

**West Palm Beach Police Pension Fund  
2100 North Florida Mango Road  
West Palm Beach, Florida 33409**

**Minutes**

**January 15, 2010  
8:15 AM**

**CALL THE MEETING TO ORDER**

Mr. Mitchell called to order the West Palm Beach Police Pension Fund Meeting on January 15, 2010 at 8:15 AM, in the conference room of the Palm Beach County Police Benevolent Association.

Present at the meeting: Edward Mitchell, Chairman, Jonathan Frost, Board Secretary, Chris Fragakis, Board Trustee, Chris Roaf, Board Trustee, and Wilton White, Board Trustee.

Also present: Joe White & Brandon Grzandziel of Saxena White; Jeanine Bittinger & Richard Cristini of Davidson, Jamieson & Cristini; John McCann, Performance Consultant of Thistle Asset Consulting; Bonni Jensen, Board Attorney, Law Offices of Perry & Jensen; Dave Williams, Plan Administrator.

Public meeting recessed at 8:20 AM for the Board to enter into the attorney/client session pursuant to Florida Statute 286.011(8), to discuss the Collins Capital litigation, Case # 09-808-46 Civil Marra/Johnson. The public meeting was reconvened at 8:57 AM.

Mr. Joe White provided an update to the Board relative to the Madoff Litigation. While doing so, Mr. White cited that there were legal grounds to file a complaint against the Board's prior Investment Consulting Firm, Asset Strategy. Mr. Frost made the motion to retain Saxena White to pursue the complaint, which was seconded by Mr. Fragakis. All Trustees voted yes, and the motion was passed 5-0.

**APPROVAL OF THE MINUTES**

Mr. Mitchell asked if there were any changes required to the minutes of December 11, 2009. Mr. Frost offered his response (which was duly noted). Mr. Frost made the motion to approve the minutes, which was seconded by Mr. Roaf. All Trustees voted yes, and the motion was passed 5-0.

**APPROVAL OF DISTRIBUTIONS**

New Warrants were presented for review and execution. Warrants approved at the last meeting were presented to the Board in spreadsheet format by Mr. Williams. Mr. Frost took exception to two charges approved by Chairman Mr. Mitchell on December 11, 2009. Item 1: Jet Blue, Warrant # 197, Item 2: Opal Financial Group, Investment Conference Fee, Warrant # 197. Mr. Williams indicated that the Board's Administrative Assistant attended a training conference; as such the charge was reasonable, customary and was provided for by contract. Mr. Frost stated this would be the first time an expense of this nature would be paid by the Fund. Mr. Williams added that no other expenses were charged to the Fund for attendance. In terms of the Opal fee, Mr. Frost stated that generally Opal does not charge for a conference fee. Mr. Williams advised that he would examine the back-up material that was in the packet provided when approved. With exception to the abovementioned items cited, Mr. Frost made the motion to approve the foregoing, which was seconded by Mr. White. All Trustees voted yes, and the motion was passed 5-0.

## **West Palm Beach Police Pension Fund – Minutes**

**January 15, 2010**

**Page 2 of 3**

### **APPROVAL OF DISTRIBUTIONS (Continued)**

Mr. Williams presented a share distribution request on behalf of retired member Mr. G. Perez. After reviewing same, Mr. Roaf made the motion to approve the foregoing, which was seconded by Mr. Fragakis. All Trustees voted yes, and the motion was passed 5-0.

### **ATTORNEY'S REPORT**

Mrs. Jensen reported the allowable IRS mileage for 2010. Mr. Williams asked if default language could be used in the policy to avoid revisions to the policy. Mrs. Jensen did not feel a revision was necessary.

Mrs. Jensen provided an update on the approval of the restatement of the special act.

Mrs. Jensen presented the Portfolio Monitoring Agreement for Labaton Sucharow and supporting documents for execution.

Mrs. Jensen is working with Mr. McCann on necessary revisions to the investment policy to comply with state law.

### **INDEPENDENT AUDIT PRESENTATION**

Ms. Jeanine Bittinger & Mr. Richard Cristini appeared before the Board to present their findings of the September 30, 2009 independent review of the financial statements. Ms. Bittinger stated that Davidson, Jamieson & Cristini has issued a clean unqualified opinion on the West Palm Beach Police Pension Fund.

As of September 30, 2009, trust assets exceeded its liabilities with a total of \$165,620,449. (Net assets are held in trust to meet future benefit payments). All pertinent aspects of the report were covered in detail to include the schedule of investment and administrative expenses. Ms. Bittinger indicated all were well below the accepted industry standards.

Mr. Frost made a motion to accept the Financial Statements for the Fund for September 30, 2009, and to approve same. Mr. Fragakis seconded the motion. All Trustees voted yes, and the motion was passed 5-0.

Mr. Cristini discussed the latest accounting standards for Board edification.

### **INVESTMENT MONITORING REPORT**

Mr. McCann provided a cursory review of the September 30, 2009 quarter and will begin his official reporting for the Fund with the December 31, 2009 quarter. Mr. McCann advised that he was unable to recreate the report of Asset Strategy, as he believes that that Asset Strategy averages the trades/returns, while Thistle Asset completes a detailed trade analysis for all of the account activity. Mr. McCann also provided a Morning Star Equity review for the current investment managers. After reviewing the information, Mr. McCann advised that he had several recommendations for the Board to consider: Begin a manager search and replace Intech, Stratton and Driehaus. The reasons were outlined by Mr. McCann, but generally related to what was described as excessive fees and lack of performance. The Board wanted to commit additional time to this matter and scheduled a special meeting date of January 29, 2010.

**West Palm Beach Police Pension Fund – Minutes**

**January 15, 2010**

**Page 3 of 3**

**ADMINISTRATOR'S REPORT**

**Tabled**

**OPEN DISCUSSION**

Mr. Frost would like Mr. Devin Sullivan of Intercontinental Real Estate to appear before the Board to discuss REITS at the April meeting. There was no objection and Mr. Frost will follow-up.

**ADJOURNMENT**

Being there was no other business; the meeting was adjourned at 10:40 AM.

The next meeting special meeting is January 29, 2010 at 8:15 AM.

The next meeting regularly scheduled meeting is February 26, 2010 at 8:15 AM.

Jonathan Frost, Board Secretary