

City of Miramar Firefighters' Retirement Plan

MINUTES OF MEETING HELD

June 15, 2009

Alan Park called the meeting to order at 9:15 AM in the Conference Room of Fire Station 100 located at 2800 SW 184th Avenue, Miramar, FL. Those persons present were:

TRUSTEES PRESENT

Alan Park, Chairman
Sue Finn, Trustee
Jay Gillette, Secretary

James Estep; Advisory Board
Leo Nunez; Advisory Board

OTHERS PRESENT

Bonni Jensen; Hanson, Perry & Jensen; Counsel
Denise McNeill; Resource Center; Administrator
Greg McNeillie; Dahab Associates; Consultant
Marc Sydnor & Randell Cain; Atlanta Life
Gerome Garrfer & Edwin Hines; Cornerstone
Paul Roukis & Mary Jane Cullinan; Rothschild
Ralph Shive & Eric Bergeson; Wasatch

TRUSTEES ABSENT

Noel Marti, Trustee
Carl Lanke, Trustee

Steve Wells; Advisory Board

Alan Park advised that he had received a letter from the State of Florida's actuary, Keith Brinkman, advising that the 2007 valuation report had been reviewed and approved. Mrs. McNeill explained that the State of Florida is in the process of reviewing all outstanding valuations. Mrs. Jensen advised that the State's prior actuary had been behind on reviewing the reports and the current actuary has been working on bringing the reports up to date.

LARGE CAP VALUE PRESENTATIONS

Greg McNeillie of Dahab explained that as per the Board's previous approval, the Board is looking to invest approximately \$6M into the new asset class. He noted that Atlanta Life Investment Advisors are in the process of buying the company back from Atlanta Life Insurance Company. Mrs. Jensen advised of a letter the administrator received regarding Cornerstone. Mr. McNeillie explained that Cornerstone is represented by a third party marketing company and if the Board chooses Cornerstone, they would not pay any additional fees for the service. Mr. McNeillie explained that the Board will need to confirm if the fees are negotiable with each company. He believes the actual cost for the large cap value should be 60-70 basis points. Mr. McNeillie summarized information on each company the Board has chosen to invite for presentation.

ATLANTA LIFE INVESTMENT ADVISORS

Marc Sydnor and Randell Cain appeared before the Board to present a proposal on behalf of Atlanta Life. Mr. Cain provided historical information regarding their company. He noted that while they work for other fire and police plans in the country, they currently do not have any Florida clients. Mr. Cain went on to review their "bottoms up" stock selection process in detail explaining that they look for capitalization of \$1B and above. He explained the stocks are reviewed on a weekly basis. He went on to review the company's sell discipline. Mr. Cain advised there are currently 46 securities held in the portfolio and the average market capitalization is \$25B. Mr. Cain explained when the

market is up, they have been able to capture 20% more than the market and when the market is down, they are receiving 20% less of the downside. Mr. Sydnor advised he would be the account manager for the plan and he would be able to attend meetings two times per year. Mr. Cain advised an investment of \$5M to \$6M would be acceptable even though the amount is below their initial investment expectation. He also advised that the fees are negotiable. Mr. Sydnor and Mr. Cain departed the meeting at 10:10 A.M.

CORNERSTONE INVESTMENT PARTNERS

Gerome Garrfer and Edwin Hines appeared before the Board to present a proposal on behalf of Cornerstone Investment Partners. Mr. Garrfer explained that Cornerstone is an independent investor with no investment banks and no additional business risk. Mr. Garrfer reviewed the list of police and fire clients in Florida. Mr. Hines reviewed the company's stock selection process in detail. He explained they hold daily investment meetings to discuss various stocks. Mr. Hines advised the company would be able to accommodate the new State mandates related to specific holdings in the portfolio. Mr. Hines explained that he would be the Pension Fund's contact and he would be able to attend Board meetings two times per year. Mr. Hines advised that the fees are negotiable. Mr. Garrfer and Mr. Hines departed the meeting at 10:50 AM.

ROTHSCHILD ASSET MANAGEMENT

Paul Roukis and Mary Jane Cullinan appeared before the Board to present a proposal on behalf of Rothschild Asset Management. Ms. Cullinan provided historical information regarding their company noting their significant longevity. She noted they currently have two Florida clients. Mr. Roukis noted they have outperformed seven of the eight years the portfolio has been in existence. Mr. Roukis reviewed their stock selection process in detail noting they utilize a proprietary stock ranking system as well as fundamental research experience to identify stocks. He noted there are 70-75 stocks in the portfolio. They feel they have strong results relative to their peers with lower risk. Mr. Roukis advised that both he and Ms. Cullinan would be the Board's contact and they would be able to attend quarterly meetings if necessary. Ms. Cullinan advised the fees would be 60 basis points and since it is a comingled plan, the fees are not negotiable. Mr. Roukis and Ms. Cullinan departed the meeting at 11:30 AM.

WASATCH ADVISORS

Ralph Shive and Eric Bergeson appeared before the Board to present a proposal on behalf of Wasatch Advisors. Mr. Shive explained he has been leading their portfolio management since 1989. Mr. Shive provided historical information regarding their company noting they were originally with First South Bank and their division recently merged with Wasatch in the transition. Mr. Bergeson explained that while basic philosophy and process remains the same, they feel it is important to remain flexible. He went on to review their stock selection process in detail noting they integrate both top down and bottom up analysis. Mr. Shive explained there are approximately 80 stocks in the portfolio. Eric Bergeson and Kitty Swenson would be the Board's contact. Mr. Shive advised the fees are negotiable. Mr. Shive and Mr. Bergeson departed the meeting at 12:35 PM.

Mr. McNeillie addressed a consent assignment the Board received from Independence due to their merger with Lee Munder Capital Group.

- Sue Finn made a motion to accept and execute the consent to assignment for Lee Munder Capital Group. The motion received a second by Jay Gillette and was approved by the Trustees 3-0.

Lengthy discussion followed regarding the presentations.

- Sue Finn made a motion to enter into an agreement with Atlanta Life contingent upon Atlanta accepting a maximum fee of 60 basis points. The motion received a second by Jay Gillette was approved by the Trustees 3-0.

The specific amount of the investment will be determined by Greg McNeillie, however the amount is expected to be between \$5M and \$6M.

ADJOURNMENT

There being no further business,

- Jay Gillette made a motion to adjourn the meeting at 1:15 P.M. The motion received a second by Sue Finn and was approved by the Trustees 3-0.

Respectfully submitted,

Jay Gillette, Secretary