

BOARD OF TRUSTEES OF THE CITY PENSION FUND FOR FIREFIGHTERS & POLICE OFFICERS

In the City of Pembroke Pines
Hampton Professional Center
1951 NW 150th Avenue – Suite #104
Pembroke Pines, FL 33028

REGULAR MONTHLY MEETING – AUGUST 18, 2011

The three hundred and ninety-fourth meeting of the Firefighters and Police Officers Pension Fund in the City of Pembroke Pines was called to order at 2:05 p.m. by Chairman James Ryan.

1.	Roll Call –	<u>Fire Members</u>	<u>Police Members</u>	<u>City Members</u>
		Adam Cabeza	Carl Heim (arr. 3:30 pm)	Gary Arenson (arr. 2:20 pm)
		Steven Dougherty	Kevin McCluskey	Vicki Minnaugh
		Frank Musumeci (arr. 2:20 pm)	James Ryan	

Isadore Nachimson has requested an excused absence due to an injury. Motion by Vicki Minnaugh, second by Steve Dougherty, to excuse Isadore Nachimson for this meeting. The motion carried unanimously.

Others Present: Greg McNeillie and Steve Roth from Dahab Associates; Allison Corbally from State Street Global Advisors; Laura McDonald and Chris Sunderland from Eaton Vance Management; Robert Maddock from Inverness Counsel, LLC; Larry Wilson from Gabriel, Roeder, Smith & Co.; Stephen H. Cypen, Esq., Attorney for the Fund; Karen H. Warner, Plan Administrator; and James Fisher, Asst. Plan Administrator.

2. **Dahab Associates – Performance Report for Q/E 6/30/2011.** Greg McNeillie and Steve Roth represented the firm this date. As disclosed in Dahab's separate written report, the Fund's total gross return was 0.4% for the quarter ended 6/30/2011, with a portfolio value of \$339,162,751. The increase in assets totaled \$3,069,060 since the March quarter end, comprised of \$1,862,865 in total net contributions and net investment return of \$1,206,195. Investment of the total portfolio was 58.5% in domestic equities, 24.9% in fixed income (including State of Israel Bonds), 7.5% in international equities, 4.9% in real estate and 4.2% in cash and equivalents. The following gross returns, detailed by manager, were reported:

Quarter Ended 6/30/2011						Trailing 12 Months
	Equities	Equity Bench- mark	Fixed Income	Fixed Inc. Bench- mark	Total Portfolio	
Atlanta Capital	2.5%	-1.6%	---	---	2.5%	43.1%
Buckhead	-0.5%	-0.5%	---	---	-0.5%	22.2%
Eaton Vance	-0.4%	-0.5%	---	---	-0.4%	23.6%
Inverness	-2.6%	0.1%	2.4%	2.2%	-0.1%	13.6%
Lee Munder	0.6%	0.8%	---	---	0.6%	36.0%
SSgA Midcap Index	-0.7%	-0.7%	---	---	-0.7%	39.4%
SSgA Intl Equity	0.6%	0.6%	---	---	0.6%	32.0%

Quarter Ended 6/30/2011			Trailing 12 Months
	R.E.	R.E. Bench-mark	
Am. Realty Advisors	3.8%	4.6%	17.7%
AmSouth Timber Fd.	0.3%	0.7%	1.9%
BlackRock	4.2%	4.6%	21.5%
TA Assoc Realty	1.1%	4.6%	1.8%

Highlights of their written report:

- The US economic expansion continued through the first half of the year but at a slower pace than had been experienced in 2010. While the industrial sector continued to expand, housing languished and consumers found themselves spending more on gas and food.
- The employment situation is not good. After falling to 8.8% last April, the unemployment rate climbed to 9.2% by June. The economy needs to add roughly 150,000 new jobs each month to prevent higher unemployment. There are three key reasons for the eroding picture: (1) significant layoffs by Federal, State and local governments around the country; (2) the fact that small and especially large employers would rather pay for overtime than hire new staff; and (3) further layoffs in the construction, finance and temporary services industries.
- Housing figures offered no promise for relief. The activity levels of existing home sales and new home starts remained historically depressed despite record affordability and absolutely low mortgage rates available to creditworthy borrowers.
- US equity markets were essentially flat during the quarter – up in April, down in May and volatile in June. Daily volatility seemed to hinge upon the perception of the likelihood of Greek default and its impact on global banking.
- International Equities – Overall, offshore market results were much the same as they were in the US. Within Europe, investors decidedly favored countries with solid growing economies (Switzerland, Germany, France and the UK). Predictably, the most dramatic decline belonged to Greece, whose index plummeted 16.3%. Japan's stock market (that country still dealing with the March earthquake and tsunami) posted a nominal 0.2% return. Australia lost 0.6% due to drought and reduced Chinese demand for its exports. Emerging market performance continued its temporary fall from grace after phenomenal 2009-2010 gains. Among the disappointments: Brazil (lost 4.0%); Russia (fell 5.4%); India (dropped 3.6%); and China (dipped 1.8%).
- Bond Market – The Barclays Aggregate Index advanced a healthy 2.3%, higher than both US and international equities. Unlike recent quarters, Treasury securities stood out favorably. This was attributable to several factors, including a modest flight to quality, reduced inflation concerns, an unchanged Fed Funds' rate, and a downward revision for corporate growth.

For the quarter, the fund was overweight in equities and underweight to real assets (real estate and timber). Inverness equities were the biggest detractor in terms of return. Higher levels of cash did not help. Additional capital can be committed to American Real Estate and BlackRock, as both are open-ended funds. TA Associates hasn't done very well due to being more aggressive, so now is probably not the right time to invest additional money into that fund. Another timber product needs to be found, as Amsouth's current fund is closed. Real estate will tend to out-perform when bonds do not, and serves as an inflation hedge. Mr. McNeillie also feels the Board should still consider separating the Inverness portfolio between equities and fixed income/cash, as it is currently combined into one portfolio and oversight is more difficult.

The large cap growth portfolio (Lee Munder) is concentrated and volatile. Mr. McNeillie believes initiating a search for an additional LCG manager would be appropriate. Motion by Vicki Minnaugh, second by Gary Arenson, authorizing Dahab to proceed with a large cap growth manager search. The motion carried unanimously.

On the large cap value side, Mr. McNeillie reaffirmed his prior recommendation that Buckhead be replaced. Dahab has already completed a search for managers who will outperform on the down-side but also capture more of the up-side. Following discussion, motion by Vicki Minnaugh, second by Adam Cabeza, to hear presentations at the September 15th meeting from Cornerstone Investment Partners, Fiduciary Management, Herndon Capital Management and O'Shaughnessy Asset Management. The motion carried unanimously. Presentations will begin promptly at 3:00 p.m. and presenters should be advised they will be allotted a maximum of twenty minutes each.

Discussion followed regarding alternative investments in order to increase fund returns, and overlapping securities between managers. When Mr. McNeillie returns with large cap growth manager search results, he will offer some alternatives at that time for Board consideration.

Steve Roth is the Director of Manager Research with Dahab and spoke briefly on what has been going on in the market and the effects of recent events. They are modestly optimistic for Q/E 9/30/2011.

3. **State Street Global Advisors – Investment / Market Report.** Allison Corbally represented the firm this date. SSgA's separate written report indicates a portfolio market value of \$30,150,506 (Midcap Index Fund) and \$25,326,525 (All International Fund) for a total market value of \$55,477,032. Appreciation for the Q/E 6/30/2011 totaled \$3,539,007. Gross return for the quarter was -0.71% (Midcap) and 0.62% (International).

Ms. Corbally reported that the SSgA international portfolio posted returns ahead of their benchmark for three-month, year-to-date, and twelve-month time periods. Their 3-year and 5-year returns continue to include 2007 and 2008 under-performance numbers. SSgA's style was out of favor at that time but they believe they are making headway in achieving expected returns. This portfolio is invested in the full broad spectrum of non-US equity markets. She also reviewed strategy objectives and characteristics.

State Street appreciates the opportunity to continue serving as manager for international and midcap index fund assets.

4. **Eaton Vance Management – Investment / Market Report.** Laura MacDonald, Relationship Manager, and Chris Sunderland, Institutional Portfolio Manager, represented the firm this date. Ms. MacDonald reviewed a portion of their booklet as it pertains to performance. The net asset value was reported to be \$14,892,174 in this large cap value portfolio. She stated the gross and net returns for the quarter were -0.4% and -0.5% respectively. Since inception (9/29/2008), this portfolio has experienced a net annualized return of 2.4%.

Mr. Sunderland addressed performance challenges for this type of strategy and believes that the most difficult period is finally behind us. One would probably have to go back to 2003/2004 to find a period that was as difficult. Despite the tough environment, Eaton Vance believes we have entered a new era where the market is again focused on fundamentals; a flight to high-quality stocks is anticipated. Mr. Sunderland also reviewed characteristics of this portfolio in terms of market cap and return on equity (as compared to the Russell 1000 Value Index) and the top 10 over/underweight holdings. The portfolio is overweight in quality stocks and reflects a nice large cap bias.

5. **Inverness Counsel – Investment / Market Report.** Robert Maddock represented the firm this date. As stated in their separate report, the total portfolio value on 6/30/2011 was \$164,039,799 with an asset allocation of 42.7% to equities, 49.5% to fixed income and 7.8% in cash and cash equivalents. The total portfolio returned 6.8% for the fiscal year to date through June 30th. Mr. Maddock also reviewed their compliance report for the quarter.

It has been painful enduring the market for the last year or so. Mr. Maddock reviewed the top 10 equity holdings and sector weightings, as well as the largest contributors and detractors in terms of return.

Inverness also provided the following written commentary:

As highlighted in the 3/31/2011 commentary, we expect market volatility to remain high for the remainder of 2011. This was certainly the case in the second quarter. For the quarter, the S&P 500 declined only 0.40%; however, the index dropped over 7.0% from its recent peak in early May, then rallied nearly 4.2% during the final four trading days of June. Year to date, the S&P 500 has returned 6.0%, including dividends.

This quarter marked a major sector rotation as economically sensitive sectors (Financials, Energy, Materials and Industrials) all underperformed the market. These sectors had been the driving force propelling the market higher over the past nine months with each sector, except for financials, significantly outperforming the market. Defensive oriented sectors (Healthcare, Consumer Staples, and Utilities) outperformed during the quarter as investors sought safety in historically less volatile sectors.

A Meaningful Correction or a Sustainable Rally – Today the most frequent question the street is debating is whether the pullback in May represents the start of a more meaningful correction or whether the subsequent late June market rally is sustainable. Although we have experienced a few pullbacks over the market's two year plus charge higher, the S&P 500 has increased nearly 98% from the March 2009 lows with only one significant (greater than 10%) retracement. This rebound has clearly been impressive, yet the market remains 16% below its high reached in the fall of 2007.

Through the beginning of May, the market's rise was largely supported by robust company operating results and strong economic data. More recently, the strength of the economic data as well as investor sentiment has weakened. Consumer Confidence dropped to the lowest level since November of last year as gasoline prices remained in excess of \$4.00 per gallon in many parts of the country. The unemployment rate unexpectedly ticked higher to 9.1% as job creation fell short of expectations. The possibility of a US credit rating downgrade has increased as Congress struggles with the looming debt ceiling. All of these factors are starting to weigh on the markets.

Even though the prospect of a Greek sovereign debt default appears to be temporarily avoided, the unwinding of the government's quantitative easing program, further deterioration in the US housing market, and weaker than expected job growth are all sizable issues we faced last summer that have yet to be resolved. These pre-existing concerns coupled with the recent geo-political uprisings in the Middle East and the devastation in Japan have increased the underlying volatility and risk profile of the broader markets.

While the global economy has sufficiently improved to weather these storms, difficult decisions will be required in order to see meaningful and lasting resolution to these issues.

The Glass Remains Half-Full – Although we think further short-term downside in the market could be justified, given the magnitude of the index's gain and the recent weakening of economic data, we remain optimistic and think this is only a soft patch in the US economic recovery. GDP growth is expected to improve in the second half of the year and trend over 3.0% heading into 2012. Corporate earnings growth remains strong with nearly two-thirds of S&P 500 companies exceeding expectations last quarter. Merger and acquisition activity along with renewed share buybacks could accelerate as companies put their near record cash balances to work. New technology innovations should drive further productivity gains, and the market's valuation is attractive, trading at 12.5 times forward earnings versus its ten year historical average of 15.4 times.

Interest Rates, Commodities and Inflation – Where Do We Go from Here... – Since the fourth quarter of 2008, the Federal Reserve has been extremely accommodative with their monetary policy in an effort to stimulate the economy via a low interest rate environment. Although the yield on the 10 year treasury bond has increased nearly 50% from record low levels (2.1% in December 2008) as equity markets and prospects for economic growth improved, rates are still extraordinarily low versus historical levels. Last quarter treasury yields declined for the first time in nine months as expectations for future rate increases were pushed out due to the recent downturn of the underlying economic data. While interest rates may ultimately be dictated by market forces (US economic growth, stock market appreciation, foreign governments purchasing of treasuries), we continue to think the Federal Reserve will focus on stimulating economic growth and will only raise its target interest rate when it feels GDP growth is sufficiently sustainable.

The value of the dollar continues to decline in the current low interest rate environment. Commodity prices have soared as global demand intensifies and the dollar decline persists. Over the past year, soybeans are up over 40%, corn is up over 50%, while sugar is up an astonishing 67%. Prices will likely remain elevated as flooding in the mid-west is expected to reduce the output of this year's US based soybean and corn harvests. Conversely, industrial based commodities (oil, copper, aluminum) have experienced sizeable price declines over the past two months as global growth may be slowing, led by a downturn in China.

Overall, inflation is becoming a bigger concern given the availability of credit and rising commodity input costs. The CPI Index has steadily risen since the start of the year and is expected to trend higher. Although the Federal Reserve contends that inflation remains relatively benign and transitory, companies are beginning to paint a different picture. Numerous firms have increased their prices of finished goods in order to offset rising commodity input costs. Perhaps more troubling, companies are starting to see margin compression as they are unable to pass along 100% of the input cost increases. As a result, we continue to focus on companies that are driving margin expansion and have sustainable pricing power.

Course of Action – We modestly added to our Healthcare and Consumer Staples holdings given their defensive nature and attractive dividend yields and selectively reduced our exposure to cyclical sectors (Industrial, Energy and Materials) as valuations became stretched and global growth concerns increased. We remain underweight in Financials as we wait for further clarification on the impact of new government regulations will have on banks' earnings power.

Going forward, we plan to take advantage of heightened volatility and build positions in names that we think offer compelling growth opportunities at attractive valuations. We believe many of these investments will be companies that are exposed to strong growth in the emerging markets, companies that are able to monetize their competitive advantage, and companies that are able to expand operating margins throughout the business cycle.

The Board recessed at 3:55 p.m. and reconvened at 4:15 p.m.

6. **Approval of Minutes for July 21, 2011.** Chairman Ryan presented minutes from the July 21, 2011 meeting for approval. Motion by Gary Arenson, second by Vicki Minnaugh, to approve as presented. The motion carried unanimously.
7. **Approval of Warrant #522.** Chairman Ryan presented Warrant #522 in the amount of \$175,627.95 for approval and payment. Motion by Vicki Minnaugh, second by Gary Arenson, to approve as presented. The motion carried unanimously, authorizing the payment of:

Cypen & Cypen – Monthly Retainer for August, 2011	\$3,250.00
Hampton Professional Center Condo No. 2 – Mo. Maint. (Suite #104) September, 2011	\$407.72
Karen Warner – Mo. Allowance for August, 2011 (Med/Dental/Life)	\$375.00
James Fisher – Mo. Allowance for August, 2011 (Med/Dental/Life)	\$113.00
LEAF – Xerox Copier Lease for August	\$194.23
Twilight Industries, LLC – Office Maintenance for August, 2011	\$152.00
Atlanta Capital Management Co., LLC – Inv. Mgmt. Fees for Q/E 6/30/2011	\$61,919.00
State Street Global Advisors – Inv. Mgmt. Fees for Q/E 3/31/2011 (S&P Midcap)	\$5,888.59
State Street Global Advisors – Inv. Mgmt. Fees for Q/E 3/31/2011 (International)	\$49,924.64
State Street Global Advisors – Inv. Mgmt. Fees for Q/E 12/31/2010 (S&P Midcap)	\$5,275.01
State Street Global Advisors – Inv. Mgmt. Fees for Q/E 12/31/2010 (International)	\$46,510.92
FP&L – Service Dates 6/28/2011 – 7/27/2011	\$217.84
Richard L. Ziff, P.A. – DROP Loan Processing Fees (August)	\$1,400.00

TOTAL **\$175,627.95**

8. **Approval of DROP Loan(s)** – The following DROP Loan applications were presented for Board consideration:

▪ P/O Ruben Alvarez	***	▪ P/O Gary Jomant	***
▪ P/O Michael Banks	***	▪ P/O Nick Naples	***
▪ P/O Kim (Panetta) Diaz	***	▪ P/O Glen Parker	***
▪ P/O John Hess	***	▪ P/O Louis Sorangelo	***

*** (See Attachment A)

Motion by Vicki Minnaugh, second by Gary Arenson, to approve the DROP Loans for Ruben Alvarez, Michael Banks, Kim (Panetta) Diaz, John Hess, Gary Jomant, Nick Naples, Glen Parker and Louis Sorangelo as presented. The motion carried unanimously.

9. **Request for DROP Account Distribution(s)** – The following DROP account distribution requests were presented for Board consideration:

▪ P/O Michael Banks	Lump Sum	***	▪ F/F Michael Kowalak	Lump Sum	***
▪ F/F Gabriel Cardenas	Monthly	***	▪ P/O Michael Segarra	Lump Sum	***
▪ F/F George Hussar	Monthly	***	▪ F/F Ariel Villarreal	Lump Sum	***

*** (See Attachment A)

Actuary Larry Wilson has provided the necessary letters indicating these distributions would not pose a problem with the 415 limitation at the present time. Motion by Vicki Minnaugh, second by Gary Arenson, to approve the distribution requests for Michael Banks, Gabriel Cardenas, George Hussar, Michael Kowalak, Michael Segarra and Ariel Villarreal as presented. The motion carried unanimously.

UNFINISHED BUSINESS

10. **Ad Hoc Committee Recommendation** – Trustee Arenson reported that this Committee met for a second time to finalize the benefits recommendation for Pension Office staff. Office policies for vacation, sick time, holidays and deferred compensation were approved by the Board on July 21, 2011 (see Committee minutes from June 16, 2011). The final issue to be addressed is the amount of monthly insurance reimbursement.

Trustee Arenson has obtained information that the City currently pays the following monthly amounts on behalf of each general employee:

- For health insurance: \$629, plus
- For life insurance: An amount equal to \$.12 per thousand dollars of salary (up to a maximum of \$100,000) to provide insurance equal to 1 x salary.

Current and future staff will have the option of (a) taking the monthly allowance as income or (b) establishing a Health Savings Account. It was noted that the above amounts could change as updated by the City. That portion of the monthly allowance for health insurance will be prorated based upon the number of hours an employee works (if less than 40 hours per week).

Following discussion, motion by Gary Arenson, second by Vicki Minnaugh, that the Pension Fund mirrors the health and life insurance benefits provided to City general employees, with respect to current and future Pension Office staff, effective August 1, 2011. The motion carried unanimously.

NEW BUSINESS

11. **Discuss – Commission Recapture Correspondence from ConverqEx.** The Pension Office has received a request from ConverqEx to update letters to all investment managers. Greg McNeillie summarized how the recapture program works, adding that he does not believe updated letters are necessary and certainly not with the minimums ConverqEx has proposed. The Pension Office will notify ConverqEx that the letter currently on file from 2004 should be satisfactory. Mr. McNeillie will contact the broker as well to make sure they understand that the manager guidelines already include instructions regarding this arrangement.
12. **Review / Approve – Gross and Net Rates of Return for Q/E 6/30/2011.** The trustees reviewed Dahab Associates' letter confirming the Gross Rate of Return was 0.36% and the Net Rate of Return was 0.27%. Motion by Gary Arenson, second by Vicki Minnaugh, to approve the Gross and Net rates of return for Q/E 6/30/2011 as provided by Dahab Associates. The motion carried unanimously. This information will be provided to Actuary Larry Wilson, enabling GRS to update DROP account balances.
13. **Review / Approve – Investment Management Agreement for Stewart Capital Advisors, LLC.** Since agenda packets were mailed out, the Pension Office has also received the Management Agreement for Lee Munder Capital Group, LLC which has been reviewed by Attorney Cypen's office. Karen Warner asked that the Board consider adding this agreement to the agenda if meeting with their approval. Motion by Vicki Minnaugh, second by Gary Arenson, to add the Lee Munder agreement to the agenda for approval. The motion carried unanimously.
- Motion by Vicki Minnaugh, second by Gary Arenson, to approve the Investment Management Agreements for Stewart Capital Advisors, LLC and Lee Munder Capital Group, LLC as presented; and authorizing the Chairman to execute same. The motion carried unanimously.
14. **Trustee Election Update.** Jim Fisher reported that only two Police nominations and two Fire nominations were received by the filing deadline; therefore it will not be necessary to move forward in the ballot process. It was noted, however, that Trustee McCluskey has chosen not to run again, so there is one new Police Trustee. Adam Cabeza and Frank Musumeci will continue to represent Fire for the 2-year term ending 9/30/2013. Carl Heim and Al Xiques will represent Police for the 2-year term ending 9/30/2013. Motion by Gary Arenson, second by Vicki Minnaugh, to approve the Trustee Election Results as presented for the 2-year term 10/1/2011 – 9/30/2013. The motion carried unanimously. The Pension Office was asked to confirm whether the oath of office previously taken by Trustees Cabeza, Heim and Musumeci is open-ended or needs to be taken again.

15. **Reports:**

Actuary – Actuary Larry Wilson reported that this plan has long dealt with IRC § 415 issues. GRS has provided information and a cost estimate to develop a “415 calculator”. This would be a tool for administrative staff to use in determining if a DROP withdrawal was significant enough to send out to GRS for a 415 letter. Their quote to develop is \$3,420. Annual updates due to any IRS changes would be based upon standard GRS hourly rates. Motion by Vicki Minnaugh, second by Gary Arenson, to authorize GRS to develop a 415 calculator as per their proposal dated August 17, 2011. The motion carried unanimously. Since IRS notifications are generally effective for calendar years, the target date for implementation will be January 1, 2012.

Mr. Wilson also addressed the possible effects of SB 1128 on this plan, and Government accounting standard changes.

Attorney – Attorney Cypen reported on the Miami Beach referendum that was the focus of his Newsletter / Special Supplement dated August 4th.

Chairman – Chairman Ryan reported that he asked the Pension Office to schedule Dr. Cornel J. Lupu for an upcoming board meeting if possible. He has confirmed for the September 15th meeting, which will give the Trustees an opportunity to ask questions and address concerns as they relate to disability IME's.

Plan Administrator – The Pension Office has been contacted by State of Israel Bonds. There is a bond maturing in the near future; their representative will address the Board at the September 15th meeting.

Chapter 175 & 185 Distributions have been posted on the State's website. Initial disbursements should start being released around August 22nd, followed by the Fire Supplemental disbursement in October.

The Pension Office has inquired into the custody fee situation with Fiduciary Trust, as it will be necessary to establish new accounts for Stewart Capital and Lee Munder Midcap. The bank has confirmed a flat rate of 4 basis points on the entire market value, with no transaction fees assessed. This represents a reduced fee from their standard charge of 5.85 basis points + transaction fee.

The City Clerk's Office has confirmed reappointment for both Vicki Minnaugh and Isadore Nachimson, per City Commission action taken on August 3rd.

The Pension Office is in receipt of additional bills for payment and other disbursements for approval. Chairman Ryan presented Warrant #523 for addition to the agenda and approval for payment. Motion by Steve Dougherty, second by Carl Heim, to add Warrant #523 to the agenda. The motion carried unanimously. Motion by Adam Cabeza, second by Vicki Minnaugh, to approve the payment of Warrant #523 as presented in the amount of \$727,515.27. The motion carried unanimously, authorizing the payment of:

Plan Benefits:

F/F Gabriel Cardenas – Normal Retirement Benefit Commencing 9/1/2011	***
F/F George Hussar – Normal Retirement Benefit Commencing 9/1/2011	***
P/O Melody Barry – Disability Retirement Benefit Effective 7/22/2011	***

DROP Withdrawals:

P/O Michael Banks – Lump Sum DROP Withdrawal	***
F/F Gabriel Cardenas – Monthly DROP Withdrawal Commencing 9/1/2011	***
F/F George Hussar – Monthly DROP Withdrawal Commencing 9/1/2011	***
F/F Michael Kowalak – Lump Sum DROP Withdrawal	***
P/O Michael Segarra – Lump Sum DROP Withdrawal	***
F/F Ariel Villarreal – Lump Sum DROP Withdrawal	***
U.S. Treasury – FIT Withholding (Banks-Kowalak-Segarra-Villarreal)	***

DROP Loans:

P/O Ruben Alvarez	***
P/O Michael Banks	***
P/O Kim (Panetta) Diaz	***
P/O John Hess	***
P/O Gary Jomant	***

P/O Nick Naples	***
P/O Glen Parker	***
P/O Louis Sorangelo	***

Documentary Stamp Taxes for DROP Loans:

Florida Department of Revenue – Documentary Stamp (Alvarez)	***
Florida Department of Revenue – Documentary Stamp (Banks)	***
Florida Department of Revenue – Documentary Stamp (Diaz)	***
Florida Department of Revenue – Documentary Stamp (Hess)	***
Florida Department of Revenue – Documentary Stamp (Jomant)	***
Florida Department of Revenue – Documentary Stamp (Naples)	***
Florida Department of Revenue – Documentary Stamp (Parker)	***
Florida Department of Revenue – Documentary Stamp (Sorangelo)	***

Various:

SunTrust Bank (Visa – Fisher)	Bd Mtg / Ofc Supplies	\$135.02	
	Gasoline	50.10	
	Cbeyond (phones & internet)	435.00	
	DirectTV (2 months)	98.45	
	Pest Control	35.00	
	Monthly Storage	104.00	
		<u>\$857.57</u>	\$857.57
SunTrust Bank (Visa – Warner)	Xerox (mo. Maintenance + supplies)	\$336.74	
	Bd Mtg / Ofc Supplies	41.93	
	ISP	24.95	
		<u>\$403.62</u>	\$403.62
Gabriel, Roeder, Smith & Co. – Prof. Services for July, 2011			\$4,050.00
Fiduciary Trust Company Int'l – Custody Fee for Q/E 7/31/2011 (Inverness)			\$16,327.91
Fiduciary Trust Company Int'l – Custody Fee for Q/E 7/31/2011 (Atlanta)			\$3,392.36
Fiduciary Trust Company Int'l – Custody Fee for Q/E 7/31/2011 (Special Assets)			\$260.31
Dahab Associates, Inc. – Consulting Fee Q/E 6/30/2011			<u>\$23,250.58</u>

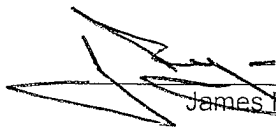
*** (See Attachment A)

TOTAL

\$727,515.27

16. **Input from Retirees:** None.
17. **Input from Active Members:** None.
18. **Adjournment** – Chairman Ryan announced that the next regular meeting would be held on **Thursday, September 15, 2011**. Please note the time change to **3:00 p.m.** to accommodate presentations from the large Cap Value Manager candidates.

There being no further business to come before the Board, motion by Vicki Minnaugh, second by Carl Heim, to adjourn the meeting at 5:15 pm. The motion carried unanimously.


James Ryan – Chairman


Frank Musumeci – Secretary