746.31), Thomas Nabors (\$4,189.48)

Warrant 1586: Approve Refund of Employee Contribution for – Jhony Desir (\$2,463.39)

Warrant 1587: Approve Lump Sum Payment Due to Certification Litigation for Michael Kenopke (\$2,011.30)

Warrant 1588: Approve Travel Reimbursement for Mileage – Adam Frankel (\$63, NCPERS Conference, Miami on May 22-26, 2011. 126 total miles)

Warrant 1589: Approve Per Diem for – Greg Giaccone (\$156.46 to attend FPPTA Conference, June 16-29, 2011, Orlando)

Warrant 1590: Barry S. Balmuth, P.A. (\$3,720.47, Invoice #13780 – Benchmark Financial Litigation)

Warrant 1591: Approve DROP Retirement Pension Benefit Effective Retroactive to June 1, 2011 for – Antonio O'jea (\$6,020.33)

Warrant 1592: FedEx (\$79.88, Account #294499431, Invoice #751937152), AT&T (\$110.66, Account #5110450)

Warrant 1593: Approve Payment for the Following Charges to FIA-Platinum Plus for Business (\$3,346.13, Account #1505)

2 - \$500 Registration Fees for Div. of Retirement Conference for Myers & Palermo

2 - \$297 Hotel Reservation Fees for Div. of Retirement Conference for Myers & Palermo

\$116 – Rotelli Restaurant, May 25, 2011 Pension Meeting

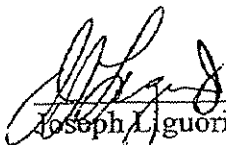
\$446.30 – Office Depot, Office Supplies

8. Adjournment:

FF. Caruso made the motion to adjourn the meeting at 3:15pm. Mr. Kirschenbaum seconded the motion. Motion passes unanimously.

City of Delray Beach Police & Firefighters' Retirement System

The undersigned are the Chairman and Secretary of the Police and Firefighters' Retirement System, Board of Trustees, and the information provided herein are the Minutes of the Meeting of said body for June 15, 2011 which minutes are formally approved and adopted by the Police and Firefighters' Retirement System, Board of Trustees on August 17, 2011.



Joseph Liguori, Jr.
Chairman, Board of Trustees

NOTE TO THE READER: If the minutes that you have received are not complete as indicated above, then this means that these are not the official minutes of the Police and Firefighters' Retirement System, Board of Trustees. They will become official minutes only after they have been reviewed and approved, which may involve some amendments, additions or deletions to the minutes as set forth above.

Copies:	Members of the Board	Acting Finance Director, M. Walinski
	City Commission	Karen Schell, Pension Admin.-Finance
	City Manager, D. Harden	Human Resource Director
	City Attorney, B. Shutt	Police & Fire Departments
	Asst. City Attorney, T. Pyburn	