

TOWN OF JUPITER POLICE OFFICERS' RETIREMENT FUND
MINUTES OF MEETING HELD
NOVEMBER 26, 2007

Chairperson Nick Scopelitis called the meeting to order at 1:00 P.M. at the Town Council Chambers, Jupiter, Florida. Those persons present were:

TRUSTEES

Marc Dobin
Nick Scopelitis
James Feeney
Frank Barrella

OTHERS

Kim Calhoun, Westwood Capital Management
Nick Schiess, Pension Resource Center
Ken Harrison, Sugarman & Susskind P.A.
Chad Little, Freiman Little Actuaries, LLC
Cheryl Grieve & Michael Simmons, Town of Jupiter

PUBLIC COMMENTS

Chairman Nick Scopelitis invited those present to address the Board with public comments. There were no public comments.

APPROVAL OF MINUTES

The Board reviewed the minutes of the meetings held on August 27, 2007 and October 29, 2007. Frank Barrella made a motion to approve the minutes of the meetings held on August 27, 2007 and October 29, 2007. James Feeney seconded the motion, approved by the Trustees 4-0.

INVESTMENT MANAGER REPORT: WESTWOOD CAPITAL MANAGEMENT

Kim Calhoun appeared before the Board on behalf of Westwood Capital Management to provide a performance report on the large cap value portfolio for the quarter ending September 30, 2007. She reported that the return for the quarter was 2.9% versus -0.2% for the index and the year-to-date performance was 13.6% versus 6.0% for the index. Since inception, the return gross of fees was 15.0% versus 8.4% for the index. She reviewed the sector allocations and investment process in great detail and attributed the significant outperformance to excellent favorable stock selection not sector weightings. Ms. Calhoun discussed the qualifications, experience, and structure of the firm noting that the firm managed over \$8B and had not recently incurred any changes of personnel. She reviewed the risk measurements, current holdings, and recent transactions within the portfolio. She concluded her report with a review of economic and market factors and anticipated moderate growth of portfolio. Ms. Calhoun responded to the Board's recent request for divestiture of holdings that were on the list developed by the State in conjunction with the recently adopted Protecting Florida's Investments Act. She advised that the firm could not accept any social restrictions on the commingled fund, however, the fund did not contain any of the holdings.

ATTORNEY REPORT

Ken Harrison reported that the international equity manager C.S. McKee responded to the Board's request for divestiture of holdings that were on the list developed by the State in conjunction with the recently adopted Protecting Florida's Investments Act. He advised that the firm had requested exemption from the request for the reason that the divestiture of the holdings would reduce the portfolio's exposure to the energy sector resulting in likelihood that the portfolio's performance would not exceed or even meet the index. It was noted that the divestiture was not mandated by the State. A very lengthy discussion ensued regarding moral issues of investing in companies suspected of sponsoring terrorism and the Board's financial obligation to the Plan and fiduciary responsibility. James Feeney made a motion to not exclude C.S. McKee from the Board's requirement for divestiture of holdings on the State's list in the Protecting Florida's Investments Act. Marc Dobin seconded the motion, but the motion was not approved by the Trustees 2-2 with Nick Scopelitis and Frank Barrella dissenting. The Board requested that C.S. McKee attend the next meeting to discuss the matter and present a list of the questionable holdings and also for Burgess Chambers to provide a list of suitable replacement managers.

As a legislative update, Mr. Harrison reported that State legislation had been pre-filed that if adopted among other items would increase the maximum Trustee term limit to four years and also increase the maximum allocation of international equities to 20% of the total portfolio. He announced that Federal legislation passed regarding the collection of social security numbers that affects the administration of the Plan. Nick Schiess advised that social security number information was unimportant with the exception of the federal tax withholding form and agreed to remove the request for social security information from all the Plan's forms.

Mr. Harrison discussed publicity regarding an SEC investigation on Merrill Lynch Consulting Services. As had been requested at the last meeting, Marc Dobin advised that he was collaborating with Attorney Dale Ledbetter to determine whether an action against the firm is warranted.

ADMINISTRATIVE REPORT

The Trustees reviewed the disbursements presented for approval by the Administrator. James Feeney made a motion to approve all the disbursements as presented. Frank Barrella seconded the motion, approved by the Trustees 4-0. Nick Schiess requested the Board's approval to renew the membership fees for all the organizations in which the Board was a member and the Trustees agreed.

The Trustees reviewed a list of benefit approvals presented for approval by the Administrator. James Feeney made a motion to approve the benefit approvals as presented. Marc Dobin seconded the motion, approved by the Trustees 4-0.

Mr. Schiess noted that the Board had previously authorized former Trustee Peter Alfele to approve the payment of expenses in an aggregate amount of \$5K in between meetings and requested that the Board extend the authorization to a replacement Trustee. Marc

Dobin made a motion to authorize Nick Scopelitis to approve the payment of expenses in an aggregate amount of \$5K in between meetings. Frank Barrella seconded the motion, approved by the Trustees 4-0.

Mr. Schiess reported that the Plan's general liability insurance and umbrella insurance coverage renewed on January 1, 2008 with annual premiums of \$383.19 and \$396.78 respectively. James Feeney made a motion to renew the Board's general liability insurance and umbrella insurance coverage. Frank Barrella seconded the motion, approved by the Trustees 4-0.

Mr. Schiess reported the completion of the enrollment of the retirees for the \$3,000 annual tax credit for the continuation of the Town's insurance upon retirement established by the Pension Protection Act of 2006.

OTHER BUSINESS

The Board discussed Burgess Chambers' request for an increase in investment consulting fees from \$15K to \$20K annually. Frank Barrella made a motion to approve the increase in investment consulting fees to \$20K annually. Marc Dobin seconded the motion, approved by the Trustees 4-0.

SCHEDULE 2008 MEETINGS

The Board scheduled the meetings and investment manager reports for the year 2008. With there being no further business, the meeting was adjourned at 3:55 P.M.

Respectfully submitted,

James Feeney, Secretary