

TOWN OF JUPITER POLICE OFFICERS' RETIREMENT FUND
MINUTES OF SPECIAL MEETING HELD
AUGUST 14, 2006

Chairperson Nick Scopelitis called the meeting to order at 10:05 A.M. at the Town Council Chambers, Jupiter, Florida. Those persons present were:

TRUSTEES

James Feeney
Jack Forrest
Marc Dobin
Nick Scopelitis
Peter Alfele

OTHERS

Burgess Chambers, Burgess Chambers & Associates
Nick Schiess, Pension Resource Center

PUBLIC COMMENTS

Chairperson Nick Scopelitis invited those present to address the Board with public comments. There was no public present.

INVESTMENT MONITOR REPORT: BURGESS CHAMBERS

Burgess Chambers appeared before the Board to discuss the replacement of investment manager Private Capital Management. He reviewed the performance of the portfolio noting that while the long-term returns were satisfactory, the portfolio had underperformed in the previous two years. Mr. Chamber explained that the manager did not appear to suffer from style drift but rather the underperformance was attributable to unfavorable stock and sector selections. He noted that while all managers underperformed occasionally, the portfolio's underperformance in this instance is prolonged and more concerning was the large magnitude of underperformance. Mr. Chambers concluded his analysis and ultimately recommended the replacement of Private Capital Management.

Mr. Chambers provided the Board with the results of an investment management search noting that due to the growth of the Plan that sufficient assets existed to warrant the distribution of the equity portfolio among two separate managers for a large cap and a mid cap mandate. He noted that this would provide broader further diversification of the portfolio.

Mr. Chambers reviewed the analysis of performance, style, risk measurements, and characteristics of potential investment managers for a large cap mandate. He note that Plan already participated in the large cap growth allocation through exchange traded funds of the Russell 1000 Growth Index, however, this allocation might be liquidated and become an element of the large cap portfolio under a replacement investment manager depending on which manager was selected by the Board. Mr. Chambers then reviewed

the analysis of performance, style, risk measurements, and characteristics of potential investment managers for a mid cap mandate.

The Board analyzed and discussed in great detail the performance, style, and risk characteristics of the prospective investment managers recommended by Mr. Chambers. Marc Dobin made a motion to receive presentations from Westwood Management Corporation and Lotsoff Capital Management for the large cap mandate and conduct a final interview of Weiss, Peck, & Greer for the mid cap mandate. The presentations would occur at the next quarterly meeting scheduled for August 28, 2006.

The Board discussed expediting the transition from Private Capital Management and requested that the Attorney review the finalists' agreements in advance of the next meeting.

SCHEDULE NEXT MEETING

There being no further business and the next meeting scheduled for August 28, 2006, the meeting was adjourned at 11:15 A.M.

Respectfully submitted,

James Feeney, Secretary