

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

**Minutes**

**July 11, 2025  
8:30 AM**

**CALL THE MEETING TO ORDER**

Mr. Frost called to order the West Palm Beach Police Pension Fund Meeting on July 11, 2025, at 8:30 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; Joe Ahern, Board Trustee; Dana Fragakis, Board Trustee and Sean Williams, Board Trustee.

Also present: Sarah Yoos; Stefanie Leverette & Adam Warden, Sexena White; Kevin Campbell & Eric Wilcomes, Taurus Private Markets; Brendon Vavrica, Mariner Institutional; Bonni Jensen, Board Attorney - Klausner, Kaufman, Jensen & Levinson; Dave Williams, Plan Administrator.

**PUBLIC COMMENTS**

Sarah Yoos was warmly welcomed by all present. It was noted that Mr. Frost and Mr. S. Williams were reappointed to the Board of Trustees<sup>1</sup> for another term. Both were congratulated accordingly and thanked for their continued commitment to service to the Fund. It was also reported by Mr. Frost that this was Mr. Marchese's penultimate meeting due to his pending retirement.

**APPROVAL OF THE MINUTES**

Mr. Frost asked if there were any changes required to the minutes of May 09, 2025. Mr. Ahern made the motion to approve the minutes as presented, which was seconded by Mr. S. Williams. All Trustees voted yes, and the motion was passed 5-0.

**ATTORNEY'S REPORT**

Proposed Security Litigation - Krispy Kreme, Inc: Mrs. Stefanie Leverette & Mr. Adam Warden from Sexena White presented the following to the Board.

Based in Charlotte, North Carolina, Krispy Kreme is synonymous with doughnuts. The Company offers doughnuts to its customers through company-owned and franchised shops, as well as partnerships with grocery stores and quick-service restaurants. On October 26, 2023, Krispy Kreme and McDonald's entered into a partnership, and Krispy Kreme began an "extended test" selling its doughnuts in Kentucky-based McDonald's restaurants. Then, on March 26, 2024, Krispy Kreme and McDonald's announced that they would expand their partnership nationwide, with the "phased rollout" beginning in the second half of 2024. Krispy Kreme informed investors that its doughnuts were expected to be available nationwide at McDonald's restaurants by the end of 2026.

Throughout our proposed expanded Class Period, which begins in November 2024, Krispy Kreme touted the success of its nationwide McDonald's rollout. Before markets opened on November 7, 2024, Krispy Kreme issued a press release announcing its financial results for the third quarter of 2024, in which Chief Executive Officer ("CEO")

---

<sup>1</sup> <http://www.wpbppf.com/modules/trustees/index.asp>

## **West Palm Beach Police Pension Fund – Minutes**

**July 11, 2025**

**Page 2 of 6**

Charlesworth described “the successful start of our nationwide U.S. rollout at McDonald’s” as a “major milestone.” During the related earnings call, CEO Charlesworth thanked McDonald’s for helping to “ensure a smooth rollout so far.”

Unbeknownst to investors, the McDonald’s rollout was unfolding far worse than Krispy Kreme had claimed. Investors began to learn the truth before markets opened on February 25, 2025, when Krispy Kreme announced its financial results for the fourth quarter of 2024, including revenue and guidance that missed consensus estimates. During the corresponding earnings call, in response to a question about demand at McDonald’s, CEO Charlesworth admitted that demand for Krispy Kreme doughnuts “has dipped a little lower than expected.” Still, CEO Charlesworth reassured investors that the partnership with McDonald’s “continues to progress very well,” as it purportedly continued to unlock “expansion opportunities across the country.” On this news, the price of Krispy Kreme stock fell more than 21%, or \$1.98 per share, to close at \$7.07 per share on February 25, 2025.

Investors learned the full truth before markets opened on May 8, 2025, when Krispy Kreme announced its financial results for the first quarter of 2025, including a 15% year-over-year decrease in revenue. Krispy Kreme also withdrew its full year 2025 revenue guidance, which had been lowered one quarter earlier, due in part to “the uncertainty around the McDonald’s deployment schedule.” In addition, Krispy Kreme discontinued its quarterly dividend. Underscoring the extent of the failed McDonald’s rollout, Krispy Kreme revealed that it “does not expect to launch in any additional [McDonald’s] restaurants in the second quarter of 2025.” Unsurprisingly, the market reacted adversely to these disclosures. For example, J.P. Morgan highlighted how the Company’s first quarter results “taught the painful reality of not only the underestimated execution risk,” but also the “uneven” demand at different McDonald’s restaurants. On this news, the price of Krispy Kreme stock fell 24%, or \$1.07 per share, to close at \$3.26 per share on May 8, 2025.

WPB Police suffered a loss of \$355,783 on its purchases of Krispy Kreme stock in our proposed expanded Class Period. During this period, the Fund purchased a total of 61,795 shares of Krispy Kreme stock and held all of these shares through all the disclosures discovered above. By contrast, the Filed Action does not fully protect the Fund’s interests. Specifically, during the Filed Class Period, WPB Police lost \$62,406, having purchased a total of 15,990 shares of Krispy Kreme stock.

Saxena White believes the merits to the action are strong. Further, we believe it is important for a sophisticated institutional investor like WPB Police to lead the prosecution of the action against Krispy Kreme in order to protect the Fund’s and other Krispy Kreme investors’ interests. For these reasons, we recommend that WPB Police retain Saxena White to file a motion for lead plaintiff appointment on the statutory deadline of July 15, 2025.

After review and discussion, the Board agreed to consensus to pursue the matter. Mr. Ahern made the motion to engage Saxena White to represent the Fund in the Krispy Kreme matter. Motion was seconded by Mr. Marchese. All Trustees voted yes, and the motion was passed 5-0.

LaFrance Matter: Mrs. Jensen indicated that the matter is still pending with the court.

Form 1: Mrs. Jensen confirmed 100% compliance with annual filing.

## **West Palm Beach Police Pension Fund – Minutes**

**July 11, 2025**

**Page 3 of 6**

Saltmarsh, Cleaveland & Gund, P.A.: Mrs. Jensen advised that effective June 1, Saltmarsh joined the Ascend family of CPA firms through an alternative practice structure.

It is reported that under this structure:

- All team members and personnel will remain the same, and
- All terms of our existing agreement remain unchanged, with one exception: audit (attest) services will now be provided by Saltmarsh CPAs, Inc.

The original engagement letter, assignment of the agreement requires the express written consent of the Board.

Mrs. Fragakis made the motion to agree and execute the Assignment of Auditor Engagement Letter document (which formally assigns the engagement from Saltmarsh, Cleaveland & Gund, P.A. to Saltmarsh CPAs, Inc.). Mr. Ahern seconded the motion. All Trustees voted yes, and the motion was passed 5-0.

New Hires: Mrs. Jensen reported that she is reviewing pension physical data relative to the most recent hires.

Special Act: Due to the changes in the Collective Bargaining Agreement, Mrs. Jensen will be making the necessary changes to the Special Act for the state legislators to consider in the next session.

Entities that Boycott Israel: Effective July 1, 2025, Florida House Bill 1519, “Entities that Boycott Israel,” amending Chapter 215.4725, Florida Statutes, expands state public investment and contracting prohibitions on entities that boycott Israel to include local government entities. The bill prohibits contracts of \$100,000 or more with companies or other entities engaged in a boycott of Israel. Additionally, contracts entered into or renewed on or after July 1, 2025, must contain a provision that allows for termination of the agreement if a company or other entity is found to be engaged in a boycott. Mr. Vavrica will be updating the Investment Policy Statement (IPS) which will be shared with all investment managers upon Board passage.

State of the Pension: Mrs. Jensen will follow up to confirm a date.

### **ADMINISTRATOR’S REPORT**

Warrants approved since 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. D. Williams detailed the report, Mr. Ahern made the motion to approve all items minus item 8-9, which was seconded by Mr. Marchese. All Trustees voted yes, and the motion was passed 5-0. Mr. Ahern made another motion to approve all items 8-9, which was seconded by Mr. Marchese. Trustees voted 4-yes, 0-no and 1-abstained (Mrs. Fragakis completed Form 8B).

2025/2026 Administrative Budget - Mr. Williams presented the administrative budget pursuant to Senate Bill 172. Mr. Williams indicated the 2025/2026 administrative expense budget prepared is based on the actual administrative expenses for the fiscal year that ended September 30, 2024.

Mr. Williams advised that unlike other governmental entities that develop budgets, our goal is not to meet or exceed the budgeted amount. It is not a situation where we use or lose it, simply an exercise on paper required by legislation. According to the Auditor and the Actuary, 16 basis points is extremely reasonable for expenses.

## **West Palm Beach Police Pension Fund – Minutes**

**July 11, 2025**

**Page 4 of 6**

Mr. Frost sought and received input from all parties present, who were provided with a copy. A motion was made by Mr. S. Williams to approve the 2025/26 administrative budget as noted, which was seconded by Mrs. Fragakis. All Trustees voted yes, and the motion was passed 5-0.

In a spirit of transparency, this item may be viewed on-line at:

[http://www.wpbppf.com/docs\\_state/AnnualBudget/2025-2026%20WPPF%20Police%20Pension%20Plan%20Adm%20Expense%20Budget%2007-11-2025%20meeting%20approved.pdf#zoom=100](http://www.wpbppf.com/docs_state/AnnualBudget/2025-2026%20WPPF%20Police%20Pension%20Plan%20Adm%20Expense%20Budget%2007-11-2025%20meeting%20approved.pdf#zoom=100)

Confirmation of Retirement & Notice of Passing: Mr. Williams presented a notice that was included in the annual mailout for the Confirmation of Retirement. The hope is to have the notice kept with the members important documents that can be viewed upon their passing. The hope is to ensure a seamless transition by proper and timely notification.

Trustee Nomination Process: Mr. Williams outlined the efforts undertaken to have an open election process for the seat of Mr. Marchese, due to his upcoming retirement. At the conclusion of the nomination process, Sarah Yoos was the sole nominee. As such, no formal election was warranted, and Mrs. Yoos will assume the balance of Mr. Marchese's term<sup>2</sup> upon his retirement on September 01, 2025.

Milner Lease Proposal: Mr. Williams presented a proposal for a replacement printer/copier/scanner/fax as the current lease is expiring. The parameters of the new lease were in line with the prior agreement. Mr. Marchese made the motion to accept the proposal for the new lease, which was seconded by Mr. Ahern. All Trustees voted yes, and the motion was passed 5-0.

### **NEW BUSINESS**

Joshua Martin – Overpayment of Share Account: Mr. Williams conveyed that Mr. Martin liquidated his Share Account in the last quarter of 2024. As Mr. Martin had the variable return, his payment was broken into two payments. The initial payment was \$12,275.00 with the balance to be paid \$1,895.44. It was learned by the Bookkeeper that Fiduciary Trust inadvertently overpaid Mr. Martin. Mr. Williams indicated that Mr. Martin knew what was owed to him, and when the overpayment was made to him, he did not notify the Office of Retirement. If he did so, the overpayment could have easily been recaptured at once. The Board made it very clear to pursue Mr. Martin to ensure recovery.

Eleanor Barber – Mr. Williams reported that Mrs. Barber died on November 2024. Mr. Williams spoke with Mr. Barber's son, Mr. Zedrick Barber in September 2024 and explained the importance in timely notice of passing. Mr. Barber failed to notify the Office of Retirement. A total of \$17,013.79 was paid to Mrs. Barber's ACH on file. Mr. Williams learned of Mrs. Barber's passing on May 12, 2025 and was able to recall the payments made in May & April 2025 and the federal taxes withheld from January 2025 to May 2025. The outstanding balance due is \$10,483.76. Mr. Williams is further pursuing a recall from Mrs. Barber's bank account with the assistance of Fiduciary Trust, as Mr. Barber was of no assistance. A formal demand letter will be sent pending the recovery efforts outlined.

2026 Meeting Dates presented to the Board.

---

<sup>2</sup> September 30, 2026.

## West Palm Beach Police Pension Fund – Minutes

July 11, 2025

Page 5 of 6

Statement of Policy for Trustees Expenses: Mr. Williams and Mrs. Jensen noted the existing policy has not been adjusted since 2009. Based on the Bureau of Labor Statistics, the annual rate should be adjusted to \$7,500.00 from \$5,000.00. The Board agreed the current policy was outdated, and Mr. Ahern made a motion to update the policy as outlined. The motion was seconded by Mr. Marchese. All Trustees voted yes, and the motion was passed 5-0.

### INVESTMENT PRESENTATION

Mr. Kevin Campbell & Mr. Eric Wilcomes of Taurus Private Markets reported the status of the portfolio to the Board.

The West Palm Beach Police Pension Fund has generated the following returns from the investment in Taurus Private Markets Fund I, LP:

Taurus Private Markets Fund, LP has \$112.1 million of investor commitments, and Taurus Private Markets Fund, LP held its final close in June 2021.

Completed investments with 15 private equity managers and 1 secondary:

- 10 leveraged buyout managers.
- 3 venture capital managers.
- 2 private credit managers.
- 1 secondary.

Capital commitments to private equity partnerships are as follows: 82% leveraged buyout, 9% venture capital, and 9% private credit.

10 of the 15 private equity firms are groups that Taurus Private Markets team members have invested with while at previous firms.

West Palm Beach Police Pension Fund has made a \$12 million commitment.

- \$8.2 million of this commitment has been contributed to date (68.3%).
- Taurus Private Markets Fund, LP distributed \$3.5 million to investors in April 2025.

West Palm Beach Police Pension Fund received approximately \$375,000.

- Taurus Private Markets Fund, LP has generated the following returns over the past three quarters:

Time Period	Quarterly Performance (Net of Fees)
Q3 2024	+ 2.8%
Q4 2024	+ 2.4%
Q1 2025	+ 0.7%

- Distributed the Q1 2025 quarterly report to investors ahead of schedule.

It was reported that Taurus Private Markets Fund II, LP has \$211.6 million investor commitments, and Taurus Private Markets Fund II, LP held its final close in December 2023. 64.9% of fund capital has been allocated to investments.

## West Palm Beach Police Pension Fund – Minutes

July 11, 2025

Page 6 of 6

Completed investments with 11 private equity managers and 5 co-investments / secondaries:

- 7 leveraged buyout managers.
- 3 venture capital managers.
- 1 private credit manager.
- 5 co-investments / secondaries.

6 of the 11 private equity firms are groups that the Taurus Private Markets team members have invested with while at Taurus Private Markets or at previous firms.

Strong pipeline of investment opportunities.

West Palm Beach Police Pension Fund has made a \$12 million commitment

- \$3.7 million of this commitment has been contributed to date (30.5%)
- Taurus Private Markets Fund II, LP has generated the following returns over the past three quarters:

Time Period	Quarterly Performance (Net of Fees)
Q3 2024	+ 12.9%
Q4 2024	+ 13.2%
Q1 2025	+ 0.8%

- Distributed the Q1 2025 quarterly report to investors ahead of schedule.
- A Team update was provided outlining the new additions to the firm.
- Annual Investor Meeting will be held December 9th and 10th in Boca Raton, Florida.

### INVESTMENT MONITORING REPORT

Mr. Vavrica provided a flash report for the period ending June 30, 2025. The estimated rate of return was valued at 3.7% for the fiscal year.

Mr. Vavrica presented the annual pacing study for Alternatives for the Board to consider.

Mr. Vavrica noted JPMorgan Real Estate Co-Portfolio Manager Retirement.

### OPEN DISCUSSION

Brief round robin educational discussion ensued.

### ADJOURNMENT

Being there was no other business; the meeting was adjourned by motion at 10:50 AM.

Next meeting is scheduled for August 08, 2025, at 8:30 AM.



Troy Marchese, Board Secretary