

**VILLAGE OF  
PALM SPRINGS POLICE OFFICERS' PENSION FUND  
MINUTES OF MEETING HELD  
May 3, 2016**

The meeting was called to order at 10:05 A.M. in the Conference Room on the First Floor at Village Hall in Palm Springs, Florida. Those persons present were:

**TRUSTEES**

Tim Conboy  
James Gregory  
Robert Perez  
Gene Hall

**OTHERS**

Bonni Jensen, Attorney  
Margie Adcock, The Resource Centers  
Tyler Grumbles, Bogdahn Consulting

**PUBLIC COMMENTS**

There were no public comments.

**MINUTES**

The Board reviewed the minutes of the meeting held February 2, 2016. A motion was made, seconded and carried 4-0 to approve the minutes of the meeting held February 2, 2016.

**INVESTMENT MONITOR REPORT**

Tyler Grumbles appeared before the Board. He reviewed the market environment for the period ending March 31, 2016. He stated that in mid-February the market started to recover. He noted that it was a tough quarter for active managers again. He stated that international developed markets were down while emerging markets were up for the quarter. Energy and materials bounced back during the quarter. Fixed income was positive for the quarter while interest rates declined. He stated that it has been a slow growth phase ever since the recession. Mr. Grumbles discussed the sector performance. He noted that telecommunication services and utilities were the best performing sectors for the quarter while financials and healthcare were the worst performing sectors.

Mr. Grumbles reported on the performance of the Fund for the quarter ending March 31, 2016. The total market value of the Fund as of March 31, 2016 was \$21,047,897. The asset allocation was 55.4% in domestic equities; 9.5% in international; 20.9% in domestic fixed income; 4.8% in global fixed income; 9.4% in real estate; and .0% in cash. The total portfolio was up 1.13% net of fees for the quarter ending March 31, 2016 while the benchmark was up 1.52%. The total equity portfolio was up .53% while the benchmark was up .78%. The total domestic equity portfolio was up 1.03% for the quarter while the benchmark was up .97%. The total fixed income portfolio was up 2.48% for the quarter while the benchmark was up 3.07%. The total domestic fixed income portfolio was up 3.00% for the quarter while the benchmark was up 2.31%. The total international portfolio was down 2.32% for the quarter while the benchmark was down .26%. The total

global fixed income portfolio was up .24% for the quarter while the benchmark was up 5.85%. The total real estate portfolio was up 1.81% for the quarter while the benchmark was up 2.50%.

Mr. Grumbles reviewed the performance of the individual manager portfolios. The JP Morgan Disciplines portfolio was down .64% for the quarter while the S&P 500 was up 1.35%. Mr. Grumbles noted that the financial names they owned were the primary detractors from the portfolio. The Parnassus Core portfolio was up 2.64% for the quarter while the S&P 500 was up 1.35%. Mr. Grumbles stated that Parnassus protected on the downside and was underweight in healthcare and financials which were the worst performing sectors for the quarter. The Vanguard Mid Cap Index portfolio was up 1.17% for the quarter while the Russell Mid Cap Index was up 2.24%. The Vanguard Total Stock Market portfolio was up .95% for the quarter while the Russell 3000 benchmark was up .97%. The EuroPacific Growth portfolio was down 2.32% for the quarter while the benchmark was down .26%. The Garcia Hamilton portfolio was up 3.00% for the quarter while the benchmark was up 2.31%. The Templeton Global Total Return portfolio was up .24% while the benchmark was up 5.85%. Mr. Grumbles noted that Templeton has really struggled the last few quarters. They have had a rough year but he still thinks they are still a good manager. The Principal portfolio was up 1.81% for the quarter while the NCREIF was up 2.50%. Mr. Grumbles noted that Principal is a more conservative manager. He stated that he did not expect them to outperform, but does expect them to protect on the downside.

Mr. Grumbles presented a Revised Investment Policy Statement changing the assumed rate of return to 7.45% based on the action taken by the Board at the last meeting. A motion was made, seconded and carried 4-0 to adopt the Revised Investment Policy Statement.

### **ATTORNEY REPORT**

Ms. Jensen stated that she has not received anything from the IRS regarding the Determination Letter that was filed. She will keep the Board apprised when she hears back from the IRS.

Ms. Jensen provided a Memorandum dated March 2016 regarding the Normal Retirement Age Regulation. She briefly reviewed the regulation, noting that she had discussed this with the Board at the last meeting.

Ms. Jensen provided a Memorandum dated April 14, 2016 regarding Upcoming Issues: Budget Review, Mutual Consent, and Public Records. She stated that the Board will need to adopt a budget at the next meeting so it is finalized before the end of the Plan year. She reviewed the issue regarding mutual consent. She stated that the law requires action to be taken regarding the state premium tax monies. She has sent a letter to the Village and the Union. She stated that she received a call from the Village Attorney asking if she could meet with the Village to discuss the law. Ms. Jensen reminded the Board that the Plan is subject to the Public Records Law.

**ADMINISTRATIVE REPORT**

Ms. Adcock presented the Board with the benefit calculation and election approval for John Matthews. A motion was made, seconded and carried 4-0 to approve the benefit election.

Ms. Adcock presented the disbursements. A motion was made, seconded and carried 4-0 to pay all listed disbursements.

It was noted that the Fund received a letter from the State advising that the State has accepted all of the Fund's Actuarial Valuations as of October 1, 2015.

**OTHER BUSINESS**

There being no further business, the meeting was adjourned.

Respectfully submitted,

James Gregory, Secretary