

WEST PALM BEACH FIREFIGHTERS' PENSION FUND
MINUTES OF MEETING HELD
September 4, 2008

Chairperson Dorritt Miller called the meeting to order at 1:32 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
Matt Young
Randy Sherman

OTHERS

Bonni Jensen – Hanson, Perry & Jensen
Dixie Martinez – The Pension Resource Center
Troy Brown – The Bogdhan Group
Chad Cook – Aletheia Research

PUBLIC COMMENTS

N/A

APPROVAL OF MINUTES

The Board reviewed the minutes of the August 7, 2008 regular meeting.

A motion was made by Tom Sheppard to approve the minutes of the August 7, 2008 regular meeting as amended. The motion was seconded by Matt Young and carried 4-0.

REPORTING OF PLAN FINANCIALS

The Administrator provided the Board with an unaudited Financial Statement along with the Income and Expense report for the month of July for review.

The Board received and filed the unaudited Financial Statement for the month of July.

DISBURSEMENTS

The Board reviewed the disbursements presented for approval by the Administrator. The Board agreed to pay the Merrill Lynch invoice but asked the Administrator to hold the check until all business with them are finalized.

A motion was made by Tom Sheppard to approve the disbursements that were presented by the Administrator. The motion was seconded by Matt Young and carried 4-0.

BENEFIT APPROVALS

The Board reviewed the application for an October 1, 2008 distribution of Share account for David Baxter, Gary Wilburn, George Jenness, Howard Buttery, William Dahl, and John Boccanfuso.

A motion was made by Tom Sheppard to approve the applications for an October 1, 2008 distribution from their Share account for David Baxter, Gary Wilburn, George Jenness, Howard Buttery, William Dahl and John Boccanfuso. The motion was seconded by Matt Young and carried 4-0.

**ADMINISTRATOR REPORT: THE PENSION RESOURCE CENTER
(PRESENTED BY: DIXIE MARTINEZ)**

Ms. Martinez reviewed a list of participants who are, or will be, eligible to retire in the near future with the Board. All of these participants have, or will have, up to 23 years of service. The Administrator will be sending estimated calculations to these participants soon. Mr. Sheppard commented that Mr. Washington Moses should not be on the list because the years of service represented on the sheet are not all years served as a Firefighter; he explained that Mr. Moses worked in other departments for the city. Mr. Sheppard also pointed out that Mr. Leatherwood should not be on the list because he just retired. Ms. Martinez informed the Board that retiree Palmlee Howe and beneficiary Brenda Jordan have not returned their forms to receive their supplemental check. She also commented that no family members or the estate of Mr. Robert Epp have contacted them in regards to their supplemental payment. However, the daughter of deceased retiree Robert Hosier had contacted Pension Resource Center but has not been able to provide them with documentation verifying that she is the executor of the estate for Mr. Hosier. Mr. Young explained that he knew Mr. Howe's son and that he will contact his son to let him know that Mr. Howe needs to contact Pension Resource Center. Mr. Sheppard said that he will be sending an e-mail to see if someone can help locate these retirees. He also requested that certified letters be sent to them. Lastly, Ms. Martinez informed the Board that the Class Action Letter will be mailed to them.

**ATTORNEY'S REPORT: HANSON, PERRY & JENSEN (PRESENTED BY:
BONNI JENSEN)**

Ms. Jensen informed the Board that the Plan has been named lead plaintiff in the Healthways Litigation. The Board had a brief discussion in regards to the litigation.

**INVESTMENT CONSULTANT REPORT – THE BOGDAHN GROUP
(PRESENTED BY TROY BROWN)**

Mr. Brown explained that the quadrant fund discussion will have to be rescheduled for the next Pension Board meeting. Due to hurricane Ike, his meeting with the Investment Managers was rescheduled to the 25th. They will also be discussing another strategy that they didn't discuss at the last Pension Board meeting. He explained that this new strategy was an option writing strategy. Mr. Brown briefly explained to the Board how the option writing strategy works. He then explained that this strategy can be a profitable method of generating income. Mr. Brown believes that the current investment policy allows the Plan to do this. The Board had a lengthy discussion in regards to the option writing strategy. Lastly, Mr. Troy suggested having a third party commission recapture agreement with ConvergeEx. Mr. Brown explained that he will communicate with Thomas Mackell at ConvergeEx and find out if this agreement has been done yet. Mr. Brown explained to the Board that this will give the Plans Investment Managers the opportunity to trade through ConvergeEx for the Plans benefit at no additional cost or obligations.

A motion was made by Tom Sheppard to allow Mr. Brown to retain ConvergeEx as a third party commission recapture provider. The motion was seconded by Matt Young and carried 4-0.

INVESTMENT MANAGER REPORT – ALETHEIA RESEARCH (PRESENTED BY CHAD COOK)

Mr. Cook introduced himself to the Board and explained his position at Aletheia. He then commented that it has been a difficult market. Up until June 30th they had done very well at 4.9% versus the Russell 1000 at 1.2%. They have gone down for the month of July and came back up a little bit in August. They have about 25% exposure to energy. Mr. Cook reported that they are at 7.25% versus the Russell 10000 at -4.69 % since inception. In terms of where they are today, they have lost about 7%, so they are roughly even. Mr. Cook explained that this is temporary and used as an example to what happened in year 2002. He explained that they are very opportunistic and optimistic as well. Mr. Cook went on to review the portfolio as of June 30, 2008. Ms. Jensen asked Mr. Cook to give a brief overview on Aletheia's background. Mr. Cook gave a brief explanation on what they do and how they do it.

Mr. Brown asked the Board if they would like to hear about another idea that he has been looking at, the one fifty-fifty strategy. Mr. Cook and Mr. Brown went on to explain this strategy. The Board had a brief discussion in regards to this strategy.

OTHER BUSINESS:

The Board will decide if they will move the Pension Board meetings to be held the second Thursday of every month instead of the first Thursday of every month at the next Pension Board meeting. Faye Sarofim will be attending the next Pension Board meeting. Ms. Jensen requested that the re election of Matt Young be added to the agenda for the October 2nd, meeting.

There being no further business and the next Pension Board meeting having been scheduled for October 2, 2008, the meeting was adjourned at 3:19PM.

Tom Sheppard, Secretary