

WEST PALM BEACH FIREFIGHTERS' PENSION FUND
MINUTES OF MEETING HELD
MAY 27, 2008 SPECIAL MEETING

Chairperson Dorritt Miller called the special meeting to order at 12:00 P.M. in the Third Floor Conference Room at Station 1; 500 N. Dixie Highway, West Palm Beach, Florida. Those persons present were:

TRUSTEES

Dorritt Miller
Tom Sheppard
Rick Dorey
Matt Young
Randy Sherman

OTHERS

Bonni Jensen – Hanson, Perry & Jensen
Audrey Ross – The Pension Resource Center
Joe Bogdahn – The Bogdahn Group
Mike Welker – The Bogdahn Group
Joy Bull - Coughlin, Stoia, Geller, Rudman & Robbins

PUBLIC COMMENTS

N/A

**INVESTMENT CONSULTANT PRESENTATION: THE BOGDAHN GROUP –
PRESENTED BY: JOE BOGDAHN & MIKE WELKER**

Mr. Bogdahn and Mr. Welker introduced themselves to the board. The Bogdahn Group firm started in 2000 and is an independent consulting firm. The firm is 100% employee owned and has had no client turnover since inception.

Mr. Bogdahn shared some of his staff's background with the board and stated that he has 7 CFA's on his team. He also reviewed his current client list and commented about things that make his firm different from others. The Bogdahn Group has daily, monthly, and quarterly management reports that they are able to obtain. They also input all their transactions manually, so it is not computer generated.

The Bogdahn Group also offers in house education and they do accept the role of a Fiduciary. Mr. Bogdahn explained that his firm has a confidence guarantee that states if the clients are displeased with their services during the first year, they will return the entire fee.

Mr. Welker reviewed the firms' technology overview and explained their new programming and software systems. He stated that most accounts are reviewed on a monthly or quarterly basis, but they can also review them on a weekly basis for informational reasons (not only when they see a red flag). They also have an asset liability software that allows actuaries to download their valuations to get a better figure.

Mr. Welker also reviewed their manager screening process. This process allows them to see what other alternatives are out there for the plan. They start with a large universe of managers and narrow it down to 12. He commented that his firm will meet with any manager out there and will not turn down any manager. Any manager is able to go online and input their information into the data base to be reviewed by them.

Mr. Bogdahn outlined the policies they have for managers and stated that if any 3 of the policies are violated then they will put that manager on a warning. If 5 of the policies are violated then they would recommended to the board to terminate them.

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Mr. Bogdahn reviewed the plan performance overview of his firm. 93% of their plans rank in the top 40 percentile. The philosophy of the firm is to have more all cap managers in the portfolio. He wanted the board to know that they were not going to take over the plans portfolio and change everything. Mr. Sheppard commented that they are not looking for dramatic changes to their portfolio, but he does understand that times are changing and they are open to recommendations. Mr. Welker commented that they can also set up an educational meeting that will show the board what other products are out there.

Lastly, Mr. Welker reviewed an example of a quarterly report that they would be presenting. He commented that he will try to make his report as close to the Merrill Lynch's report as he can. The fee for their services is a flat annual fee of \$65,000 that will be paid out on a quarterly basis. The board mentioned that they meet on the first Thursday of each month. Mr. Welker stated that he has no problem with that because they do all their research in house so they will be able to produce a report in time. The board would like Troy Brown to be present at the meetings and to have Mr. Bogdahn and Mr. Welker as backups.

A motion was made by Rick Dorey to hire The Bogdahn Group as their new Investment Consultant replacing Merrill Lynch. The motion was seconded by Matt Young and carried 5-0.

Ms. Jensen commented that she has already drafted a contract and that she will add Troy Brown in as a contact.

**CLASS ACTION MONITOR REPORT: COUGHLIN, STOIA, GELLER,
RUDMAN & ROBBINS – PRESENTED BY: JOY BULL**

Ms. Bull introduced herself to the board and explained that she was here to see if the board would be interested in becoming a lead plaintiff in a case against Healthways. She explained what the company Healthways does. Healthways was being paid by Medicare because they stated that they were meeting their goals, when in reality they were not. When Healthways revealed that they were not meeting their goals for quit sometime, their stocks went down and their fund lost \$48,000.

Healthways now has to pay back Medicare and they have lost all of their contracts. Ms. Bull commented that she thinks that it will be a good case because they were committing fraud, there is talk about bankruptcy, and they do have insurance. The case will be held in Nashville, Tennessee and she would like this board to be a lead plaintiff as other funds will follow.

Ms. Bull explained that the fund does not need to do anything. Her firm would front all the cost, and they would typically recover a portion of the loss. The average recovery of a loss is 12%, but her firm tries for 20-25%.

A motion was made by Tom Sheppard to be a lead plaintiff in the Healthways class action case. The motion was seconded by Rick Dorey and carried 4-1.

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OTHER BUSINESS:

There being no further business and the next meeting having been scheduled for June 5, 2008, the meeting was adjourned at 1:20PM.

Tom Sheppard, Secretary