

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

Minutes

**January 8, 2016
8:30 AM**

CALL THE MEETING TO ORDER

Mr. Frost called to order the West Palm Beach Police Pension Fund Meeting on January 8, 2016 at 8:35 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, Joseph Ahern, Board Trustee, Craig Kahle, Board Trustee and Wilton White, Board Trustee.

Also present: Peter C. Hapgood, Intercontinental Real Estate Corporation; Jennifer Ciullo, JP Morgan Asset Management; John McCann, Thistle Asset Consulting; Mark Parks, Finance Director – City of West Palm Beach; Bonni Jensen, Board Attorney, Klausner, Kaufman, Jensen & Levinson; and Dave Williams, Plan Administrator.

PUBLIC COMMENT

No Comment

APPROVAL OF THE MINUTES

Mr. Frost asked if there were any changes required to the minutes of December 11, 2015. Mr. White made the motion to approve the minutes of December 11, 2015 as presented, which was seconded by Mr. Ahern. All Trustees voted yes, and the motion was passed 4-0.

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 by Mr. Williams. A formal administrative report was also provided for consideration. After Mr. Williams detailed the report, Mr. Ahern made the motion to approve, which was seconded by Mr. White. All Trustees voted yes, and the motion was passed 4-0.

ATTORNEY'S REPORT

Graham Matter: Mrs. Jensen indicated that Mr. Graham applied for disability, however failed to submit a medical evaluation from a treating physician attesting to his condition(s). Mr. Williams has made several attempts to secure the required documents to no avail. Mrs. Jensen recommended that she write a letter outlining the law and his failure to comply will result in a denial by the Board. The foregoing was placed in the form of a motion by Mr. White and seconded by Mr. Ahern. All Trustees voted yes, and the motion was passed 4-0.

Scollo Matter: It was reported that the Financial Guardianship has been established for the minor son and approved by the court. Once the required documents are returned, a Warrant will be prepared for your approval.

DFC Global: Mrs. Jensen advised that per our request, the Board was dismissed by the court as co-lead plaintiffs.

West Palm Beach Police Pension Fund – Minutes

January 08, 2016

Page 2 of 3

NEW BUSINESS

Class Action Policy: A statement of policy for class action litigation was presented to the Board to consider. Among the changes was granting authority to the Plan Administrator to be the Fund's representative in all matters of discovery and other court related duties such as depositions.

After the policy was reviewed and discussed, Mr. White made the motion to approve the statement of policy in class action litigation as presented, which was seconded by Mr. Ahern. All Trustees voted yes, and the motion was passed 4-0.

WHV: Mr. McCann reported on a notice of retirement received from Mr. Hirayama of WHV, which is effective February 28, 2016. Mr. McCann advised that Mr. Hirayama was the reason behind selecting WHV and without Mr. Hirayama, it is time to move on. Mr. McCann suggested moving the funds to our current index manager – Rhumblin which has an international index fund. The Board concurred and a motion was made by Mr. White to terminate WHV as soon as administratively practical; to establish an international account with Rhumblin and wire the assets accordingly. Mr. Khale seconded the motion. All Trustees voted yes, and the motion was passed 4-0.

Options: Mr. Frost asked the Trustees if they felt "Options" should be explored again. The consensus formed was that the investment topic was too vast to consider during a regular meeting. Mr. Frost advised he learned from Mr. Mike Warsh that an "options education symposium" was being offered at no charge by the Chicago Board of Options here in Florida. He suggested members attend if time permits. Mr. Parks opined that options may be a viable vehicle and it would be helpful to explore and learn more about it. Mr. Williams was desirous about attending. Mr. McCann will make every effort to attend as well.

ADMINISTRATOR'S REPORT

No Formal Report

INVESTMENT REPORT – JP MORGAN

Ms. Jennifer Ciullo, JP Morgan came before the Board to review the Special Situation Property Fund. Ms. Ciullo advised that our investment in the Fund was valued at \$12,416,982.00 as of September 30, 2015. The total commitment as of September 30, 2015 remained unchanged at \$10,000,000. For the quarter ending September 30, 2015, the gross rate of return for the account was 5.2%, compared to the ODCE Value which returned 3.7%. On a one year basis, the return was valued at 20.9% vs. the index cited which returned 14.9%.

On the longer term (inception date of April 1, 2014 – September 30, 2015), the Special Situation Property Fund rate of return was valued at 19.4% compared to the benchmark of 14.3%. Ms. Ciullo detailed recent acquisitions & dispositions, the geographical location, the property type, the acquisition price and the investment rationale.

INVESTMENT REPORT – INTERCONTINENTAL

Mr. Peter Hapgood came before the Board to review the Intercontinental Real Estate Corporation - US REIF Account. Mr. Hapgood advised that the investment of the Fund was valued at \$14,690,703.00 as of September 30, 2015. The total commitment as of September 30, 2015 remained unchanged at \$9,211,297. For the quarter ending September 30, 2015, the gross rate of return for the Intercontinental Real Estate Corporation - US REIF was 3.65%, which was in line with the ODCE Index which returned 3.68%. On a three year basis, the return was valued at 15.37% vs. the index cited which returned 13.45%.

West Palm Beach Police Pension Fund – Minutes

January 08, 2016

Page 3 of 3

On the longer term (inception date of January 20, 2012 – September 30, 2015), the US REIF rate of return was valued at 13.94%, which outpaced the benchmark of 13.09%. Mr. Hapgood detailed recent acquisitions, the geographical location, the property type, the acquisition price and the investment rationale. Mr. Hapgood provided their view of the commercial real estate market. Examples of “core”, “core-plus” and “value-added” properties were highlighted.

Mr. Frost mentioned that he and Mr. Williams attended the Intercontinental client conference held here in Palm Beach County. Mr. Frost thanked Mr. Hapgood for hosting the client meeting locally. Mr. Frost felt the event was well worth the time. Mr. Williams reflected, hearing direct from the principals of the company and learning about the due diligence undertaken behind the scenes was outstanding. Mr. Hapgood thanked Mr. Frost & Mr. Williams for their positive feedback.

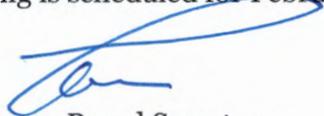
OPEN DISCUSSION

No Discussion ensued.

ADJOURNMENT

Being there was no other business; the meeting was adjourned by motion at 10:28 AM.

Next meeting is scheduled for February 12, 2016 at 8:30 AM



Troy Marchese, Board Secretary