

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

**Minutes**

**November 12, 2021  
11:00 AM**

**CALL THE MEETING TO ORDER**

Mr. Frost called to order the West Palm Beach Police Pension Fund Meeting on November 12, 2021, at 11:01 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; Sean Williams, Board Trustee, Joseph Ahern, Board Trustee.

Also present: Karen Malcomb, City of West Palm Beach – Finance Dept; Janna Hamilton & Mark Delaney, Garcia Hamilton and Associates; Brendon Vavrica & John McCann, AndCo Consulting; Bonni Jensen, Board Attorney - Klausner, Kaufman, Jensen & Levinson; and Dave Williams, Plan Administrator & Mr. Michael Williams, Assistant to the Plan Administrator.

**PUBLIC COMMENTS**

This being his final meeting due to his retirement, the Board of Trustees recognized Mr. McCann for professional service over the years.

**APPROVAL OF THE MINUTES**

After providing his input, Mr. Frost asked if there were any additional changes required to the minutes of October 8, 2021. Mr. Ahern made the motion to approve the minutes, which was seconded by Mr. S. Williams. All Trustees voted yes, and the motion was passed 4-0.

**ATTORNEY'S REPORT**

Mrs. Jensen reported on the city commission workshop held on September 27, 2021<sup>1</sup>.

Mrs. Jensen advised the Palm Beach Legislative Delegation approved the proposed special act. Public Notice posted to Palm Beach Post.

Mrs. Jensen AmTrust Matter settlement underway. Letter (dated November 2021) from Saxena White distributed to all Trustees.

It was noted that the Select Quote litigation Matter has been filed with the Court.

Mrs. Jensen briefed the Trustees on a request from BBLG<sup>2</sup>. The firm is asking our Plan to join in on an Amicus Curiae in the Slack Matter<sup>3</sup>. After brief discussion Mr. Ahern made the motion to add the West Palm Beach Police Pension Plan to the BBLG Amicus Curiae. The motion was seconded by Mr. Marchese. All Trustees voted yes, and the motion was passed 4-0.

Mrs. Jensen advised she still is working on several disability cases awaiting medical files to proceed with IME.

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<sup>1</sup> <https://www.youtube.com/watch?v=E6pqifw9QHk>

<sup>2</sup> BERNSTEIN LITOWITZ BERGER & GROSSMANN LLP (BLBG)

<sup>3</sup> Pirani v. Slack Tech., No. 20-16419, (9th Cir. Sept. 20, 2021)

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Mrs. Jensen noted a recent workers compensation settlement for Mr. Saja. Matter is under review by Mr. Amrose and Mr. Raja's benefit will be adjusted accordingly.

Mrs. Jensen cited that the JPM Real Estate subscription agreement is complete and filed.

### NEW BUSINESS

#### GRS Engagement – Annual State Report

Mr. Williams indicated that he was contacted by Ms. Bittinger regarding her firm's inability to complete the annual report this year. Ms. Bittinger reflected that she had an unforeseen member on her team depart with short notice. As a result, she has not been able to find a replacement. That team member was responsible for filing the state reports. Ms. Bittinger contacted Mr. Amrose from GRS and he agreed to file the report on behalf of the plan. The cost for the service was in-line to what Saltmarsh was going to charge. Mr. Williams presented the engagement for the Board to consider. Mr. Ahern made the motion to engage GRS accordingly, which was seconded by Mr. S. Williams. All Trustees voted yes, and the motion was passed 4-0. Mr. Frost indicated this was a red flag for Saltmarsh and the Board will seek an update from Ms. Bittinger on her firm's ability at her next appearance. Mr. Frost had concern due to this situation and the departure of Mr. Cristini.

### INVESTMENT REPORT

#### Garcia Hamilton & Associates

Ms. Janna Hamilton & Mr. Mark Delaney, Garcia Hamilton and Associates presented the portfolio review through September 30, 2021. The portfolio had an account balance of \$49,113,017.21 for the cited period. Short- and long-term performance was outlined as follows:

	Quarter	Year To Date	One Year	Annualized Last 2 Years	Annualized Last 3 Years	Annualized Last 5 Years	Annualized Last 7 Years	Annualized Last 10 Years	Annualized Inception 01-31-04 To Date
Gross of Fees	0.23	-1.08	-0.69	2.39	3.95	2.53	2.94	3.52	4.42
Net of Fees	0.18	-1.23	-0.89	2.19	3.74	2.33	2.74	3.32	4.21
Custom Index*	0.05	-0.79	-0.38	2.59	4.39	2.47	2.70	2.51	3.48
Bloomberg US Int. Aggregate	0.05	-0.79	-0.38	2.59	4.39	2.47	2.70	2.51	3.63

It was noted the portfolio had recent underperformance, however beat the benchmark 13 out of 18 years<sup>4</sup>. Massive outperformance has been enjoyed by low quality positions, which is not the holdings of this portfolio. Money supply and fiscal stimulus were reported.

As we expected, the Federal Reserve indicated during the September FOMC meeting that they intend to announce a tapering plan at their next meeting November 2021. Economic data reported in September continued to display mixed readings, due largely to the past 3-month surge in the Delta COVID-19 variant.

<sup>4</sup> Calendar years between 2004 to 2021.

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**INVESTMENT CONSULTANT**

**AndCo Consulting**

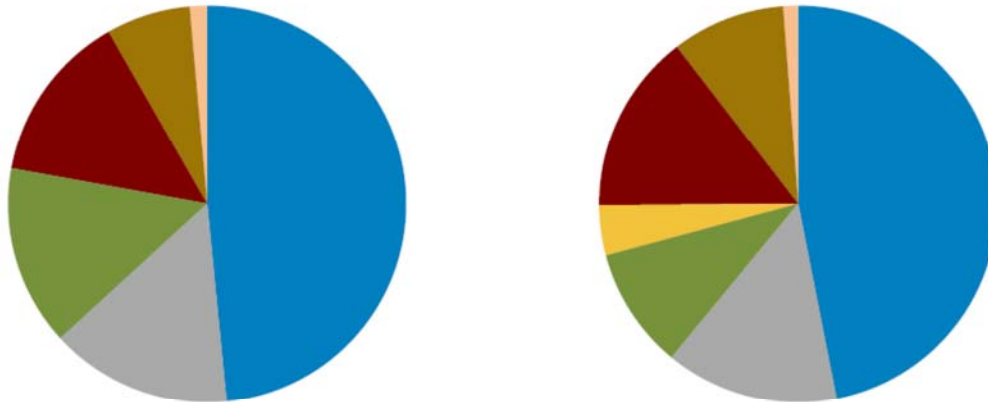
Mr. John McCann & Mr. Brendon Vavrica appeared before the Board and presented the September 30, 2021 investment report.

As of September 30, 2021, the total assets were valued at \$483,431,564.00. For the quarter, the total fund returned 1.29% vs. 0.09% compared to the target index. The public funds median return was valued at -0.18% for the quarter.

On a fiscal year basis, the total fund returned 23.84% vs. 24.26% compared to the target index. The median return for all public funds was reported to be 19.86%. On a three and five-year basis, the Plan returned 10.51% & 10.97% respectively. Mr. McCann was pleased with the stellar results.

**Asset Allocation:**

Asset Allocation By Segment as of June 30, 2021 : \$480,321,557      Asset Allocation By Segment as of September 30, 2021 : \$483,431,564



Allocation			Allocation		
Segments	Market Value	Allocation	Segments	Market Value	Allocation
Domestic Equity	232,689,367	48.4	Domestic Equity	226,735,467	46.9
International Equity	70,809,088	14.7	International Equity	67,980,466	14.1
Domestic Fixed Income	70,502,216	14.7	Domestic Fixed Income	47,801,561	9.8
Emerging Fixed Income	-	0.0	Emerging Fixed Income	19,688,870	4.1
Real Estate	66,661,962	13.9	Real Estate	70,987,338	14.7
Private Equity	32,837,227	6.8	Private Equity	44,533,091	9.2
Cash Equivalent	6,821,697	1.4	Cash Equivalent	5,904,771	1.2

In a spirit of transparency, the Board of Trustees have posted the entire quarterly investment report on-line and it may be viewed at:

[http://www.wpbppf.com/docs/investments/WPBPPF\\_Report\\_2021\\_Q3.pdf#zoom=100](http://www.wpbppf.com/docs/investments/WPBPPF_Report_2021_Q3.pdf#zoom=100)

The Board discussed the manager diversification breakdown.

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**ADMINISTRATOR’S REPORT**

Warrants approved since the last meeting were presented to the Board in spreadsheet format by Mr. D. Williams. A formal administrative report was also provided for consideration. After Mr. D. Williams detailed the report, Mr. Ahern made the motion to approve, which was seconded by Mr. Marchese. All Trustees voted yes, and the motion was passed 4-0.

Mr. Williams proudly presented the 2021 PPCC Public Pension Standards Award to the Board of Trustees. Mr. Williams also made the point to acknowledge the support of the City of West Palm Beach as this is a team effort.

You may learn further by following this link:

<http://www.wpbppf.com/docs/announcements/WPB%20Pension%20PPCC%20Award%202021.pdf#zoom=100>

**OPEN DISCUSSION**

Mr. Frost reminded everyone that the Mayor<sup>5</sup> joining us at the December 10, 2021 meeting.

**ADJOURNMENT**

Being there was no other business; the meeting was adjourned by motion at 12:07 AM.

Next meeting is scheduled for December 10, 2021 at 8:30 AM.



Troy Marchese, Board Secretary

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<sup>5</sup> <https://www.wpb.org/our-city/mayor-s-office>.