

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

Minutes

**April 8, 2016
8:30 AM**

CALL THE MEETING TO ORDER

Mr. Frost called to order the West Palm Beach Police Pension Fund Meeting on April 8, 2016 at 8:34 AM, in the main conference room of the Ernest George Building of the Palm Beach County Police Benevolent Association.

Present at the meeting: Jonathan Frost, Chairman, Troy Marchese, Board Secretary, Craig Kahle, Board Trustee and Joseph Ahern, Board Trustee (arrived at 8:41 AM).

Also present: John McCann, Performance Consultant of The Bogdahn Group; John Boles & William Rice, Jr., Anchor Capital; Bonni Jensen, Board Attorney & Paul Daragjati, Klausner, Kaufman, Jensen & Levinson; Dave Williams, Plan Administrator.

PUBLIC COMMENT

Mrs. Jensen introduced Mr. Paul Daragjati as an associate with the law firm of Klausner, Kaufman, Jensen & Levinson. Mr. Daragjati was welcomed by all.

APPROVAL OF THE MINUTES

After making his recommendations that were duly noted, Mr. Frost asked if there were any additional changes required to the minutes of March 11, 2016. Mr. Marchese made the motion to approve the minutes as cited, which was seconded by Mr. Kahle. All Trustees voted yes, and the motion was passed 3-0. Mr. Ahern off the dais.

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 detailed activity outlined in the administrative report by Mr. Williams. Mr. Marchese made the motion to approve the foregoing which was seconded by Mr. Kahle. All Trustees voted yes, and the motion was passed 3-0. Mr. Ahern off the dais.

ATTORNEY'S REPORT

Mrs. Jensen distributed an updated copy of the summary plan description (SPD) for the Trustees to review.

Mrs. Jensen reflected the Wellington contract and transition is completed.

Mrs. Jensen indicated she is recommending Gray Robinson for the IRS Limit legal review. Mr. Ahern made a motion to engage the cited firm, which was seconded by Mr. Marchese. All Trustees voted yes, and the motion was passed 4-0.

Mrs. Jensen advised that the state updated the actuarial fact sheet. The link: https://www.rol.frs.state.fl.us/forms/WEST_PALM_BEACHPolice.pdf

Mrs. Jensen spoke about the Internal Revenue Service (IRS), Treasury applicability of Normal Retirement Age Regulations to Governmental Pension Plans. The ruling should have no conflict with our special act.

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Mrs. Jensen said she had no update on the city bond issue, but believes it is still moving forward.

Finally, Mrs. Jensen advised that she is still gathering records related to the Graham Matter.

ANCHOR CAPITAL – MID CAP VALUE MANAGER

Mr. William Price, Jr. & Mr. John Boles appeared before the Board and reviewed the March 31, 2016 investment report.

Firm Update: Mr. Price reflected upon the 33 year legacy of the firm. Cited the succession from prior key personnel and indicated the transition went well. Mr. Price reflected upon tangible and meaningful changes in the firm. Technology and personnel was key. Mr. Price, Jr. felt he has a great team at the firm.

According to the Anchor Report of March 31, 2016, the portfolio returned 3.23% for the quarter which outpaced the Russell Midcap Index return of 2.24%, but missed the 3.92% return of the Russell Midcap Value. For the last rolling year through March 31, 2016, the portfolio returned -0.81% vs. -4.04% & -3.39% for the cited benchmarks. Market Value as of March 31, 2016 was \$13,753,195.88.

Mr. Price reflected that the future looks bright for value investing. He went on the record by stating that preservation of capital is paramount.

Mr. Frost was encouraged with the firm update and did acknowledge an improvement in the investment report presented.

INVESTMENT MONITORING REPORT

Search: Mr. John McCann advised the Board he was awaiting the March 31, 2016 data to prepare a mid-cap growth and Large Cap Core search. Mr. Frost stated for the large cap, he would be more inclined to index, but was open to input.

Options: Mr. John McCann suggested Nu Paradigm Investment Partners for an educational presentation on Options Investing. The Board agreed to a special meeting so not to distract from regular Board business. Mr. John McCann & Mr. Williams will coordinate.

Bond Issue: Mr. Frost commented that he feels, as did the city representatives that the pending inflows should not go to fixed income. Mr. McCann will prepare an asset allocation for the Board to consider.

ADMINISTRATOR'S REPORT

Mr. Williams was pleased to report a reduction in the administrative fee charged to the drop/share accounts. The fee for fiscal year 2016/2017 will be 0.14% vs. 0.15% for the current fiscal year.

OPEN DISCUSSION

No discussion

ADJOURNMENT

Being there was no other business; the meeting was adjourned at 9:45 AM.

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The next meeting regularly scheduled meeting is May 6, 2016 at 8:30 AM.

The next meeting special meeting tentatively scheduled for May 23, 2016 at 11:00 AM.


Troy Marchese, Board Secretary