

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

**Minutes**

**September 2, 2016  
8:30 AM**

**CALL THE MEETING TO ORDER**

Mr. Frost called to order the West Palm Beach Police Pension Fund Meeting on September 2, 2016 at 8:40 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, Board Chairman, Troy Marchese, Board Secretary, Wilton White, Board Trustee; Joseph Ahern, Board Trustee and Craig Kahle, Board Trustee.

Also present: James Graham, Plan Member; John McCann, The Bogdahn Group; Norman H. Meltz, Chief Investment Officer & Julie Lind – Rhumblin Advisors (via conference call); Bonni Jensen, Board Attorney, Klausner, Kaufman, Jensen & Levinson; Dave Williams, Plan Administrator.

**PUBLIC COMMENT**

No Comments.

**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 August 12, 2016. Mr. Marchese made the motion to approve the minutes as cited, which was seconded by Mr. Ahern. 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 by Mr. Williams. A formal administrative report was also provided for consideration. After Mr. Williams detailed the report and responded to inquires, Mr. Marchese made the motion to approve, which was seconded by Mr. Ahern. All Trustees voted yes, and the motion was passed 5-0.

**ATTORNEY'S REPORT**

James Graham Matter: Mrs. Jensen indicated that the MRI requested by Dr. Harris is being scheduled as part of his IME. Further that Dr. Harris reconsidered the Functional Capacity Examine and no longer feels it is necessary. Mrs. Jensen sought and received approval for psychological testing that Dr. Harris may consider pending the MRI. Motion by Mr. Marchese and seconded by Mr. Ahern. All Trustees voted yes, and the motion was passed 5-0. Mr. Graham spoke to the Board and thanked them for their transparency and the vetting of the IME providers. Mr. Graham stated he served his country and his community proudly. Mr. Frost "Thanked" Mr. Graham for coming today and for his service. Mr. Graham departed the meeting at 8:48 AM.

Mark Bennett Matter: Mrs. Jensen indicated that she has been contacted by an Attorney representing the minor child of Mr. Bennett. Mrs. Jensen will provide a status update as warranted.

**ADMINISTRATOR'S REPORT**

Member Surveys: Mr. Williams indicated that he created an e-survey that is being sent to plan members as they receive assistance/service from the Office of Retirement. Mr. Williams felt it was important for the Board to know how the active/retired membership felt about the service they are receiving on an on-going basis. Updates will be provided periodically throughout the year. Trustees commented that the results to date are reflective of the outstanding work provided.

2017 Meeting Dates: Mr. Williams provided the schedule for 2017. He asked the Trustees to review to ensure no conflicts exists. The schedule will be provided on-line and with the managers accordingly.

## West Palm Beach Police Pension Fund – Minutes

September 2, 2016

Page 2 of 3

### MID CAP GROWTH SELECTION (Tabled: August 12, 2016)

The Trustees discussed the options for this investment space in the portfolio and sought input from Mr. McCann. The Bogdahn Group compliance report was raised by Mr. Frost and he opined that he was comfortable with passive investment currently being managed by Rhumblin Advisors. Once a consensus was reached, Mr. Marchese made the motion to keep the assets in the pooled index fund managed by Rhumblin Advisors. This motion was seconded by Mr. Ahern. All Trustees voted yes, and the motion was passed 5-0.

### INVESTMENT PRESENTATIONS

#### The Bogdahn Group:

Plan Snapshot: Mr. John McCann provided brief snapshot of the fiscal year return. Through August 31, 2016 the fund returned 7.13%. That return did not include real estate, so we are on target to meet or exceed the assumed rate of return for the Plan.

State Funds: Mr. John McCann recommended that the 1.2 mil received from the state remain liquid, but invested. Mr. McCann recommended the assets be moved to the Rhumblin Core Bond Pooled Index Fund. The Trustees concurred with this proposal. Motion by Mr. Marchese made the motion as cited, which was seconded by Mr. Ahern. All Trustees voted yes, and the motion was passed 5-0.

#### Rhumblin Advisors:

Mr. Norman H. Meltz, Chief Investment Officer – Rhumblin Advisors along with Ms. Julie Lind joined the meeting via conference call. Mr. Meltz provided an investment update of the following accounts:

### S&P 500 Pooled Index Fund – Inception Date: May 31, 2015

PERFORMANCE (Gross of management fees thru 7/31/16)		
	PORTFOLIO	S&P 500 INDEX
2016 – YTD thru July	7.63%	7.66%
Trailing 1 Year	5.57%	5.61%
Since Inception (annualized)	4.86%	4.90%

MARKET VALUE SUMMARY	
Initial Contribution (5/31/2015):	\$27,294,564.25
Additional Contributions (1):	<u>\$310,252.68</u>
Net Investment:	\$27,604,816.93
Market Value as of July 31, 2016:	<u>\$29,171,861.72</u>

### MSCI EAFE Pooled Index Fund – Inception Date: January 31, 2016

PERFORMANCE (Gross of management fees thru 7/31/16)		
	PORTFOLIO	MSCI EAFE INDEX
July 2016	5.06%	5.07%
2ND QTR 2016	-1.20%	-1.46%
March 2016	6.57%	6.51%
February 2016	-1.81%	-1.83%
Since Inception	8.62%	8.25%

MARKET VALUE SUMMARY	
Initial Contribution (1/29/2016):	\$7,495,612.97
Additional Contributions (1):	\$7,800,000.00
Net Investment:	\$15,295,612.97
Market Value as of July 31, 2016:	<u>\$16,489,445.00</u>

**S&P 400 Pooled Index Fund – Inception Date: July 1, 2016**

<b>PERFORMANCE</b> (Gross of management fees thru 7/31/16)		
	<u>PORTFOLIO</u>	<u>S&amp;P 400 INDEX</u>
7/5/16 thru 7/31/16	4.72%	4.73%

<b>MARKET VALUE SUMMARY</b>	
Initial Contribution (7/5/16 & 7/6/16):	\$12,450,446.17
<b>Market Value as of July 31, 2016:</b>	<b><u>\$13,062,385.03</u></b>

**Core Bond Pooled Index Fund**

<b>PERFORMANCE</b> (Gross of management fees thru 7/31/16)		
	<u>PORTFOLIO</u>	<u>INDEX</u>
7/6/16 thru 7/31/16	-0.11%	-0.17%

<b>MARKET VALUE SUMMARY</b>	
Initial Contribution (7/6/2016):	\$12,500,000.00
<b>Market Value as of July 31, 2016:</b>	<b><u>\$12,485,750.41</u></b>

A Rhumblin firm update was provided as well: Assets under management: \$35.4 Billion. Diversified client base that includes 84 Public Funds: 169 Accounts/\$22.3 Billion.

A passive vs. active exchange was undertaken between the Trustees and Mr. Meltz.

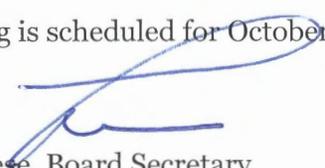
**OPEN DISCUSSION**

No Open discussion ensued.

**ADJOURNMENT**

Being there was no other business; the meeting was adjourned at 9:56 AM.

Next meeting is scheduled for October 14, 2016 at 8:30 AM.

  
 Troy Marchese, Board Secretary