

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

Minutes

**February 26, 2010
8:15 AM**

CALL THE MEETING TO ORDER

Mr. Frost called to order the West Palm Beach Police Pension Fund Meeting on February 26, 2010 at 8:18 AM, in the conference room of the Palm Beach County Police Benevolent Association.

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

Also present: Janna Woods, Davis Hamilton Jackson; Dick Loebig & Andrew Klebanow, Intech; Trey Greer, Earnest Partners; Neils Andersen, Altrinsic Global Advisors; David Schwarzenberger, Wentworth, Hauser and Violich; Jennifer Lakefield & Adam Gerentine; Gabriel Mc Nerney, Thornburg Investment; Brendan Vavrica & John McCann of Thistle Asset Consulting Group; Bonni Jensen, Board Attorney, Law Offices of Perry & Jensen, LLC; and Dave Williams, Plan Administrator.

Absent from the meeting: Ed Mitchell, Chairman & Chris Fragakis, Board Trustee.

APPROVAL OF THE MINUTES

Mr. Frost asked if there were any changes required to the minutes of January 15, 2010 & January 29, 2010. Mr. Frost then offered his response (which was duly noted). Mr. Roaf made the motion to approve the minutes, which was seconded by Mr. White. All Trustees voted yes, and the motion was passed 3-0.

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. Roaf made the motion to approve, which was seconded by Mr. White. All Trustees voted yes, and the motion was passed 3-0

Mr. Williams also presented the DROP computation for Daniel Sargent. Mr. Roaf made the motion to approve, which was seconded by Mr. White. All Trustees voted yes, and the motion was passed 3-0

Mr. Williams presented a request for return of pension contributions for former employee Jerry Lamm. Mr. Roaf made the motion to approve, which was seconded by Mr. White. All Trustees voted yes, and the motion was passed 3-0.

A Share Plan Adjustment was presented to the Board to consider by Mr. Williams. The prior administrator had Joseph Filipkowski in the fund performance for period of time when he should have been in the fixed rate of return. The back up material was presented as well as the updated balance as determined by the Board's Actuary. Mr. Roaf made the motion to approve the adjustment, which was seconded by Mr. White. All Trustees voted yes, and the motion was passed 3-0.

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DROP & Share Distributions were presented to the Board to consider. Mr. Roaf made the motion to approve, which was seconded by Mr. White. All Trustees voted yes, and the motion was passed 3-0.

A pension payment adjustment was presented to the Board to consider for Mr. Fred Walling (Beneficiary recipient of W. Sadler). It was determined that when Mrs. Sadler's payment was converted to a beneficiary payment for Mr. Walling (October 2008), the prior administrator adjusted the payment at 75% instead of 66 2/3rds. As such this created an overpayment of \$4,446.18 through March 2010. The matter arose over Mr. Walling not receiving a cost of living payment in 2008, which was also factored by the prior administration. After reviewing the matter the Board approved the revised payment as determined by the actuary. Furthermore, the Board elected to recoup the overpayment over the amount of periods it was paid. Mr. Williams indicated that he will contact Mr. Walling to make certain this does not cause a hardship. Mr. Roaf made the motion to approve the foregoing, which was seconded by Mr. White. All Trustees voted yes, and the motion was passed 3-0. The adjustment will be made on April 1, 2010.

ATTORNEY'S REPORT

Mrs. Jensen reported on HB 859 which is the restatement of the West Palm Beach Police – Special Act.

Mrs. Jensen indicated the contract was executed in the State Street case.

Mrs. Jensen indicated there may be a move to settle the Citi Group matter.

Mrs. Jensen provided Senate Brief 2010-317.

Mrs. Jensen will provide brief on SB 1902 at the next meeting.

ADMINISTRATOR'S REPORT

Mr. Williams reported the outcome of the nomination process for the seat of Mr. Chris Fragakis. At the end of the open nomination period only the incumbent submitted his name for the position. The Board accepted the report of Mr. Williams. As such Mr. Fragakis will retain his seat for another term. Mr. Williams was directed to notify the appropriate city official.

An adjusted entry date was presented to the Board for adjustment by Mr. Williams for member Kevin Coppin. The adjustment was calculated by the actuary due to a buy back of service previously approved by the Board. Mr. Roaf made the motion to approve the adjusted entry date of September 21, 1987 for Kevin Coppin, which was seconded by Mr. White. All Trustees voted yes, and the motion was passed 3-0. Mr. Williams was directed to notify the appropriate city official.

ADMINISTRATOR'S REVIEW

Mr. Williams asked this matter be tabled until a full Board is present.

DAVIS HAMILTON JACKSON – LARGE CAP GROWTH MANAGER

Ms. Janna Woods appeared before the Board and reviewed the December 31, 2009 investment report. Ms. Woods spoke of the portfolio composition, the changes in the portfolio and presented the time weighted returns.

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A 4th quarterly commentary was also provided to the Board to consider. Ms. Woods also spoke of the current equity market factors.

According to the Thistle Asset Consulting Group Performance Report of December 31, 2009, Davis Hamilton Jackson Growth Equity Account returned 7.71% for the quarter vs. 7.94% for the benchmark (Russell Growth Index). For the year, Davis Hamilton Jackson returned 33.09% vs. 37.21% for the same benchmark. Market Value as of December 31, 2009 was \$14,434,000.

INTECH – LARGE CAP CORE MANAGER

Mr. Dick Loebig & Mr. Andrew Klebanow appeared before the Board and reviewed the December 31, 2009 investment report. The representatives provided an overview of Intech. They spoke of the investment philosophy and provided a review of the product that our funds were invested. Performance statistics for the West Palm Beach Account were provided. Further, representatives presented the long term historical performance of the large cap core product.

According to the Thistle Asset Consulting Group Performance Report of December 31, 2009, Intech Large Cap Core Account returned 5.47% for the quarter vs. 6.04% for the benchmark (S&P 500 Index). For the year, Intech returned 22.37% vs. 26.46% for the same benchmark. Market Value as of December 31, 2009 was \$16,572,000.

EARNEST PARTNERS – LARGE CAP VALUE MANAGER

Mr. Trey Greer appeared before the Board and reviewed the December 31, 2009 investment report. Mr. Greer provided a guidelines and investment policy audit. The overall equity market was discussed by Mr. Greer. A portfolio summary was reviewed to include fund totals and asset allocation. Performance measurements as well as key performance drivers were discussed.

According to the Thistle Asset Consulting Group Performance Report of December 31, 2009, Earnest Large Cap Value Account returned 5.41% for the quarter vs. 4.22% for the benchmark (Russell 1000V). For the year, Earnest returned 31.48% vs. 19.69% for the same benchmark. Market Value as of December 31, 2009 was \$13,212,000.

INVESTMENT MANAGER PRESENTATIONS

Representatives from Thornburg, Altrinsic, HGK & Wentworth Hauser Violich were all provided an opportunity to address the Board. The representatives provided details about their respective firms, the firm's investment philosophy, and their investment history. All provided thought provoking presentations to the Board of Trustees.

The Board discussed all aspects of each presentation and by consensus narrowed the selection down to Wentworth Hauser Violich. Mr. White made the motion to retain Wentworth Hauser Violich for an 8 million dollar international mandate, which was seconded by Mr. Roaf. All Trustees voted yes, and the motion was passed 3-0.

A discussion then followed to terminate Driehaus when administratively practical. Mr. Roaf made the motion to approve the foregoing, which was seconded by Mr. White. All Trustees voted yes, and the motion was passed 3-0.

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Mr. McCann and the Board also refined the Large Cap Core Investment Manager Presentations for March 12, 2010. Mr. White made the motion to invite Valley Forge Asset Management; BRC Investment Management, and Intech for a presentation. Furthermore that Rhumblin Advisors was still under consideration. The motion was seconded by Mr. Roaf. All Trustees voted yes, and the motion was passed 3-0.

OPEN DISCUSSION

Mr. Frost spoke about the City of West Palm Beach Commission Meeting.

Mr. Frost indicated that he was approached by a representative from CSSC Investment Advisory Services, Inc. at NAPO.

ADJOURNMENT

Being there was no other business; the meeting was adjourned at 12:20 PM.

Next meeting is scheduled for March 12, 2010 at 8:15 AM

Jonathan Frost, Board Secretary