

WEST PALM BEACH FIREFIGHTERS' PENSION FUND
MINUTES OF MEETING HELD
APRIL 5, 2018

Chairman David Merrell called the meeting to order at 1:32P.M. in the Conference Room at Station 1, 3rd Floor; 500 North Dixie Highway, West Palm Beach, Florida. Those persons present were:

TRUSTEES

David Merrell, Chair
Brian Walker, Secretary
Mark Parks
Ron Frano

OTHERS

Audrey Ross, Resource Centers
Bonni Jensen, KKJ&L
Dan Johnson, AndCo. Consulting
Brendon Vavrica, AndCo. Consulting
David Kaplan, Baron Capital
Rick Dorey, Retired WPB Firefighter

INVESTMENT MANAGER REPORT: BARON CAPITAL (DAVID KAPLAN)

Mr. Kaplan gave a brief update on the firm and noted that they have been adding analyst consistently over the last couple of years which has been very beneficial to the firm. He noted that the 2017 performance was good, but they did not do as well in 2016. They no longer own the companies that brought them down in 2016, although they have not changed anything in regards to their stock picking philosophy. Mr. Kaplan stated that things started to turn around this year and they are now up 2.7%. He reviewed the top 5 stocks that contributed to the portfolio, as well as the bottom 5 that detracted from the portfolio. Overall they have less than 10% turnover within the portfolio with 49 stocks.

INVESTMENT CONSULTANT REPORT: ANDCO. CONSULTING (DAN JOHNSON & BRENDON VAVRICA)

Mr. Vavrica presented the Board with the flash performance report through March 31, 2018. For the quarter the fund was slightly up 0.6%, but for the fiscal year to date they are up 4.9%. He briefly discussed the recent market performance and noted that overall the Plan is doing well and is nicely positioned.

Mr. Vavrica presented the Board with the large cap growth review that was updated through the end of the first quarter. The Trustees discussed Brown, who has been doing well recently. It is still AndCo.'s recommendation to look at alternative managers for this sector, but ultimately it is the Board's decision as to what they want to do. Mr. Johnson reminded the Trustees that they have already interviewed other managers in this sector and the Board did kind of lean towards Polen Capital at that time. The Trustees had a lengthy discussion on their position with Brown and the alternative managers. The Trustees concurred transitioning over to Polen Capital and discussed their fees. Mr. Vavrica stated that they are firm on their fees and don't think they would lower them, although they might consider a delay in implementing the fees.

- ***A motion was made by Brian Walker to approve and authorize the transition from Brown Advisory to Polen Capital contingent on the Plan's Legal Counsel reviewing Polen's contract as well as implementing a 6 month fee delay. The motion received a second from Mark Parks and carried 4-0.***

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MINUTES

The Board reviewed the minutes of the March 9, 2018 meeting.

- ***A motion was made by Ron Frano to approve the minutes of the March 9, 2018 meeting as revised. The motion received a second from Brian Walker and carried 4-0.***

DISBURSEMENTS

The Board reviewed the disbursements presented for approval by the Administrator.

- ***A motion was made by Brian Walker to approve the disbursements presented by the Administrator. The motion received a second from Ron Frano and carried 4-0.***

BENEFIT APPROVALS

The Board reviewed the benefit approval list presented by the Administrator dated April 5, 2018 (1 application for retirement and 2 applications for DROP loans).

- ***A motion was made by Brian Walker to approve the 1 application for retirement and the 2 applications for DROP loans. The motion received a second from Ron Frano and carried 4-0.***

FINANCIAL STATEMENTS

The Board reviewed the interim balance sheet and income and expense through February 2018.

- ***The Trustees received and filed the interim balance sheet and income and expense through February 2018.***

ATTORNEY'S REPORT: KKJ&L (PRESENTED BY: BONNI JENSEN)

Ms. Jensen briefly reviewed her memo regarding the PTSD Bill (SB 376) that as recently signed by the Governor. This Bill now recognizes PTSD through workers comp, although it is not considered a presumption because it is treatable.

Ms. Jensen noted that she had the CCC agreement with her today to be executed by the Board.

ADMINISTRATOR REPORT: RESOURCE CENTERS (PRESENTED BY: AUDREY ROSS)

Ms. Ross stated that they just received the pay period comparison information from the Fire department so Mr. Baur is reviewing it. She will have the revised Share account allocation information at the next meeting for review.

OTHER BUSINESS

Mr. Dorey stated that the website was not updated with the recent Plan information. Ms. Ross stated that she will look into it and get it updated right away.

PUBLIC COMMENTS

N/A

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There being no further business and the next Pension Board meeting having been previously rescheduled for Thursday, May 3, 2018 @ 1:30 P.M., the meeting adjourned at 2:59 P.M.

Brian Walker, Secretary