

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

Minutes

**April 11, 2014
8:30 AM**

CALL THE MEETING TO ORDER

Mr. Frost called to order the West Palm Beach Police Pension Fund Meeting on April 11, 2014 at 8:44 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, Chairman, Chris Fragakis, Board Trustee and Craig Kahle, Board Trustee.

Also present: Ernest George, Retired Member; Brendon Vavrica, Performance Consultant of Thistle Asset Consulting; Mark Rickabaugh & Robert Croce of Anchor Capital; Bonni Jensen, Board Attorney, Law Offices of Perry & Jensen; Dave Williams, Plan Administrator.

PUBLIC COMMENT

No comments provided

APPROVAL OF THE MINUTES

Mr. Frost asked if there were any changes required to the minutes of March 7, 2014 & March 14, 2014. Mr. Frost offered his revision which was duly noted. Mr. Fragakis made the motion to approve the minutes as amended, which was seconded by Mr. Kahle. All Trustees voted yes, and the motion was passed 3-0.

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, in addition to the detailed activity outlined in the administrative report by Mr. Williams. Mr. Fragakis made the motion to approve the foregoing which was seconded by Mr. Kahle. All Trustees voted yes, and the motion was passed 3-0.

ATTORNEY'S REPORT

Mrs. Jensen indicated the amendment to the special act is advancing well through the session.

Mrs. Jensen reflected the Madoff Victim's Fund filing has been confirmed. Updates will follow as warranted.

Mrs. Jensen noted the JP Morgan Real Estate investment has been fully funded with 10 million dollars.

Mrs. Jensen cited that Mr. Dennis Murray has formally filed for disability. Further updates will be provided as warranted.

Mrs. Jensen briefed the Board on the proposed commission workshop on April 21, 2014. Mr. Jeff Amrose, Board Actuary will appear before the commission to review particulars of the Fund.

Mrs. Jensen advised the Board of the 35th Annual Police Officers & Firefighters Pension Trustees School May 12-14, 2014, Tallahassee, Fla.

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The application for disability in the Murray Matter is in the discovery phase. Medical records are currently being compiled. IME selection will be forthcoming.

Mrs. Jensen indicated that she was advised of a class action case involving “Healthport” a medical records provider. She will look into the issue.

Mrs. Jensen cited a public records request from Barbara A. Petersen, of the First Amendment Foundation on the Zangara Matter. A response will follow from Mr. Williams.

A special counsel will have to be retained for the Zanagra Matter. Further, Mrs. Jensen announced that Mr. Robert Winess is representing Mr. Zangara. Mr. Fragakis made the motion to retain the legal services of Sugarman & Susskind, PA, which was seconded by Mr. Kahle. All Trustees voted yes, and the motion was passed 3-0.

Mrs. Jensen reminded the Trustees that the Mintus Matter Appeal set for April 17, 2014 at 10:00 AM.

Mrs. Jensen distributed education materials for Berstein, Litowitz, Berger & Grossman.

ADMINISTRATOR’S REPORT

Intercontinental Real Estate Corp: The 4th quarter 2013 distribution notice from Intercontinental Real Estate Corp. was shared with the Board by Mr. Williams. The March 20, 2014 correspondence reflected a net distribution of \$65,831.54 was being made to the Fund. Mr. Williams confirmed the transfer with Fiduciary Trust.

ANCHOR – MID CAP VALUE MANAGER

Mr. Mark Rickabaugh & Mr. Robert Croce appeared before the Board and reviewed the March 31, 2014 investment report. Mr. Mark Rickabaugh advised that the Anchor Capital Mid Cap Value Account returned 1.06% for the quarter vs. 3.53% for the benchmark (Russell Mid Cap) and 1.84% for the S&P 500 Index. On the fiscal year basis, the Anchor Capital Mid Cap Value Account returned 8.21% vs. 12.21% for the benchmark (Russell Mid Cap) and 12.54% for the S&P 500 Index. The market value as of March 31, 2014 was \$23,150,331.47.

A detailed report was provided about the investment philosophy in the past and going forward. It was acknowledged that holding cash has hurt the overall return, where in past market cycles it has benefited the return.

Mr. Frost spoke frankly with Mr. Rickabaugh & Mr. Croce by saying that the first 5 years the returns were outstanding. Since 2009, they have been underperforming against the Index. If not for the proven ability to outperform, we would have parted ways. Mr. Frost closed by expressing his disappointment, but remains hopeful Anchor will outperform in a down market. Mr. Vavrica interjected that in terms of risk v. reward; Anchor has provided Alpha while having risk control, about 1/2 of the Beta of the market.

At the request of Mr. Kahle, recent sales and purchases were reviewed and thought processes behind each were highlighted.

OPEN DISCUSSION

Mr. Frost inquired about collateralized mortgage backed securities (CMBS), and whether we participate in that type of investment. Mr. Vavrica felt Garcia Hamilton would be the best point of contact for that. Mr. Vavrica will follow-up with Mr. Gilbert Garcia.

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ADJOURNMENT

Being there was no other business; the meeting was adjourned at 10:09 AM.

The next meeting regularly scheduled meeting is May 9, 2014 at 8:30 AM.

A handwritten signature in black ink, appearing to read 'Troy Marchese', written over a horizontal line.

Troy Marchese, Board Secretary