

HOLLYWOOD POLICE OFFICERS' RETIREMENT SYSTEM
Office of Retirement
4205 Hollywood Blvd., Suite 4
Hollywood, Florida 33021

February 18, 2011
9:00 AM

MINUTES

A regular meeting of the Hollywood Police Officers' Retirement System was held on Friday, February 18, 2011, began at 9:00 A.M., in the Office of Retirement, 4205 Hollywood Blvd., Suite 4, Hollywood, Florida 33021.

PRESENT: D. Strauss, Chairman, C. Marano, Board Secretary, C. O'Brien, V. Szeto and P. Laskowski

Also present were Janna Hamilton of Garcia Hamilton; Henry Renard & Robert Maddock of Inverness Counsel; Brendon Vavrica and John McCann of Thistle Asset Consulting Group; Steve Cypen, Board Attorney of Cypen & Cypen and David M. Williams, Plan Administrator

Excused Absence: R. Brickman & L. Wiener

READING OF THE WARRANTS

The warrants since the last meeting were reviewed and executed by the Board of Trustees.

APPROVAL OF THE MINUTES OF THE JANUARY 28, 2011 MEETING

Mr. Strauss asked if there were any additions or corrections to the Minutes of the January 28, 2011 pension board meeting. Mr. Szeto made a motion to approve the Minutes of January 28, 2011 meeting, which was seconded by Mr. Laskowski. All board members voted yes.

REQUEST FOR DROP LOANS

Mr. Williams cited the member's loan requests. The members have the funds in their respective DROP accounts to cover the loans and they have all been participants in the DROP plan for the required amount of time. No conflict exists with the 12-month rule.

A.	L. Norris	\$15,000.00
B.	J. Walters	\$ 6,000.00
C.	J. Vogel	\$15,000.00

Mr. Laskowski made a motion to approve the DROP loans as noted, which was seconded by Mr. Szeto. All board members voted yes.

ATTORNEY'S REPORT

Mr. Cypen briefed the Board on proposed pension legislation *(SB1128).

*(A link to the status of this Bill has been placed on the announcement page of our web site www.hollywoodpolicepensionfund.com).

QUARTERLY INVESTMENT REPORTS

Thistle Asset Consulting

A Callan Periodic Table of Investment Returns was distributed and reviewed.

Mr. McCann advised that as of December 31, 2010 the system had 55.7% in equities, 39.9% in fixed income, and 4.4% in cash. As of December 31, 2010, Inverness Counsel (Large Cap Core & Fixed) held 67.2% of the portfolio, Garcia Hamilton (Large Cap Growth) had 12.7%, Eagle had 8.8% (3.4% Mid Cap Core & 5.4% Small Cap Core), Rhumbline (Mid Cap 400 Index) had 3.9%, Buckhead (Large Cap Value) had 6.9%, and the Israel Bonds were at 0.6%.

The total assets were valued at \$224,258,000. For the quarter, Mr. McCann stated that the total fund returned 5.71% vs. 4.89% compared to the target index. This return placed the fund in the top 33rd percentile of the investment universe.

For the rolling one-year period, the fund return was 11.82% (net) vs. 12.08%. In the longer term (*five year period*), the fund ranked in the top 4 percentile returning 4.92% vs. 4.29%.

Another highlight discussed was the one year bond return of 6.93%, which placed out fund in the top 37th percentile. On the equity side of the portfolio, the fund was in the top 14th percentile with a return of 12.43% vs. the benchmark return of 11.59%. Mr. McCann also presented a performance review of each manager.

Mr. McCann indicated that Board should consider rebalancing the fixed account. The matter was tabled as the entire Board was not present. The matter will be addressed at the next quarterly meeting with Mr. McCann.

Inverness Counsel

Mr. Maddock advised that for the quarter that ended December 31, 2010, the Inverness portfolio returned 11.35% for the equities and -1.77% for fixed income. For the last twelve months, the Inverness portfolio returned 14.57% for the equities, in comparison to the S&P 500 which returned 15.06%. The fixed assets for the last year returned 6.93%, compared to the target of 6.24%. The account was valued at \$150,700,000 as of December 31, 2010.

Garcia Hamilton and Associates

Mrs. Hamilton advised for the quarter that ended December 31, 2010, the portfolio returned 13.07% for the equities compared to the Russell 1000 Growth Index of 11.83%. For the last twelve months, the account returned 16.47% for the equities, in comparison to the Russell 1000 Growth Index of 16.71%. The account was valued at \$28,371,000 as of December 31, 2010.

OPEN BOARD DISCUSSION

Mr. Williams advised the Board that a Notice of Nomination & Election was sent out. The seats up for re-election were Mr. Strauss', Mr. Szeto's and Mr. O'Brien's. The close of the nomination process will be February 24th at 9:00 AM. The election will follow on March 1st, if warranted.

Mr. Williams advised the Board that he was in negotiations with representatives from the credit union on a lease renewal. Mr. Williams will bring a proposal back to the Board to consider when it is received.

Mr. Williams presented the final supplemental distribution paperwork to the Board, as it was approved at the meeting of January 28, 2011.

Source of the following chart: Letter of February 10, 2011, by Mr. Jose Fernandez, Board Actuary.

(a). Return in excess of 8%	1.18%
(b) Dollar amount of excess return	\$2,068,470
(c). Present value of Retiree and Beneficiary Liability	\$217,289,675
(d). (a). x (c).	\$2,564,018
(e). Distribution Amount Lesser of (b). or (d).	\$2,068,470

MEETING ADJOURNED

There being no further business, the meeting was adjourned at 10.15 A.M.

Respectfully submitted,

C. Marano, Secretary

APPROVED:

D. Strauss, Chairman