

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

Minutes

**December 08, 2023
8:30 AM**

CALL THE MEETING TO ORDER

Mr. Frost called to order the West Palm Beach Police Pension Fund Meeting on December 08, 2023, at 8:36 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; Sean Williams, Board Trustee; Dana Fragakis, Board Trustee, Troy Marchese, Board Trustee.

Also present: Dusten Campbell, Plan Member; Mark Guariglia & Bryan Schneider, Entrust Global; Jeff Burns & Nick Rojo – Affiliated Housing; Brendon Vavrica, Andco Consulting; Bonni Jensen, Board Attorney - Klausner, Kaufman, Jensen & Levinson; and Dave Williams, Plan Administrator; Michael Williams, Assistant to the Plan Administrator; and John Herbst, member of the public.

PUBLIC COMMENTS

No comments.

APPROVAL OF THE MINUTES

Mr. Frost asked if there were any changes required to the minutes of November 10, 2023. Mrs. Fragakis made the motion to approve the minutes as noted, which was seconded by Mr. Marchese. All Trustees voted yes, and the motion was passed 4-0.

ATTORNEY'S REPORT

Perry Lafrance- IME Request: Mrs. Jensen advised the Board that she was contacted by the Attorney representing Mr. Lafrance (Mr. King) requesting for the Board to conduct an additional IME (Independent Medical Examination) at the Fund's expense. A consensus was drawn that Mr. Lafrance was not prohibited from seeking additional evidence to prove his claim, but not at the Fund's expense. After a brief discussion Mr. Marchese made a motion to deny the request. This motion was seconded by Mrs. Fragakis. All Trustees voted yes, and the motion was passed 4-0.

HB3 Update: Mrs. Jensen advised the Board that the required Chapter 112 report was filed with the State of Florida by the Plan Administrator.

INVESTMENT REPORT – EnTrust Global

Mr. Mark Guariglia & Mr. Bryan Schneider provided the following investment summary for the Board to consider:

West Palm Beach Police Pension Fund has invested in two vintages of each of ETG Co-Invest Opportunities strategies.

As of October 31, 2023, the total NAV was \$14.7 million.

The Commitment Period for these investments remains open, and as such, EnTrust Global will continue to make new investments on behalf of West Palm Beach Police Pension Fund.

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EnTrust Global continues to source and execute upon what we believe is a robust and diverse pipeline of co-investments across a range of asset classes, sectors, geographies, etc.

Fund	Status	Inception Date	Committed Capital	Called Capital ¹	% of Called Capital	Total # of Investments	# of Realized Investments	# of Unrealized Investments	10/31/2023 NAV
ETG Co-Invest Opportunities Class A	Investing Capital	Jun-20	\$20,000,000	\$17,438,210	87.2%	22	2	20	\$14,386,036
ETG Co-Invest Opportunities Class D	Investing Capital	Aug-23	\$10,000,000	\$320,313	3.2%	-	-	-	\$321,103
TOTAL			\$30,000,000	\$17,758,523	59.2%	22	2	20	\$14,707,139

West Palm Beach Police Pension Fund's ETG Co-Invest Opportunities commitments continue to make investments. ETG Co-Invest Opportunities Class A will continue to make new investments into 2024. ETG Co-Invest Opportunities Class D has just begun its investment period. As of October 31, 2023, West Palm Beach Police Pension Fund has 20 unrealized co-investments across both credit and equity strategies. 5 co-investments were incepted in 2020 (27% of Class A commitment called). 9 co-investments were incepted in 2021 (34% of Class A commitment called). 6 co-investments were incepted in 2022-2023 (26% of Class A commitment called).

Historically, the average duration of co-investment from initial funding to full monetization is 36-48 months. Given the longer-duration nature of the strategy, which is specifically designed to withstand mark-to-market volatility and exit with an eye towards ultimate realized value, we believe co-investment performance should be assessed upon full monetization.

Since 2008, EnTrust has realized 100 co-investments with a median net IRR of 9.55%.

Thesis-Driven Investment Approach was described as: Management Change, Operational Turnaround, Strategic Transactions, Restructuring/Legal Processes, IPO and Refinancing.

At the conclusion of the presentation the representatives spoke about another EnTrust product Blue Ocean Onshore Fund II. After consulting with Mr. Vavrica, the Board will monitor for future consideration.

INVESTMENT REPORT – Affiliated Housing Impact Fund

Mr. Jeff Burns & Mr. Nick Rojo presented the latest update to the Board of Trustees. The representatives were joined by John Herbst.¹

The representatives cited that they were pleased to provide an investment update to the West Palm Beach Police Pension Fund:

- Initial Fund closing occurred in December 2020 with subsequent closings November 2021, January 2022, and October 2022. Currently in investment periods; ends December 2025.
- Current capital commitment is \$5.0M.

¹ <https://www.fortlauderdale.gov/government/city-commission/commissioner-john-c-herbst>

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- The Fund has made three capital calls to date totaling \$17,303,659 to fund four projects. The Fund has called \$1,223,101 which represents 25% of the current capital commitment. The Fund has made \$24,295 in preferred return distributions to WPB Police.
- Current and Near-Term Fund Projects: The Bohemian: Fully leased and stabilized. The Grand: Completed and 95% leased. The Tropic: Target Q4 2023 close. \$185M of equity needed over 5 project pipelines.

Fund Performance through Q3 2023

- The Fund has called \$17,303,659 of capital to date (\$1,223,101 from WPB Police)
- Current Fund NAV of \$35,976,895
 - ▶ 35.00% Gross IRR
 - ▶ 29.11% Net IRR

INVESTMENT CONSULTANT - AndCo Consulting

Mr. Brendon Vavrica cited the management team update for JPMorgan Real Estate. The manager will be at the January 2024 meeting.

Mr. Vavrica suggested the Board consider adding additional funds to the BlackRock Multi Asset Income Fund (BKMIX) for expected capital calls. A motion followed by Mr. Marchese (after discussion) to SELL \$2,000,000 of the State Street Small/Mid Cap Fund (SSMKX) and purchase BlackRock Multi Asset Income Fund (BKMIX) for future capital calls. The motion was seconded by Mrs. Fragakis. All Trustees voted yes, and the motion was passed 4-0.

Mr. Vavrica provided a flash report through November 30, 2023, showing the fiscal year return was 2.4%.

Finally, Mr. Vavrica provided an S&P 500 History Chart for the Board to consider.

NEW BUSINESS

Mr. Campbell advised the Board that contract negotiations were forthcoming with the city. He asked the Board for permission to seek actuarial assistance if needed, between meetings. After a brief discussion a motion was made by Mrs. Fragakis to appoint Mr. Marchese as the lead point of contact to Mr. Campbell should an urgent need arise between meetings for actuarial assistance, which was seconded by Mr. Marchese. All Trustees voted yes, and the motion was passed 4-0.

ADMINISTRATOR'S REPORT

Warrants approved since the last meeting were presented to the Board in spreadsheet format by Mr. Williams. Mr. Marchese made the motion to approve all items with the exception of item 7, which was seconded by Mr. Mrs. Fragakis. All Trustees voted yes, and the motion was passed 4-0. At this juncture Item 7 was reconsidered and Mr. Marchese made a motion to approve, which was seconded by Mr. S. Williams. All Trustees voted, and the motion was passed 3-0-1 (Mrs. Fragakis² Abstained).

² Form 8B filed accordingly.

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Equipment: Mr. D. Williams cited the need to replace the server and desktop computer in the Office of Retirement. Both items have outlived their useful life as per our IT representative. Motion to purchase and replace the computers by Mr. Marchese, seconded by Mrs. Fragakis. All Trustees voted yes, and the motion was passed 4-0.

Stoppage of Pension Payment: Mr. D. Williams informed the Board that he stopped the pension payment to Mr. James Graham. Reasons outlined to the Board and concurred with the action taken by consensus. Further updates will follow as warranted.

2024 COLA: Mr. D. Williams received the 2024 cola report from the actuary this morning. A copy of the report was distributed for approval. After review, Mr. Marchese made the motion to approve, which was seconded by Mrs. Fragakis. All Trustees voted yes, and the motion was passed 4-0.

OPEN DISCUSSION

An inquiry was raised by Mr. Frost as to what entity files security litigation claims. Mr. Williams cited the custodian handles that on behalf of the Fund.

A brief education round robin ensued.

ADJOURNMENT

Being there was no other business; the meeting was adjourned by motion at 10:21 AM

Next meeting is scheduled for January 12, 2024, at 8:30 AM.

A handwritten signature in black ink, appearing to read 'T. Marchese', is enclosed in a thin black rectangular border.

Troy Marchese, Board Secretary