

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

Minutes

June 15, 2012

8:15 AM

CALL THE MEETING TO ORDER

Mr. Mitchell called to order the West Palm Beach Police Pension Fund Meeting on June 15, 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.

Also present: Clay Lindsey, Eagle Asset Management; 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. Mitchell asked if there were any changes required to the minutes of May 15, 2012. Mr. Frost offered his response (which was duly noted). 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, in addition to the activity outlined in the administrative report by Mr. Williams. Mr. Marchese 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 reminded members to complete the financial disclosure forms prior to July 1, 2012.

Mrs. Jensen reviewed a letter from the State of Florida – Division of Retirement dated May 29, 2012.

The letter stated: "In 2009, in an effort to ensure compliance with these provisions, the division began requiring that local retirement plan contributions must minimally equal the amount of contributions determined using the percentage-of-payroll method. This was intended to eliminate recurring actuarial losses due to payroll growth underestimation. However, economic conditions since then have led to substantial changes in the allocation of local government resources and the causes of the prior actuarial losses attributable to this issue have largely abated. With several years of experience accumulated to evaluate the effectiveness of the percentage-of-payroll contribution requirement, the division has determined that use of this method is not required for compliance with Part VII of Chapter 112, Florida Statutes.

Accordingly, effective immediately, local governments should confer with the retirement board actuary to select and maintain a contribution method (percentage of payroll or fixed dollar contributions) that best fits the funding requirements of the plan and satisfies the legislative intent found in section 112.61, Florida Statutes. The division will continue to monitor all plans for compliance with these provisions."

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Mrs. Jensen advised that she wrote to [redacted] Attorney with regard to subrogation and a possible offset due to worker's compensation.

Mrs. Jensen advised that she and other pension attorneys were seeking an Attorney General ruling on HB401. She asked if the Fund would like to be part of that inquiry. Motion by Mr. Frost to proceed accordingly with the AG opinion, Mr. Fragakis seconded the motion. All Trustees voted yes, and the motion was passed 4-0.

Mrs. Jensen informed the Trustees that she is seeking reimbursement of approximately \$4,500.00 on behalf of the Chairman for his time in the CardioNet case. The proceeds would be paid to the West Palm Beach Police Pension Fund.

The Final Order was presented in the [redacted] Matter. Mr. Fragakis made a motion to approve the order as stated, and directed the Chairman to execute the document. Mr. Marchese seconded the motion. All Trustees voted yes, and the motion was passed 4-0.

ADMINISTRATOR'S REPORT

Mr. Williams indicated that he was working closely with auditors on the March 31, 2012 report. The report will be provided to the Board at the next meeting.

Mr. Williams presented the Trustees the 2011 member survey. It was noted that there was an overall increase in the member satisfaction of 147 basis points over the 2010 survey.

EAGLE ASSET MANAGEMENT - SMALL CAP GROWTH

Mr. Clay Lindsey appeared before the Board and reviewed the March 31, 2012 Eagle Asset Management investment report. A firm review was provided as well as brief updates about the company. The investment philosophy, process and risk management was also outlined. Mr. Lindsey reported the quarterly net return was 17.35% vs. the benchmark return of 13.28%. Mr. Lindsey was asked to include the returns in "net" and to include fiscal returns as well in all future reports.

NEW BUSINESS

Administrator's Review - Mr. Williams advised that he always wants to have an open dialog with the Board in terms of performance. All Trustees present expressed their pleasure with the performance of the Administrator and staff. Mr. Williams thanked the Board for their kind words and reflected that it was a pleasure to serve the Board and the membership.

OPEN DISCUSSION

Mr. John McCann presented a performance summary as of June 13, 2012 for informational purposes.

Mr. Frost commented on security filing fees with Salem Trust. Mr. Frost feels that the Board has a duty to file the claims. The returns have exceeded the costs thus far.

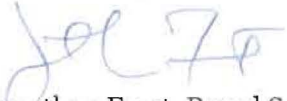
An inquiry was made with regard to the new Chief being a pension member. Mrs. Jensen confirmed that any new chief would be in the fund.

Mr. Frost outlined a conflict in the October meeting. Without opposition the meeting will be adjusted from October 12, 2012 to October 19, 2012. The Board also agreed to change future start times to 8:30 AM.

ADJOURNMENT

Being there was no other business; the meeting was adjourned at 9:47 AM.

Next meeting is scheduled for July 13, 2012 at 8:30 AM

A handwritten signature in blue ink, appearing to read 'J Frost', is written above the name of the Board Secretary.

Jonathan Frost, Board Secretary