

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

**Minutes**

**April 09, 2010**

**8:15 AM**

**CALL THE MEETING TO ORDER**

Mr. Frost called to order the West Palm Beach Police Pension Fund Meeting on April 09, 2010 at 8:15 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 Chris Fragakis, Board Trustee

Absent: Ed Mitchell, Chairman & Wilton White, Board Trustee.

Also present: Joe White & Lester Hooker of Saxena White; Peter Palandjian & Devin Sullivan of Intercontinental Real Estate Corporation; David McElroy & Brett Barner of CEREDEx; Scott Mullet of GW Capital; Carl Gardiner & David Carroll of Schafer Capital Management; Joshua Berger & Gerald Crean of Wellington Management. Brendan Vavrica & John McCann of Thistle Asset Consulting Group; Bonni Jensen, Board Attorney, Law Offices of Perry & Jensen, LLC; and Dave Williams, Plan Administrator.

**APPROVAL OF THE MINUTES**

Mr. Frost asked if there were any changes required to the minutes of March 12, 2010. Mr. Fragakis made the motion to approve the minutes, which was seconded by Mr. Roaf. 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. DROP & Share Distributions along with requests for return of pension contributions were also presented to the Board to consider. Mr. Roaf made the motion to approve, which was seconded by Mr. Fragakis. All Trustees voted yes, and the motion was passed 3-0

**ATTORNEY'S REPORT**

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

Mrs. Jensen provided a brief update on Senate Bill 1902. FRS proposed under funding discussed as well as the healthcare supplement.

Mrs. Jensen updated the Board on the Wentworth and Valley Forge contracts.

Mrs. Jensen discussed scrutinized companies.

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The CITIGROUP case was updated by Mrs. Jensen. The losses sustained by the fund are being offered as a settlement.

The amended Administrator's Agreement presented by Mrs. Jensen as it was approved on March 12, 2010. Mr. Fragakis made the motion to approve the execution of the Agreement which was seconded by Mr. Roaf. All Trustees voted yes, and the motion was passed 3-0.

Mrs. Jensen advised that Mr. Michael Delong filed an appeal of the Board action of March 12, 2010. Mr. Roaf made the motion to retain the services of a Hearing Officer which was seconded by Mr. Fragakis. All Trustees voted yes, and the motion was passed 3-0.

Mrs. Jensen presented the Castelli Order for execution

Mrs. Jensen advised that she appeared before the WPB Pension Task Force.

Mr. Joe White & Mr. Lester Hooker of Saxena White provided a summary; analysis and recommended action against Arena Resources, Inc. Mr. White felt that the action was related to the alleged breach of fiduciary duty by the Arena Board of Directors with regard to a merger agreement. Mr. Fragakis made the motion to retain the services of Saxena White to pursue an action against Arena Resources, which was seconded by Mr. Roaf. All Trustees voted yes, and the motion was passed 3-0.

### **ADMINISTRATOR'S REPORT**

Mr. Williams advised that the annual member survey was sent out to all retired/drop members. A formal report is forthcoming.

Mr. Williams presented a letter from Mr. Stephen Palmquist of Gabriel Roeder Smith (GRS) dated February 18, 2010 that he requested. The letter outlines a transition in beneficiary payments currently being made for Yasmine, Kasey and Jasmine Ellis and the timeline of termination of those payments. Mr. Fragakis made the motion to approve the termination timeline outlined by Mr. Palmquist of GRS, which was seconded by Mr. Roaf. All Trustees voted yes, and the motion was passed 3-0.

### **REIF PRESENTATION**

Mr. Peter Palandjian & Mr. Devin Sullivan of Intercontinental Real Estate Corporation appeared before the Board to discuss the recent 5 million dollar investment by the Board of Trustees in the commercial real estate arena. Mr. Palandjian provided a firm overview, highlighted the executive committee and other key professionals in and associated with the firm. The fund structure, strategy and criteria were detailed, as well as its current status. Portfolio diversification was reviewed in terms of property type as well as investment region. Samplings of the portfolio holdings were also highlighted. The Board thanked both Mr. Palandjian & Mr. Sullivan for the informative presentation.

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**INVESTMENT MANAGER PRESENTATIONS**

Mr. David McElroy & Mr. Brett Barner of CEREDEx; Mr. Scott Mullet of GW Capital, Inc.; Mr. Carl Gardiner & Mr. David Carroll of Schafer Capital Management; Mr. Joshua Berger & Mr. Gerald Crean of Wellington Management 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 GW Capital, Inc. Mr. Roaf made the motion to retain GW Capital, Inc for a small cap core mandate, which was seconded by Mr. Fragakis. All Trustees voted yes, and the motion was passed 3-0.

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

**OPEN DISCUSSION**

Mr. Frost indicated that he anticipated the presentation of the Actuarial Valuation Report at this meeting. Mr. Frost reflected upon the statements of a smooth transition between the Michigan office of GRS and the Florida office. Mr. Frost felt the Board should consider one of the other candidates who presented to the Board.

Mr. Williams stated that he was unaware of the high priority and as such this was the first communication that he heard of that expectation. Mr. Williams advised that GRS cannot proceed with their study until the data is provided to them.

The data comes from the state report and supplements thereof, as well as the approved financial statements. Mr. Williams felt the transmission was timely but not exigent. While the report will be presented at the May 14, 2010 meeting, the results will be received prior to and will be released to all interested parties accordingly.

**ADJOURNMENT**

Being there was no other business; the meeting was adjourned at 11:15 AM.

Next meeting is scheduled for May 14, 2010 at 8:15 AM

Jonathan Frost, Board Secretary