

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

**Minutes**

**March 9, 2012  
8:15 AM**

**CALL THE MEETING TO ORDER**

Mr. Mitchell called to order the West Palm Beach Police Pension Fund Meeting on March 9, 2012 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, Troy Marchese, Board Trustee, and Wilton White, Board Trustee (Mr. White appeared telephonically 8:15 AM to 9:00 AM).

Mr. Frost made a motion (noting the fact that a quorum was present at the meeting), to permit Mr. White to attend telephonically. Mr. Marchese seconded the motion. All Trustees physically present voted yes, and the motion was passed 4-0.

Also present: Mr. Earnest George, Retired Member; Kenneth S. Kailin & Mary McManus of Oak Ridge Investments; Brendan Vavrica 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. Mitchell asked if there were any changes required to the minutes of February 10, 2012. Mr. Frost made the motion to approve the minutes, which was seconded by Mr. Marchese. 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, in addition to the activity outlined in the administrative report by Mr. Williams. Mr. Frost asked Mr. Williams to update the Board on the Purnell (Wells beneficiary) distribution. Mr. Williams sent letters to all known children as directed. The time required by special act expired on March 7, 2012 to challenge the distribution. No such challenge was received. Mr. Frost made the motion to approve the administrative report, which was seconded by Mr. Marchese. All Trustees voted yes, and the motion was passed 5-0.

**ATTORNEY'S REPORT**

Mrs. Jensen indicated that the disability confirmation of Ms. \_\_\_\_\_ and Mr. \_\_\_\_\_ was received and that there will be no interruption of payment.

Mrs. Jensen informed the Board that \_\_\_\_\_ filed for disability and the matter was in process.

Mrs. Jensen informed the Board that the amendment to the Special Act of the West Palm Beach Police Pension Fund passed and was awaiting Governor Scott's Signature. All present thanked Mr. George for his efforts in Tallahassee.

With regard to old West Palm Beach Police Pension Fund archived files, Mrs. Jensen presented a proposal to the Board to consider. The files can be scanned, moved to the city or maintained at storage.

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Mr. Fragakis made the motion to scan the files, which was seconded by Mr. Marchese. All Trustees voted yes, and the motion was passed 4-0. (Mr. White was not present).

### **ADMINISTRATOR'S REPORT**

Mr. Williams presented the state report for execution by the chair and secretary.

Mr. Williams advised the Board that a net distribution of \$43,471.85, for the fourth quarter of 2011 was reinvested with Intercontinental Real Estate Corporation.

Mr. Williams advised the latest pension newsletter was posted to the web and distributed.

### **OAK RIDGE INVESTMENTS – MID CAP GROWTH MANAGER**

Mr. Kenneth S. Kailin & Ms. Mary McManus appeared before the Board and reviewed the December 31, 2011 investment report. Mr. Mullet provided an organizational update & client listing. Ms. McManus updated the Board on personnel changes, and reflected the changes would not have a material effect on our Fund. Mr. Vavrica was aware of the changes and will be monitoring accordingly. The firm's investment philosophy, investment process and sell discipline was reviewed. A portfolio summary was reviewed to include fund totals and asset allocation. Performance measurements, as well as key performance attribution were discussed.

According to the Thistle Asset Consulting Group Performance Report of December 31, 2011, Oak Ridge Account returned 13.01% for the quarter vs. 11.24% for the benchmark (S&P 400G). That return placed Oak Ridge in the 18th percentile. For the year (which consists of three quarters), Oak Ridge returned -4.33% vs. -8.81% for the same benchmark or in the 8<sup>th</sup> percentile. Market Value as of December 31, 2011 was \$16,565,000.

Mr. Vavrica provided a Morningstar review of Oak Ridge for the Board to review and consider.

### **INVESTMENT MONITORING REPORT**

Mr. Brendan Vavrica appeared before the Board and reviewed the December 31, 2011 investment report that was tabled on February 10, 2012.

Asset Allocation: Mr. Vavrica advised that as of December 31, 2011 the fund had 53.8% in domestic equities, 8.1% in international equities, 29.6% in fixed income, 4.9% in real estate and the balance in cash.

Division of Assets: As of December 31, 2011, Garcia Hamilton & Associates held 38.6% of the portfolio (fixed & equity), Valley Forge had 11.5%, Earnest Partners had 9.0%, Oak Ridge had 8.4%, Anchor had 8.3%, Eagle Asset had 5.3%, GW Capital had 5.1%, DFA had 4.3%, WHV had 4.3%, Intercontinental had 4.9% with the balance in the R&D Account. The total assets were valued at \$196,944,000.

For the quarter, Mr. Vavrica stated that the total fund returned 6.92% vs. 7.56% compared to the target index. For the one year, the fund return was -0.31% vs. 2.03% compared to the target index. That return placed the Fund in the 74th Percentile in the investment universe. For the three year, the fund return was 11.43% vs. 12.55% compared to the target index. That return placed the Fund in the 41st Percentile in the investment universe.

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Mr. Vavrica offered a portfolio snapshot update as of March 7, 2012. The increase since December 31, 2011 was estimated to be \$8,078,000., with an account balance valued to be \$205,021,000.

**OPEN DISCUSSION**

Discussion ensued about changing the starting time of the meeting due to building access. Mr. George indicated that he can open the building. The Board thanked Mr. George for his on-going assistance. No action taken.

**ADJOURNMENT**

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

Next meeting is scheduled for April 13, 2012 at 8:15 AM

Jonathan Frost, Board Secretary