

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

**Minutes**

**July 8, 2011  
8:15 AM**

**CALL THE MEETING TO ORDER**

Mr. Mitchell called to order the West Palm Beach Police Pension Fund Meeting on July 8, 2011 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 and Troy Marchese, Board Trustee.

Also present: Louis Penque, active plan member; Ernest George, retired plan member; John McCann of Thistle Asset Consulting Group; Jeffrey Amrose & Steve Palmquist, Gabriel, Roeder Smith & Company; Bonni Jensen, Board Attorney, Law Offices of Perry & Jensen, LLC; and Dave Williams, Plan Administrator.

**APPROVAL OF THE MINUTES**

Mr. Mitchell asked if there were any changes required to the minutes of June 10, 2011. Mr. Frost made the motion to approve the minutes, which was seconded by Mr. Fragakis. All Trustees voted yes, and the motion was passed 4-0.

**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. Also presented was an Administrative Report which contained a request to return pension contributions and a drop loan request. Mr. Frost made the motion to approve the foregoing, which was seconded by Mr. Fragakis. All Trustees voted yes, and the motion was passed 4-0.

**ATTORNEY'S REPORT**

Mrs. Jensen briefed the Board on the status of the disability claim. Records were secured from the city; and an independent medical examination (IME) was confirmed. Mrs. Jensen thanked Legal Assistant Karl Seifel, Jr. for his efforts in this matter. Mrs. Jensen also sought approval for mileage and per diem for Mr. IME travel. Mr. Frost made the motion to prepay Mr. for mileage and per diem as determined by the plan administrator. This motion was seconded by Mr. Fragakis. All Trustees voted yes, and the motion was passed 4-0.

Mrs. Jensen advised that she learned that the West Palm Beach Police Pension Fund will not be included in the recently announced class action Madoff settlement, as "the Fund" is no longer invested with Collins Capital.

**ADMINISTRATOR'S REPORT**

Mr. Williams sadly announced the loss of retirees Edward Gunderson, Date of Death: June 15, 2011 & John Jamason, Date of Death: June 18, 2011. The survivor benefit is under review with legal counsel.

Mr. Williams stated that the state report is pending final approval. A short state follow-up letter was received and already addressed.

Mr. Williams indicated that neither he nor his staff has heard from Mr. Robertshaw.

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

**July 8, 2011**

**Page 2 of 2**

### **PRESENTATION OF FINANCIAL STATEMENTS OF MARCH 31, 2011**

Mr. Williams provided each Board Trustee a copy of the West Palm Beach Police Pension Fund Financial Statements as of March 31, 2011. The report was completed by an independent Auditor - Davidson, Jamieson & Cristini. Mr. Williams advised that the report contains various financial schedules for the fiscal year (10-01-2010 to 03-31-2011) and provides comparisons to the first six months of the fiscal year in 2010. The report valued the assets held in trust for benefits as of March 31, 2011, which were valued at \$206,549,931, this is in comparison to \$178,429,396 as of March 31, 2010. Mr. Williams suggested that each Board member review the report, and if there were any questions, to let him know so that Mr. Cristini can be scheduled for the next meeting.

### **ACTUARIAL VALUATION, ASSUMPTION CHANGES & DROP/INVESTMENT FEES**

Mr. Steve Palmquist and Mr. Jeffrey Amrose, Board Actuary's of Gabriel Roeder Smith Company appeared before the Board to discuss various scenarios' to pay down the Fund's unfunded actuarial accrued liability. It was reported that the current unfunded actuarial accrued liability was valued at approximately 38 million dollars. Four options were provided to the Board to consider. The discussion was supported by charts and a spreadsheet provided by the representatives. Each scenario projected the expected amortization payment for each fiscal year, the projected date when the unfunded liability would be satisfied and the total payments (principal plus interest). Mr. Mitchell advised that he would like the Board to see the projected total payment which would include projected normal costs. Mr. Palmquist stated that information can be prepared for the next meeting. Mr. Mitchell also asked Mr. Palmquist to speak with Mr. White, so he is briefed on this matter as well. No further action was taken at this juncture.

Mr. Williams provided the Board the DROP/SHARE Administrative Expense factor as calculated by Mr. Amrose. The total annual administrative expense was valued at 0.61%, which equates to expenses of 0.15% per quarter. Mr. Frost made the motion to adjust the DROP/SHARE Administrative Expense to 0.61%, which equates to expenses of 0.15% per quarter effective 10-01-2011. This motion was seconded by Mr. Fragakis. All Trustees voted yes, and the motion was passed 4-0.

### **OPEN DISCUSSION**

There was an exchange of information by the Trustees from recent educational symposiums.

### **ADJOURNMENT**

Being there was no other business; the meeting was adjourned at 9:25 AM.

Next meeting is scheduled for August 12, 2011 at 8:15 AM

Jonathan Frost, Board Secretary