

Police Officers' Pension  
Board of Trustees  
January 23, 2008 9:30 a.m.

Board Members Present:

Eric Ball, Chair  
Rex Hannaford, Secretary  
Mike Stinson

Board Members Absent:

Gerald White

Staff and others present:

Scott Christiansen, Attorney  
Marty LaPrade, Sawgrass Asset Management  
Rusty Creighton, Sawgrass Asset Management  
Diane Ponder, Administrative Assistant

Chairman Ball called the meeting to order at 9:35 am.

1. APPROVAL OF MINUTES

**MOTION:** Mr. Hannaford moved, Mr. Stinson seconded and motion carried 3-0 to approve the November 30, 2007 minutes as presented.

2. INVESTMENT REVIEW

Mr. LaPrade, Sawgrass Asset Management, introduced Rusty Creighton, a new member of the firm on the investment side. Mr. LaPrade reviewed the portfolio's investment activity for the period ending December 31, 2007, reporting a value of \$7,632,925. He discussed the growth vs. value issue, opining the growth strategy has paid off well, and recommended the same approach for the remainder of the year. Mr. LaPrade reviewed the bond portfolio, confirming his firm is not taking any risk in the bond portfolio. Mr. Creighton reviewed the performance of the stock market, the risk of a recession and the fact volatility in the market will remain for a time. He discussed the information technology investments in the current market vs. their performance in the last down-turn of the market.

Dave West, Bogdahn Consulting began his review by informing the Board the new operating name of his firm will be Bogdahn Group. Mr. West reviewed the Performance Evaluation for Sawgrass Asset Management for the quarter ending December 31, 2007, stating the fund realized a positive 1.12% for the quarter. Mr. West was asked to confirm why the fund shows a negative net flow. His firm recommended no change in investment strategy at this time.

In response to Mr. West's request for direct submittal of his firm's quarterly statement to Salem Trust, staff confirmed that Bogdahn Group has been identified as a direct pay vendor with Salem Trust.

4. REVIEW OF EXPENSES

- A) Salem Trust Company's Schedule 2.3 Administrative Expenses August – October, 2007; Schedule 2.4 Other Expenses for September 30, 2007
- B) Christiansen & Dehner – December 2007 and January 2008 billing
- C) Bogdahn Consulting, LLC – Quarterly billing ending December 31, 2007
- D) Sawgrass Asset Management – Quarterly billing ending December 31, 2007
- E) Salem Trust – Quarterly billing ending December 31, 2007
- F) FPPTA – Trustees School Registration for Mike Stinson
- G) Sawgrass Marriott Resort & Spa – Reservation for Mike Stinson
- H) Mike Stinson – Trustees School per diem

I) Florida Municipal Insurance Trust – Fiduciary Insurance

**MOTION: Mr. Stinson moved, Mr. Hannadord seconded and motion carried 3-0 to approve the expenses as presented.**

**5. SOCIAL SECURITY NUMBER COLLECTION DISCLOSURE STATEMENT**

Attorney Christiansen explained the law regarding the collection of social security numbers has been amended to require some reporting to the state and that the entity requesting a number must give a statement explaining the reasons for the request. In the short term the statement will be attached to forms containing the request; in the long-term all the Board's forms will be amended.

**6. ANNUAL REPORTING OF INSURANCE COVERAGE**

Attorney Christiansen explained that when professionals representing pension board make mistakes it can cost that board. In an effort to protect the pension plan, each vendor to the Board has been asked to provide their Errors & Omissions insurance rider. Staff reported all policies have been received.

Staff confirmed the health insurance pre-tax advantage for retirees has been put in place.

**7. ATTORNEY CHRISTIANSEN'S REPORT**

Mr. Christiansen discussed the pending legislation from the last session that has been reintroduced:

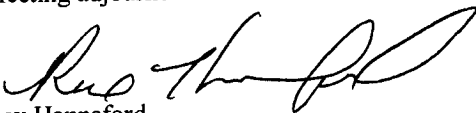
- Maximum investment of 20% in the international stock market vs. the current 10%
- Higher minimum disability payment (70-80% vs. current 42%) in the event a police officer becomes disabled in the line of duty as the result of an intentional act

Attorney Christiansen discussed the provision in the pension plan regarding the maximum benefit limitation of \$160,000 and the requirement to monitor the limitation by Chapter 415. He reported that after contacting a governmental tax attorney, he is in the process of creating operational rules and procedures for the required testing.

Mr. Hannaford inquired as to the requirements for the 5<sup>th</sup> Trustee that is currently vacant. Attorney Christiansen confirmed that a retiree can sit as the 5<sup>th</sup> Trustee.

**MOTION: Mr. Hannadord moved, Mr. Stinson seconded and motion carried 3-0 to appoint Mr. Kenny Bright to fill the vacancy.**

Meeting adjourned at 10:45 am.

  
Rex Hannaford  
Secretary