

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

Minutes

**August 14, 2020
8:30 AM**

CALL THE MEETING TO ORDER

Mr. Frost called to order the West Palm Beach Police Pension Fund Meeting on Friday, August 14, 2020, at 8:32 AM. Due to Executive Order 20-69 Signed by RON DESANTIS, Governor of Florida on March 20, 2020, the Board of Trustees conducted the meeting live¹ & remotely.

Present: Jonathan Frost, Board Chairman; Craig Kahle, Board Trustee, (Attended In-Person) and Dana Fragakis, Board Trustee (Attended Remotely).

Also present: Jeff Burns & Nick Rojo, Affiliated Development; Dusten Campbell, Active Member; and Dave Williams, Plan Administrator (Attended In-Person).

Karen Malcolm, City of West Palm Beach – Finance Department; Nikki Noriega & Peter Montgomery, Invesco; John McCann, AndCo Consulting; Bonni Jensen, Board Attorney - Klausner, Kaufman, Jensen & Levinson (Attended Remotely).

PUBLIC COMMENT

Mr. Williams noted on the public meeting notice the following language was posted. “Any member of the public may submit questions or comments to be read during the public comment section of the meeting to michaelw@wpbppf.com by August 13, 2020”.

APPROVAL OF THE MINUTES

Mr. Frost asked if there were changes required to the minutes of July 10, 2020. Comments were duly noted. Mr. Kahle made the motion to approve the minutes as noted, which was seconded by Mrs. Fragakis. All Trustees voted yes, and the motion was passed 3-0.

ATTORNEY’S REPORT

Mrs. Jensen indicated Executive Order 20-69 from the Governor has been extended to October 1, 2020.

Mrs. Jensen cited she continues to work with the city regarding a subrogation matter for Mr. Vincent Morton, a disability recipient.

Mrs. Jensen was contacted by Levi & Korsinsky LLP regarding a potential security litigation case against Insperity, Inc. A case has been filed by the Building Trades Pension Fund of Western Pennsylvania. Our loss was valued at \$220,000.00 and our Plan may be best suited to seek lead plaintiff status. Mrs. Jensen asked this matter to be placed on the September agenda to consider.

¹ In the main conference room of the Ernest George Building of the Palm Beach County Police Benevolent Association.

INVESTMENT PRESENTATIONS

Affiliated Housing Impact Fund LP Presentation – Affiliated Development.

Mr. McCann spoke about his tours of the projects and stated he was very impressed. He spoke with the contractor and deemed the firm very good.

Mr. McCann advised that the AndCo research team is still working out the details to get Affiliated as an approved investment.

Mrs. Jensen advised that Affiliated is not comparable to other firms currently retained but she did not see any legal issue that would preclude the investment, that it would be a Trustee call to proceed.

Mr. Kahle asked that he receive a copy of the offering memo, Mr. Jeff Burns & Mr. Nick Rojo confirmed they would send along.

Mr. Kahle made the motion that subject to review of the offering memorandum, to approve a 5-million-dollar investment in the Affiliated Housing Impact Fund for local workforce housing projects. The motion was seconded by Mrs. Fragakis. All Trustees voted yes, and the motion was passed 3-0. Mrs. Jensen will work on the investment agreement.

Invesco

Ms. Nikki Noriega & Mr. Peter Montgomery of Invesco provided an investment update for Emerging Market Equity portfolio. A Firm overview was provided, along with a snapshot of the investment team, the investment approach and process. Portfolio positioning, performance and characteristics were detailed.

Annual returns – Composite (%)
As of June 30, 2020



Invesco OFI Emerging Markets Equity Composite (gross-of-fees)	18.55	-8.32	-0.81	5.46	5.69	6.53	4.70
Invesco OFI Emerging Markets Equity Composite (net-of-fees)	18.30	-8.71	-1.65	4.57	4.80	5.63	3.82
MSCI Emerging Markets Index ³	18.08	-9.78	-3.39	1.90	2.86	3.27	0.61
Difference	0.47	1.46	2.58	3.56	2.83	3.26	4.09

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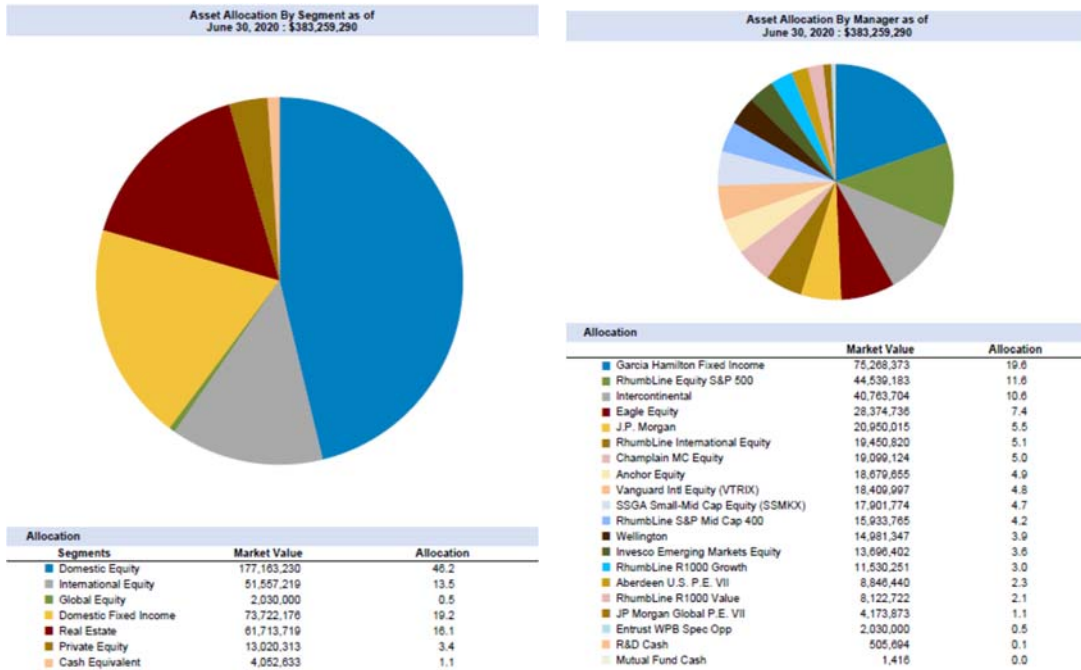
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AndCo Consulting

Mr. John McCann appeared before the Board and presented the June 30, 2020 investment report. As of June 30, 2020, the total assets were valued at \$383,259,290. For the quarter, the total fund return was valued at 12.81% vs. 14.07% compared to the target index. That return placed the Plan in the 39th percentile of the investment universe.

On a fiscal year basis, the total fund returned 2.64% (48th percentile) vs. 1.66% (65th percentile) compared to the target index. The median return for all public funds was reported to be 2.44%.

On a three-year & five-year basis, the Plan returned 6.44% & 6.34% respectively. The three-year return cited ranked our Fund in the TOP 29th percentile of the investment universe.



Mr. McCann advised that he is closely monitoring Wellington due to under performance.

Mr. Frost stated he attended an Intercontinental virtual investment meeting recently and provided a brief real estate investment report for the benefit of all present. Intercontinental has lowered its leverage, has limited exposure in retail and hotels and is collecting 96% of its rents and working with the other tenants.

In a spirit of transparency, the entire investment report may be viewed on-line at:
http://www.wpbppf.com/docs/investments/WBPPPF_Report_2020_Q2.pdf#zoom=100

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ADMINISTRATOR’S REPORT

Mr. Williams sought and received consensus approval to reprogram the pension database for share and drop accounts. This update will expedite quarterly postings for the members.

Mr. Williams advised the annual retirement confirmations were sent out electronically this year, with the exceptions to the members who have no e-mail on file.

APPROVAL OF DISTRIBUTIONS

New Warrants were presented for review. Warrants approved at the last meeting were presented to the Board in spreadsheet format by Mr. Williams. After Mr. Williams provided a detailed report, Mr. Kahle made the motion to approve the report, which was seconded by Mrs. Fragakis. All Trustees voted yes, and the motion was passed 3-0.

OPEN DISCUSSION

No open discussion ensued.

ADJOURNMENT

Being there was no other business; the meeting was adjourned by motion at 9:42 AM.

Next meeting is scheduled for September 11, 2020 at 8:30 AM²



Troy Marchese, Board Secretary

² Note: The meeting will be held live in-person and remote.