

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

Minutes

**May 09, 2025
8:30 AM**

CALL THE MEETING TO ORDER

Mr. Frost called to order the West Palm Beach Police Pension Fund Meeting on May 09, 2025, at 8:31 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 Marchese¹, Board Secretary; Dana Fragakis, Board Trustee and Sean Williams, Board Trustee.

Also present: Joe Caliguiri & Mike Cervi - Champlain Investment Partners; Brendon Vavrica, Mariner Institutional; Bonni Jensen, Board Attorney - Klausner, Kaufman, Jensen & Levinson; and Dave Williams, Plan Administrator.

PUBLIC COMMENTS

No comments.

APPROVAL OF THE MINUTES

Mr. Frost asked if there were any additional changes required to the minutes of April 11, 2025. Mr. S. Williams made the motion to approve the minutes, which was seconded by Mrs. Fragakis. All Trustees voted yes, and the motion was passed 4-0.

ATTORNEY'S REPORT

LaFrance Matter: Mrs. Jensen informed the Board the response was filed in the LaFrance Matter. Oral Arguments & Attorney Fees were requested.

Clark Order: Mrs. Jensen presented the Clark Final Order for review and consideration. After review, Mr. Marchese made a motion to approve the Order, which was seconded by Mrs. Fragakis. All Trustees voted yes, and the motion was passed 4-0.

State of the Pension: Mrs. Jensen is working with the city to secure a date and time for the presentation to the city commission.

Form 1: Mrs. Jensen reminded the Board to file their annual Form 1. <https://disclosure.floridaethics.gov/Account/Login>

Xponential Fitness Matter: The following update was provided to keep the Board informed as the case progresses.

- Lead plaintiffs filed a consolidated complaint on July 26, 2024. Defendants filed their motion to dismiss on October 8, 2024. Lead plaintiffs then filed an opposition to defendants' motion to dismiss on December 6, 2024. That same day, lead plaintiffs filed a motion to supplement the consolidated complaint to plead facts surrounding a Consent Order that Xponential had entered on November 4, 2024, with the Commissioner of Financial Protection and Innovation of the State of California.

¹ Departed at 10:00 AM.

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- Defendants filed an opposition to the motion to supplement the consolidated complaint on January 17, 2025, and lead plaintiffs filed a reply in support of the motion to supplement on January 31, 2025.
- On February 18, 2025, the Court granted lead plaintiffs' motion to supplement the consolidated complaint and denied defendants' pending motion to dismiss as moot. Lead plaintiffs then filed the supplemented consolidated complaint on February 28, 2025. Defendants' motion to dismiss the supplemented consolidated complaint was filed on April 15, 2025.
- Until the motion to dismiss has been decided, all discovery and other proceedings are stayed pursuant to the Private Securities Litigation Reform Act.

INVESTMENT REPORT – Champlain Investment Partners

The representatives cited the following:

Performance (%) Ending March 31, 2025

| | Gross Return | Net Return | Russell Midcap |
|--------------------------------|--------------|------------|----------------|
| Quarter to Date | -5.39 | -5.60 | -3.40 |
| Year to Date | -5.39 | -5.60 | -3.40 |
| 1 Year | -7.75 | -8.54 | 2.59 |
| 3 Year - Annualized | -0.60 | -1.45 | 4.61 |
| 5 Year - Annualized | 12.38 | 11.42 | 16.27 |
| Inception to Date - Annualized | 7.42 | 6.51 | 9.03 |
| Inception to Date - Cumulative | 50.82 | 43.63 | 64.30 |

Note: Performance Inception Date 07.06.19

The Champlain Mid Cap strategy's return for the 3-month period ending March 31, 2025, lagged the -3.40% return for the Russell Midcap and was ahead of the -6.10% return for the S&P MidCap 400.

The first quarter was marked by a sharp market reset in expectations around the consumer, with growing evidence of a normalization in discretionary spending and a pullback in the stock prices for many growth companies. Several holdings, including e.l.f. Beauty and Freshpet, also experienced significant drawdowns despite solid execution of their long-term strategies. Industrials, technology, consumer discretionary, and financials all contributed positively to relative returns.

Our investment process has never relied on our ability to time the stock market or the economic cycle, forecast interest rates, or predict the impact from policy changes such as tariffs. Most of these variables are inherently unpredictable and are often priced into markets in ways that argue against short-term trading. Instead, we focus on identifying high-quality, competitively advantaged businesses with strong balance sheets, recurring revenue, high returns, and attractive long-term growth opportunities.

DOGE and higher taxes alone cannot fix the U.S. fiscal situation which is not just about the \$36T in deficits. The roughly \$100T in unfunded liabilities also is relevant to any debate about fiscal spending. Whether policy makers address spending head on or in crisis remains to be seen, but an era of tradeoffs for Federal spending likely awaits. The eventual fallout from Federal spending cuts coupled with the potential for unanticipated negative consequences from recently announced tariffs has us double-checking our assumptions about the sustainability of end market demand for our holdings in a more volatile and possibly weaker overall economic environment. As well, we acknowledge that deregulation and other incentives could provide some offsetting stimulus.

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Mean reversion of trends is one of the most bankable concepts in investing. Accordingly, we expect our relative returns to rebound meaningfully in the years ahead as we are committed to our investment process and a continuous improvement mindset toward our execution of the process. Valuation sensitivity will likely become stylish again, liquidity is likely to once again reveal itself to be a coward, and equal weighted will probably catch up to cap weighted. Real returns could become very topical at some point if policy makers overtly choose to inflate away the real value of the nation's debt as part of any effort to reduce the debt as a percentage of GDP. As a reminder, this strategy should be less impacted than its benchmarks by any inflation due to its relatively low exposure to energy use, hourly labor, and capital intensity. This strategy's holdings in aggregate are unlikely to face as great of a tapeworm effect from inflation as they will not need to replace or maintain as many fixed assets at higher costs in the future.

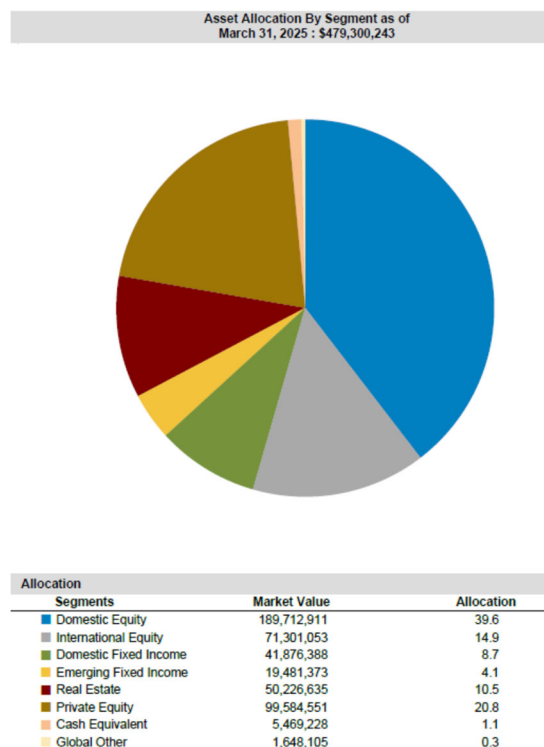
INVESTMENT CONSULTANT – Mariner Consulting

As of March 31, 2025, prepared by Mr. Vavrica showed the fiscal year return valued at -2.02²%.

| | Allocation | | Performance(%) | | | | | | | | | | | |
|------------------------------------|-----------------|-------|----------------|------------|-----------|-----------|------------|-----------|-----------|-----------|-----------|----------------|--|--|
| | Market Value \$ | % | QTR | FYTD | 1 YR | 3 YR | 5 YR | 7 YR | 10 YR | 15 YR | Inception | Inception Date | | |
| Total Fund Composite | 479,300,243 | 100.0 | -1.54 (93) | -2.02 (90) | 2.36 (98) | 3.15 (89) | 10.17 (56) | 7.06 (49) | 7.01 (48) | 8.01 (33) | 6.58 (21) | 10/01/2007 | | |
| Total Fund Policy Index | | | -1.00 (87) | -1.82 (86) | 3.95 (92) | 3.41 (82) | 10.51 (42) | 6.94 (54) | 7.01 (48) | 8.21 (23) | 6.67 (17) | | | |
| All Public Plans-Total Fund Median | | | 0.19 | -1.07 | 5.84 | 4.37 | 10.32 | 7.02 | 6.95 | 7.70 | 6.17 | | | |

Upon reviewing the quarterly report, the performance of the Vanguard Intl Equity (VTRIX) was noted as underperforming. Mr. Vavrica presented an investment manager search and reviewed it with the Board. After discussion, Mr. S. Williams made the motion to exit the Vanguard Fund and transfer the assets to DFA International Value (DFIVX). Motion was seconded by Mr. Marchese. All Trustees voted yes, and the motion was passed 4-0.

Asset Allocation Summary as of March 31, 2025



² Gross Basis.

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Mr. Vavrica provided a flash report for the fiscal year through April 30, 2025. The return was valued at -2.2%.

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. Marchese made the motion to approve, which was seconded by Mr. S. Williams. All Trustees voted yes, and the motion was passed 4-0.

Mr. Williams also presented warrants for review and consideration in the Ballesteros Matter. Officer Joshua Ballesteros (date of hire: 01/02/2028) died in a single car motor vehicle accident on 04/14/2024 when he was off duty in a personal vehicle. He is survived by his daughter Kinsley Ballesteros. It is believed that Kinsley is entitled to a non-duty death benefit until the age of 18 (08/17/2037). The Eleventh Judicial Circuit appointed Glen Tisha Johnson (child’s mother) as the Guardian. After review of the documents and receiving legal input from Mrs. Jensen, Mr. Marchese made a motion to Grant a Non-Duty Related Death Benefit to Kinsley Ballesteros in the amount of \$863.58 per month, effective 05/01/2024. The amount cited is payable to the beneficiary until her adoption, marriage, death, or attainment of age 18, which is 08/17/2037. Mr. S. Williams seconded the motion. All Trustees voted yes, and the motion was passed 4-0.

OPEN DISCUSSION

Mr. Marchese spoke about his impending retirement. As a result, an election for Trustee will have to be held. Mr. Williams will handle accordingly and will have an update for the Board at the June 13th meeting.

Mr. Frost suggested ordering a token of appreciation for Mr. Marchese’s tireless efforts, to be presented at the meeting of August 08, 2025.

ADJOURNMENT

Being there was no other business; the meeting was adjourned by motion at 10:03 AM

Next meeting is scheduled for June 13, 2025³, at 8:30 AM.

Troy Marchese, Board Secretary



³ This meeting was subsequently cancelled.