

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

Minutes

**January 4, 2019
8:30 AM**

CALL THE MEETING TO ORDER

Mr. Frost called to order the West Palm Beach Police Pension Fund Meeting on January 4, 2019 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 (departed at 9:27 AM), Dana Santino, Board Trustee (arrived 9:04 AM) and Craig Kahle, Board Trustee.

Also present: Louis Schwartz (departed 8:37 AM); Mark Berkowitz, Counsel for Mr. Schwartz (departed 8:37 AM); Rachele Cibula, Court Reporter for Mr. Schwartz (departed 8:37 AM); Melissa Anezinis, JP Morgan Asset Management; John McCann, AndCo Consulting; Mark Parks, Finance Director – City of West Palm Beach (arrived 8:39 AM); Bonni Jensen, Board Attorney - Klausner, Kaufman, Jensen & Levinson; and Dave Williams, Plan Administrator.

PUBLIC COMMENT

No Comments

APPROVAL OF THE MINUTES

Minutes of December 14, 2018 not complete. Tabled.

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, Mr. Marchese made the motion to approve, which was seconded by Mr. Kahle. All Trustees voted yes, and the motion was passed 3-0. Ms. Santino not present.

AFC DETERMINATION – LOUIS SCHWARTZ

Mr. Frost offered Mr. Berkowitz the opportunity for opening comments. Mr. Berkowitz advised he would request for a continuance in the matter to allow him to gather further information. The Board had no opposition to this request. Motion by Mr. Marchese to grant the request for a continuance till the February 8, 2019 meeting, which was seconded by Mr. Kahle. All Trustees voted yes, and the motion was passed 3-0. Ms. Santino not present.

APPOINTMENT OF THE 5TH MEMBER

Mr. Frost noted that Ms. Santino was completing the term of Mr. White which expires in February 2019. With that Mr. Marchese offered a motion to re-appoint Ms. Santino, which was seconded by Kahle. All Trustees voted yes, and the motion was passed 3-0¹. Ms. Santino not present.

ATTORNEY'S REPORT

No formal report provided.

¹ Upon Ms. Santino's arrival to the meeting, the Board received her affirmation of her re-appointment.

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ADMINISTRATOR’S REPORT

No formal report provided.

INVESTMENT REPORT – JP MORGAN

Ms. Melissa Anezinis, JP Morgan came before the Board to review the Special Situation Property Fund. Ms. Anezinis advised that our investment in the Fund was valued at \$19,617,206.00 as of September 30, 2018. For the quarter ending September 30, 2018, the gross rate of return for the account was 2.7%, compared to the ODCE Value which returned 2.1%. On a one-year basis, the return was valued at 10.9% vs. the index cited which returned 8.7%. On the longer term (inception date of April 1, 2014 – September 30, 2018), the Special Situation Property Fund rate of return was valued at 13.7% compared to the benchmark of 10.6%. Ms. Anezinis detailed recent acquisitions & dispositions, the geographical location, the property type, the acquisition price and the investment rationale.

The following was reported as we look ahead:

- Seek infill industrial acquisition opportunities and existing multifamily projects with renovation potential.
- Acquire older CBD office assets and create value through lobby and common area upgrades.
- Concentrate development activities in high barrier to entry submarkets with limited supply pipelines.
- Focus on leasing multifamily developments that are delivering over the next 12 months.

INVESTMENT REPORT – INTERCONTINENTAL

Mr. Peter Hapgood not present due to family emergency.

INVESTMENT REPORT – AndCo Consulting

Wellington Management: Mr. McCann reviewed the trailing 12 months for Wellington. For that period Wellington has minimally outpaced the benchmark. Mr. McCann recommended no action, stay the course.

POB Investment Report: Mr. Frost and Mr. McCann reviewed the aspects of the updated POB report going forward with Mr. Parks. He agreed to the change.

OPEN DISCUSSION

Changes to future meetings due to conflicts. New dates - April 5, 2019 & May 3, 2019. Managers will be apprised by Mr. McCann and website will be updated by Mr. Williams.

ADJOURNMENT

Being there was no other business; the meeting was adjourned by motion at 9:37 AM.

Next meeting is scheduled for February 8, 2019 at 8:30 AM

Troy Marchese, Board Secretary