

**TOWN OF JUPITER POLICE OFFICERS' RETIREMENT FUND
MINUTES OF MEETING HELD
FEBRUARY 22, 2010**

Chairperson Nick Scopelitis called the meeting to order at 1:05 A.M. at the First Floor Conference Room at Town Hall, Jupiter, Florida. Those persons present were:

TRUSTEES

Frank Barrella
Nick Scopelitis
Marc Dobin
Jack Forrest
Mike Lilienfeld

OTHERS

Burgess Chambers, Burgess Chambers & Associates
Nick Schiess, Pension Resource Center
Chad Little, Freiman Little Actuaries
Pedro Herrera, Sugarman & Susskind P.A.
Mike Simmons & Jackie Wehmeyer, Town of Jupiter
Jim Mitchell, Adelante Capital Management

PUBLIC COMMENTS

Chairman Nick Scopelitis invited those present to address the Board with public comments. There were not any public comments.

APPROVAL OF MINUTES

The Trustees reviewed the minutes of the meetings held August 24, 2009, October 23, 2009 and November 16, 2009 and a correction was noted on the minutes of the meeting held October 23, 2009. Marc Dobin made a motion to approve the minutes of the meeting held August 24, 2009. Frank Barrella seconded the motion, approved by the Trustees 5-0. Mike Lilienfeld made a motion to approve the minutes of the meeting held October 23, 2009 as corrected. Frank Barrella seconded the motion, approved by the Trustees 5-0. Marc Dobin made a motion to approve the minutes of the meeting held November 16, 2009. Frank Barrella seconded the motion, approved by the Trustees 5-0.

ACTUARY REPORT

Chad Little reported that his office had completed actuarial cost studies for several proposed Ordinance Amendments.

Mr. Little provided a draft revised Summary Plan Description and reviewed the changes therein. After review by the Board, a few corrections were noted. Marc Dobin made a motion to approve the Summary Plan Description as corrected and contingent upon the final review and approval by the Plan Attorney. Jack Forrest seconded the motion, approved by the Trustees 5-0. A discussion arose regarding the distribution of the Summary Plan Description and the Board decided to distribute the document electrically via interdepartmental e-mail.

Mr. Little announced that the preparation of the 2009 Actuarial Valuation was nearly completed and the document would be finalized and presented at the next meeting.

INVESTMENT MANAGER REPORT: ADELANTE CAPITAL MANAGEMENT

Jim Mitchell appeared before the Board on behalf of Adelante Capital Management to discuss the liquidation of the international mutual fund managed by the firm. He reported that the fund had been recently liquidated because the fund could no longer efficiently cover operating expenses and the liquidation itself was in the best interests of the shareholders of the fund. He presented an alternative fund and advised that the firm would waive the \$1M minimum investment for the Plan. Burgess Chambers recommended that the Plan's funds be withdrawn from Adelante Capital Management and invested into an exchange traded REIT fund while alternative products for the international allocation are evaluated. Marc Dobin made a motion to instruct Adelante Capital Management to wire transfer the liquidation proceeds to the custodian Fifth Third Bank. Jack Forrest seconded the motion, approved by the Trustees 5-0. Mr. Chambers discussed and recommended a suitable temporary replacement, specifically the SPDR Dow Jones REIT exchange traded fund. Marc Dobin made a motion based upon the recommendation of the Investment Consultant to authorize the Administrator to purchase shares of the SPDR Dow Jones REIT exchange traded fund with the proceeds of the liquidation proceeds of the Adelante Capital Management mutual fund. Jack Forrest seconded the motion, approved by the Trustees 5-0.

INVESTMENT CONSULTANT REPORT

Burgess Chambers appeared before the Board on behalf of Burgess Chambers and Associates to provide a report on the investment performance of the portfolio for the quarter ending December 31, 2009. He reported that for the quarter, the investment return for the total portfolio was 2.6% versus 3.9% for the index and for the calendar year was 13.0% versus 21.7% for the index with the underperformance attributable to an underweight in equities. However, the conservative strategy of the portfolio served to preserve capital during the recent market downturn and Mr. Chambers advised that the return was satisfactory given the uncertainty that has existed within the market. He reminded the Board that the allocation to equities had systematically been increased.

Mr. Chambers reviewed the performance of the individual investment managers in great detail, noting all was satisfactory. He reported that the underperformance of the Westwood Capital Management fund was attributable to the high quality bias of the portfolio during a period in which the market favored lower quality equities.

Mr. Chambers reviewed the asset allocation and recommended no changes at this date. He concluded his report with a review of the risk/reward measurements of the portfolio.

ATTORNEY REPORT

Pedro Herrera reviewed and discussed the results of an independent medical exam performed on Katherine Berish, noting that the physician had concluded that Ms. Berish was totally and permanently disabled. A lengthy discussion ensued whether to reinstate Ms. Berish's disability benefits. It was noted that Ms. Berish herself had stated under the penalty of perjury on three separate occasions during the completion of three applications for employment that she was able to perform the duties of a police officer. The Board recognized that considerable amount of effort and expense might be extended in defense of the discontinuance of Ms. Berish's disability benefits. Marc Dobin made a motion to

notify Katherine Berish's attorney that the Board was unconvinced by the results of the independent medical exam and that the discontinuance of her benefits should remain in effect. Jack Forrest seconded the motion, approved by the Trustees 5-0.

Mr. Herrera reported that as a follow up to last meeting his office had negotiated the necessary changes to the Audit Engagement Letter proposed by the auditing firm Cherry Bekaert & Holland. Nick Schiess reported that the Letter had been executed and the audit had already commenced.

ADMINISTRATIVE REPORT

The Trustees reviewed the disbursements presented for approval by the Administrator. A discussion arose regarding the costs and merit of memberships with pension related organizations. Marc Dobin made a motion to approve the disbursements as presented with the exception of the renewal of membership with the International Foundation of Employee Benefit Plans. Mike Lilienfeld seconded the motion, approved by the Trustees 5-0.

The Trustees reviewed the benefit approvals presented for approval by the Administrator. Jack Forrest made a motion to approve the disbursements as presented. Marc Dobin seconded the motion, approved by the Trustees 5-0.

Nick Schiess reported that the proposed Ordinance Amendment revising the provisions of the Plan in response to recently revised State Statutes was submitted to the Town for consideration. He noted that two other proposed Ordinance Amendments were also under consideration by the Town.

OTHER BUSINESS

The Board reviewed a request from retiree John Ward to change his joint annuitant. It was noted that a retiree cannot change their optional form of payment, however, can change their joint annuitant provided that their benefit is recalculated at an actuarial equivalent. The Board reviewed the recalculation of Mr. Ward's benefit prepared by the Actuary and Marc Dobin made a motion to approve Mr. Ward's request to revise his joint annuitant and the corresponding recalculation of benefits. Jack Forrest seconded the motion, approved by the Trustees 5-0.

SCHEDULE NEXT MEETING

With there being no further business, the meeting adjourned at 2:45 P.M. The next meetings are scheduled for April 26, 2010, May 24, 2010, August 23, 2010, October 25, 2010 and November 22, 2010 at 1:00 P.M.

Respectfully submitted,

Secretary