

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

Minutes

**April 14, 2017
8:30 AM**

CALL THE MEETING TO ORDER

Mr. Frost called to order the West Palm Beach Police Pension Fund Meeting on April 14, 2017 at 8:30 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 and Joseph Ahern, Board Trustee

Also present: John McCann, AndCo Consulting; Bonni Jensen, Board Attorney, Klausner, Kaufman, Jensen & Levinson; Dave Williams, Plan Administrator.

PUBLIC COMMENT

Mr. Frost congratulated Joseph Ahern for his recent promotion to the rank Captain. This sentiment was echoed by the others present as well.

APPROVAL OF THE MINUTES

Mr. Frost asked if there were any changes required to the minutes of March 10, 2017. Mr. Frost's offered his comments, which were duly noted. Mr. Ahern made the motion to approve the minutes, which was seconded by Mr. Marchese. All Trustees voted yes, and the motion was passed 3-0.

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 outlined the report (which included the refund of contributions for Gaetgens Andre), Mr. Marchese made the motion to approve, which was seconded by Mr. Ahern. All Trustees voted yes, and the motion was passed 3-0.

ATTORNEY'S REPORT

Top Ten Internal Controls: Mrs. Jensen reviewed a recent KPMG Fraud Survey: Financial Controls, Bank Reconciliation, Use of Credit Cards, Board of Trustees having oversight of the Operations, Establishment of Policy, Use of Equipment, Protection of Cash Funds, Checking Account Fraudulent Use, and Protections for collection of cash/checks, Related Parties Transactions. Mrs. Jensen brought this information forward for due diligence and educational purposes.

Stephen North: Mrs. Jensen stated she has reviewed various court documents related to the temporary guardianship of this member.

Special Act: Mrs. Jensen reported that the amendments are proceeding nicely through the legislative process.

Ed Thomas: Mrs. Jensen reported the IME was scheduled for this date.

Walling Memo: Mrs. Jensen researched the beneficiary option available to Mrs. Walling. The Board agreed with her findings. A letter will be sent by Mr. Williams to Mrs. Walling with her ability to appeal.

Madoff Update: Mrs. Jensen reported a denial received but it appears to be for another claim filed by Collins Capital and not the claim she filed on behalf of the Fund. Matter will be pursued.

INVESTMENT PRESENTATION

AndCo Consulting - Investment Policy Update: Mr. McCann presented the updated investment policy & guidelines for the Board to consider. After reviewing, Mr. Marchese made a motion to accept the changes, which was seconded by Mr. Ahern. All Trustees voted yes, and the motion was passed 3-0. Mr. McCann will follow up with Mrs. Jensen for the signature pages. Mr. Williams will file accordingly with all required parties.

Flash Report: Mr. McCann provided a brief update that the assets increased by 7% from 10-01-2016 to 03-031-2017.

OFI Management Change: Mr. McCann advised the co-portfolio manager is departing and he feels there will be no impact to consider.

Rhumblin Fixed Account: Assets are still be invested in the cited account as we are still awaiting a capital call from Intercontinental.

ADMINISTRATOR'S REPORT

Survey: Mr. Williams presented the member survey results received through April 14, 2017 for the Board to review. A copy will be placed on the website as well.

[http://www.wpbppf.com/docs/announcements/Survey%20Update%2004-14-2017%20\(1\).pdf](http://www.wpbppf.com/docs/announcements/Survey%20Update%2004-14-2017%20(1).pdf)

GHA Transition: Mr. Williams reported the transition from GHA to Rhumblin was essentially seamless. He thanked all the parties involved: Fiduciary Trust, Rhumblin, BTIG for their efforts.

Internal Transfers: As the GHA Equity Account was closed out Mr. Williams consulted with Mr. McCann for the account(s) to pay benefits and bills. Mr. McCann targeted the GHA – Fixed Account. Mr. Williams provide instructions to Fiduciary Trust. Mr. Williams sought Board approval for this action. Mr. Marchese made a motion to use the GHA fixed account to pay any and all benefit payments and invoices as required. Motion was seconded by Mr. Ahern. All Trustees voted yes, and the motion was passed 3-0.

OPEN DISCUSSION

Mr. Frost commented on a Wall Street Journal fifteen year active vs. passive analysis. It was reported that 82% of the active managers could not exceed the rate of return of the passive management. During this exchange, 361 Capital Management was identified as a viable candidate for passive investment. After discussing the matter with Mr. McCann and receiving his agreement, the following action was taken. A motion was made by Mr. Ahern to terminate 361 Capital and move 100% of the assets to Rhumblin value index. Further, to utilize the services of BTIG for the transitional management as soon as practical. The foregoing motion was seconded by Mr. Marchese. All Trustees voted yes, and the motion was passed 3-0. Mrs. Jensen will seek the professional agreements accordingly.

The conference of Klausner, Kaufman, Jensen & Levinson received excellent feedback from Mr. Frost, who attended the educational event.

ADJOURNMENT

Being there was no other business; the meeting was adjourned at 9:35 AM.

Next meeting is scheduled for May 12, 2017 at 8:30 AM



Troy Marchese, Board Secretary