

**TOWN OF JUPITER POLICE OFFICERS' RETIREMENT FUND
MINUTES OF MEETING HELD
JUNE 1, 2015**

Marc Dobin called the meeting to order at 10:30 A.M. at the Council Chambers at Town Hall, Jupiter, Florida. Those persons present were:

TRUSTEES

Marc Dobin
Jack Forrest
Mike Stevens
Jason Alexandre
Mike Salvemini

OTHERS

Burgess Chambers, Burgess Chambers & Associates
Nick Schiess, Pension Resource Center
Chad Little, Freiman Little Actuaries
Ken Harrison, Sugarman & Susskind P.A.
Michael Villella, Town of Jupiter
John Johnson, Eagle Capital Management

PUBLIC COMMENTS

Marc Dobin invited those present to address the Board with public comment. There was no public comment.

TRUSTEE ELECTION

Nick Schiess reported that an election had been conducted for the Trustee position currently held by Jason Alexandre. He reported that Mr. Alexandre was the only nominee and therefore won the election by default. Mike Stevens made a motion to certify the election results and reseal Jason Alexandre as Trustee. Mike Salvemini seconded the motion, approved by the Trustees 5-0.

APPOINTMENT OF FIFTH TRUSTEE

The Board noted that the term of office for the 5th Trustee was expiring and incumbent Trustee Jack Forrest expressed that he did not desire to serve another term. He thanked the Board for the opportunity to serve and the Trustees expressed gratitude for his many years of service to the Board and membership. It was noted that former employee Trustee Nick Scopelitis had expressed interest in the position. Jason Alexandre made a motion to appoint Nick Scopelitis as 5th Trustee. With there being no other nominations and Mike Salvemini seconding the motion, Mr. Scopelitis' appointment was approved by the Trustees 4-0 with his term of office commencing at the conclusion of this meeting.

APPROVAL OF MINUTES

The Trustees reviewed the minutes of the meeting held March 9, 2015. Jason Alexandre made a motion to approve the minutes of the meeting held March 9, 2015. Mike Salvemini seconded the motion, approved by the Trustees 5-0.

ACTUARY REPORT

Chad Little presented and reviewed new disclosures required under State legislation.

Mr. Little discussed the details and parameters of the experience study previously authorized by the Board at the last meeting. He requested direction from the Board whether to proceed with the study utilizing statistical and payroll data for the 2014 fiscal year or defer the study using the data for the 2015 fiscal year. Mike Stevens made a motion to authorize the preparation of the experience study based upon the statistical and payroll data for the 2014 fiscal year to be presented to the Board at the next meeting. Jason Alexandre seconded the motion, approved by the Trustees 5-0.

INVESTMENT MANAGER REPORT: EAGLE CAPITAL MANAGEMENT

John Johnson appeared before the Board on behalf of Eagle Capital Management to provide a report on the large cap value portfolio for the quarter ending March 31, 2015. Mr. Johnson discussed the firm, noting that there were no organizational changes and the large cap strategy was closed to new clients. He reported that the return for the quarter was 1.6% and for the fiscal year-to-date was 4.9%. Mr. Johnson then discussed the investment process and strategy, market conditions, portfolio construction and holdings and sector allocations all in great detail.

INVESTMENT MANAGER REPORT: ADVENT CAPITAL MANAGEMENT

David Hulme joined the meeting via teleconference on behalf of Advent Capital Management to provide a report on the convertible bond portfolio for the quarter ending March 31, 2015. He reported that the return for the quarter was 3.96% versus the index of 3.49% and for the year 2014 was 6.64% versus 9.70%. It was noted that the manager had been unable to surpass benchmark performance starting in 2014 and Mr. Hulme was questioned whether this was attributable to either changes in personnel or investment strategy. He responded there were not any changes in either the organization or investment strategy and then discussed the intricacies of the index. Mr. Hulme explained that the index was comprised of a broad spectrum of holdings, many of which are considered higher in risk and volatility and it was these holdings that had been in recent market favor. He then explained that the investment strategy precludes these higher risk holdings and the portfolio was far more conservatively structured than the index. Mr. Hulme advised while the index itself was not ideal, it was the only one available.

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 March 31, 2015. Mr. Chambers reported that the investment return for the quarter was 2.7% and for the trailing one-year period was 8.0%. Mr. Chambers reviewed the performance of the investment products in great detail, noting all was satisfactory.

Mr. Chambers reviewed the performance objectives and compliance checklist. A discussion regarding the underperformance of the fixed income portfolio. Mr. Chambers noted that the underperformance was minimal at just 20 basis points and the manager's long-term performance was exceptional.

Mr. Chambers reviewed the asset allocation and a concern was expressed regarding potential overlap of domestic equities in international equity manager WHV Investments' holdings. He explained that there would always be a minimal overlap of holdings and the entire portfolio was not overexposed to domestic equities.

Mr. Chambers was questioned regarding concerns over market valuations and he responded that the real estate sector was potentially overvalued but he did not anticipate any correction soon.

Mr. Chambers concluded his report with a review of the asset allocation and risk measurement indices.

ATTORNEY REPORT

Ken Harrison discussed new State legislation and the resulting new disclosures and reporting requirements.

Mr. Harrison discussed new guidelines issued by the Internal Revenue service regarding DROP accounts and requirement for tax determination letter renewals, noting that no action was required by the Board.

Mr. Harrison reminded the Trustees to file their annual Statements of Financial Interests.

APPROVAL OF DISBURSEMENTS

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

BENEFIT APPROVALS

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

ADMINISTRATIVE REPORT

Nick Schiess reported that the Town had passed the proposed Ordinance Amendment containing changes required by the Internal Revenue Service in conjunction with the recently awarded favorable tax determination letter.

Mr. Schiess reported that the new master limited partnership investments had generated K-1 tax reporting forms and the matter had been passed along to the Plan's auditor and attorney for review and determination on required filings and potential responsibility for unrelated business income tax. He noted that any required filings would not be necessary until next year.

Mr. Schiess distributed unaudited interim financial statements, which the Board received and filed.

OTHER BUSINESS

Nick Schiess and Marc Dobin provided information including costs of electronic devices for conducting conduct Board business. It was noted that use of the devices should result in reduced duplication costs, increased efficiency, retention of records and prove helpful in responding to public records requests. After evaluating several potential devices, Mike Stevens made a motion to approve the purchase of Microsoft Surface devices and warranties for the Trustees. Jason Alexandre seconded the motion, approved by the Trustees 5-0. The Board reviewed a proposed draft policy for the use of electronic devices. Mike Stevens made a motion to adopt the proposed Electronic Device Policy. Mike Salvemini seconded the motion, approved by the Trustees 5-0.

SCHEDULE NEXT MEETING

The next meeting was scheduled for September 28, 2015.

With there being no further business, the meeting adjourned at 12:33 P.M.

Respectfully submitted,
Secretary