

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

March 29, 2013
10:30 A.M.

MINUTES

A regular meeting of the Hollywood Police Officers' Retirement System was held on Friday, March 29, 2013, at 10:30 A.M., in the Office of Retirement, 4205 Hollywood Blvd., Suite 4, Hollywood, Florida 33021.

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

Excused Absence: L. Wiener.

Also present were Kee Eng, City of Hollywood; Dave Griffin & Deneen Bingham of Buckhead Capital; Steve Cypen, Board Attorney of Cypen & Cypen and David M. Williams, Plan Administrator.

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 FEBRUARY 22, 2013 MEETING

Mr. Strauss asked if there were any additions or corrections to the Minutes of the February 22, 2013, pension board meeting. Mr. Szeto offered his update which was duly noted. Mr. Szeto made a motion to approve the Minutes of February 22, 2013 which was seconded by Mrs. Marano. All board members voted yes.

ADMINISTRATIVE REPORT

Mr. Williams presented the Administrative Report to the Board.

DROP LOANS: Mr. Williams cited respective member's loan requests. Outlined that the members have the funds in their personal 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. Mr. O'Brien made a motion to approve the DROP loans as noted, which was seconded by Mr. Laskowski. All board members voted yes.

SUPPLEMENTAL DISTRIBUTION: Mr. Williams indicated that Mr. Doug Beckendorf, State of Florida responded to the Board's inquiry of January 28, 2013, with regard to the supplemental distribution. Mr. Williams presented the letter to the Board which reaffirms Mr. Beckendorf's position that that the Board's action is correct. Mr. Williams indicated that he has prepared the required notices to go to each member of the plan. Further that he (Mr. Williams) is ready to post the active drop members effective April 1, 2013 and to release the funds on May 1, 2013 to the retired members. Any forms not received back from retired members will be deferred until the following month. Motion by Mr. O'Brien to approve the supplemental distribution prepared by Mr. Fernandez (dated January 21, 2013) & distribute as noted by Mr. Williams. This motion was seconded by Mr. Laskowski. All board members voted yes.

AMERICAN REALTY ADVISORS – UPDATE: Mr. Williams indicated that he received a communication from Mr. Jay Butterfield of American Realty Advisors dated March 8, 2013. The correspondence was a capital call for our real estate commitment. Mr. Williams reflected the amount requested was \$1,125,000.00 of the \$7,500,000.00 committed. Mr. Williams indicated that based on prior approval, the necessary arrangements have already been put into motion for an April 1, 2013 capital call distribution.

ATTORNEY'S REPORT

Mr. Cypen advised that he was contacted by Mr. Williams with regard to the City of Hollywood considering a change to term limits through a police pension ordinance revision. Mr. Cypen followed up with Mr. Fallick, Assistant City Attorney to ensure compliance with all applicable laws.

Mr. Cypen advised that he would like Mr. Williams to arrange a closed Attorney-Client meeting prior to our next scheduled meeting.

NEW BUSINESS - Portfolio Security Monitoring Agreement – Robbins Geller

Mr. Williams presented an engagement agreement for portfolio monitoring before the Board for consideration. Mr. Williams stated that it has become commonplace for pension plans to have multiple firms monitoring the portfolio. He felt having an additional firm(s) watching over our assets would be a form of checks and balances. Mr. Williams advised that the Board currently uses the professional services of Saxena White. Like our current security monitor, Robbins Geller performs the services at no cost to the Fund. Mr. Williams stated that this has been an open issue for some time and would recommend the Board approve the agreement. Mr. Cypen advised that he has reviewed the agreement and it is prepared for execution. Mrs. Marano made a motion to approve the engagement agreement with Robbins Geller Rudman & Dowd LLP and directed the Chairman of the Board to execute the necessary documents. This motion was seconded by Mr. Szeto. All board members voted yes. Mr. Williams closed by advising the members if they have other firms in mind to let him know.

QUARTERLY INVESTMENT REPORT- Buckhead Capital

Mr. Dave Griffin & Mrs. Deneen Bingham appeared before the Board to review the Buckhead Capital Portfolio. Mr. Griffin stated the market value of Buckhead Account was at \$18,107,959.00, as of December 31, 2012. In the last quarter Mr. Griffin indicated the investment return was 6.36%, compared to the Russell 1000 Value of 6.5% & 5.77 for the DJIA. For the trailing 12 months, the Buckhead Account returned 11.68%. On the 3 & 5 year returns, the Buckhead Account return was 7.04% & 4.56% respectively.

The Russell 1000 Value Index was discussed by Mr. Griffin and how it relates to the high quality portfolio held by Buckhead. For 2012 securities with a quality ranking of B or worse returned 18.6%. For the same timeframe equities that were ranked B+ or better returned over 400 basis points less. On a quarterly basis, the difference was 4.5% (B or worse) vs. 2.7% (B+ or better). In terms of positioning, B or worse held a 63% position in the Russell 100 value Index.

A market commentary was presented for the Board to consider.

OPEN BOARD DISCUSSION

Mr. Williams informed the Board that he expects the Actuarial Valuation to be presented at the next meeting.

MEETING ADJOURNED

There being no further business, the meeting was adjourned at 11:00 A.M.

Respectfully submitted,

C. Marano, Secretary

APPROVED:

D. Strauss, Chairman