

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

Minutes

**August 9, 2019
8:30 AM**

CALL THE MEETING TO ORDER

Mr. Frost called to order the West Palm Beach Police Pension Fund Meeting on August 9, 2019 at 8:35 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 Trustee; Joseph Ahern, Board Trustee & Dana Fragakis, Board Trustee.

Also present: Richard Cristini & Jeanine Bittinger, Saltmarsh, Cleveland & Gund, P.A.; Peter Montgomery & Alyse Vishnick, Invesco (formerly - OFI Global Asset Management; John McCann, AndCo Consulting; Bonni Jensen, Board Attorney, Klausner, Kaufman, Jensen & Levinson; Dave Williams, Plan Administrator.

PUBLIC COMMENT

No comments received.

APPROVAL OF THE MINUTES

Mr. Frost asked if there were any additional changes required to the minutes of July 12, 2019 Mr. Frost's comments were duly noted. Mr. Marchese made the motion to approve the minutes as cited, which was seconded by Mr. Frost. 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 by Mr. Williams. A formal administrative report was also provided for consideration. After Mr. Williams detailed the report and responded to inquiries, Mr. Ahern made the motion to approve items 1-2 & 4-11, which was seconded by Mr. Frost. All Trustees voted yes, and the motion was passed 4-0. Further, Mr. Marchese made the motion to approve item 2, which was seconded by Mr. Frost. All Trustees voted yes, and the motion was passed 3-0-1 (Mrs. Fragakis abstained, and Form 8 will be completed).

ATTORNEY'S REPORT

- Mrs. Jensen reviewed Cyber Memo of July 2019 with the Board of Trustees.
- Mrs. Jensen reported the recent payment received from the Madoff Victim Fund.
- Mrs. Jensen spoke of a former employee from 37 years ago who contacted the city for his pension refund. Mr. Williams located a document confirming a refund was made.
- Mrs. Jensen noted a recent application received for disability from Vincent Morton.
- Mr. Frost inquired about developing a policy where Trustees could not provide a reference for service providers. Mrs. Jensen will develop a draft for the Board to consider.

ADMINISTRATOR'S REPORT

- No formal report provided.

West Palm Beach Police Pension Fund – Minutes

August 9, 2019

Page 2 of 3

INDEPENDENT AUDITOR UPDATE – Saltmarsh, Cleveland & Gund, P.A.

Mr. Richard Cristini & Ms. Jeanine Bittinger came before the Board to discuss a change in CPA firms. Ms. Bittinger advised the Board that they have joined the firm of Saltmarsh, Cleveland & Gund, P.A. Ms. Bittinger advised the personnel and the staff would remain unchanged. As the new firm is larger than the prior firm, she reflected upon the additional resources that she can call upon. A letter of engagement was reviewed and approved by Mrs. Jensen. After Board discussion, Mrs. Fragakis made a motion to approve the letter of engagement, which was seconded by Mr. Marchese. All Trustees voted yes, and the motion was passed 4-0.

INVESTMENT PRESENTATION – INVESCO – Quarterly Review

Ms. Alyse Vishnick, introduced Mr. Peter Montgomery as our new relationship manager as a result of the Invesco merger of OFI. The representatives updated the Board on the merger and confirmed the investment team has remained constant.

Ms. Vishnick reported the portfolio returned 2.94%¹ for the quarter ending June 30, 2019. That was 233 basis points above the index for the same period. On all time measured periods 1-year, 3-year, 5-year and inception², the portfolio exceeded the benchmark return.

A firm overview was provided by the representatives, as well as a review of the investment team. A portfolio review included the performance, positioning and characteristics.

The Board thanked Ms. Vishnick for her service to the Plan and welcomed Mr. Peter Montgomery.

INVESTMENT MONITORING REPORT

Mr. John McCann appeared before the Board and presented the June 30, 2019 investment report. As of June 30, 2019, the total assets were valued at \$382,294,082.00. For the quarter, the total fund return was valued at 3.00%³ vs. 2.86% compared to the target index. That return placed the Plan in the 92nd percentile of the investment universe.

On a fiscal year basis, the total fund returned 1.92% (92nd percentile) vs. 2.43% (84th percentile) compared to the target index. The median return for all public funds was reported to be 3.40%.

On a one and three-year basis, the Plan returned 5.55% & 10.06% respectively. The three-year return cited ranked our Fund in the TOP 8 percentile of the investment universe.

Mr. McCann noted that the source future capital calls would be the Rhumblin large cap accounts, in an effort to maintain the policy allocation.

Mr. McCann cited that Aberdeen and Champlain have both outsourced their back-office duties. There should be no issues to the Plan.

Mr. McCann advised that his firm's research team will be meeting with Entrust representatives on September 6th and he will report their findings at the October meeting.

The entire investment report may be viewed on-line at:

<http://www.wpbppf.com/modules/investments/index.asp>

OPEN DISCUSSION

Educational round robin ensued among the Trustees.

¹ Net basis

² October 25, 2012

³ Gross basis

West Palm Beach Police Pension Fund – Minutes

August 9, 2019

Page 3 of 3

Mr. Frost cited the State of the Pension Fund report to the City Commission on September 16, 2019. Mr. Amrose will be presenting on behalf of the Plan.

ADJOURNMENT

Being there was no other business; the meeting was adjourned at 10:20 AM.

Next meeting is scheduled for September 13, 2019 at 8:30 AM.

A handwritten signature in black ink, appearing to read 'Troy Marchese', is written over a light gray rectangular background.

Troy Marchese, Board Secretary