

WEST PALM BEACH FIREFIGHTERS' PENSION FUND
MINUTES OF MEETING HELD
October 2, 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
Rick Dorey

OTHERS

Bonni Jensen – Hanson, Perry & Jensen
Scott Baur & Dixie Martinez–The Pension Resource Center
Troy Brown & Daniel Johnson – The Bogdahn Group
Reynaldo Reza & Robert Hopson- Faye Sarofim
Brian Walker- Paramedic

PUBLIC COMMENTS

N/A

INVESTMENT MANAGER REPORT – FAYEZ SAROFIM (PRESENTED BY REYNALDO REZA & ROBERT HOPSON)

Mr. Hopson introduced himself and Mr. Reza to the Board and explained their positions at Faye Sarofim. Mr. Hopson commented that volatility in the market has increased tremendously, but in a volatile market, a longer term perspective and consistent discipline are needed to identify and profit from market opportunities. He commented that their approach to focus in on the highest quality industry dominant companies with the availability to gain market shares overseas is being rewarded on a relative basis. They recognize that growth is considerably faster outside of the United States. Since conception over the last 16 month period the portfolio was down -2.1 % versus the S&P 500 at -9.8%. For the last 12 month the Portfolio was down -4.2% versus the S&P 500 -11.2%. The Portfolio has not been immune to the market downturn but to a lower degree then the overall market. The Portfolio has declined from December 31, 2007 through August 29, 2008 -8.5% versus the S&P 500 -11.4%. Mr. Hopson explained that the most up to date information that he has available is trough September 26, 2008 and that on a year to date basis the portfolio is down -14.9% versus the S&P 500 -16.0%. He explained that their philosophy is that they want to construct a portfolio where the weighted average per share growth in the next 5 years is in the 10% to 12% range. Mr. Reza reviewed the sector allocations of the portfolio. He explained that currently the portfolio is overweighed in Energy and Consumer Staples and underweighted in Financials and Telecom Services. He then reviewed earnings and dividend growth for holdings in the portfolio compared to the market. He explained that 52% of the earnings for the largest companies in the portfolio come from outside of the United States. The S&P 500 year to date is down -19.29 and through the end of September 30th, 2008 the portfolio is down -18.9 versus the S&P 500 -21.9. The Board had a brief discussion in regards to the current events in the market.

INVESTMENT CONSULTANT REPORT – THE BOGDAHN GROUP (PRESENTED BY TROY BROWN & DANIEL JOHNSON)

Mr. Brown explained that he will bring back to the Board the Quadrant fund for discussion in about six month, since now is not the appropriate time to pursue this. He explained that he has also been looking into non traditional investments. Mr. Brown

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reviewed the exposure of the portfolio to specific names and or companies in the market. He informed that Pimco had some exposure to Lehman Brothers and AIG. Mr. Brown explained that he will have a full report by next month.

APPROVAL OF MINUTES

The Board reviewed the Minutes of the September 4, 2008 regular meeting.

A motion was made by Tom Sheppard to approve the Minutes of the September 4, 2008 regular meeting. The motion was seconded by Matt Young and carried 5-0.

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 August for review.

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

Mr. Baur explained that the National City transition to First Southern has been finalized and that the transfer to Salem Trust from Merrill Lynch is in progress.

DISBURSEMENTS

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

A motion was made by Tom Sheppard to approve the disbursements that were presented by the Administrator. The motion was seconded by Rick Dorey and carried 5-0.

BENEFIT APPROVALS

The Board reviewed the application for an October 1, 2008 distribution of Share account for Robin Beans and William Serey.

A motion was made by Tom Sheppard to approve the applications for an October 1, 2008 distribution from their Share account for Robin Beans and William Serey. The motion was seconded by Rick Dorey and carried 5-0.

The Board reviewed the application for an October 1, 2008 distribution of Drop account for David Abdo.

A motion was made by Tom Sheppard to approve the applications for an October 1, 2008 distribution from their Drop account for David Abdo. The motion was seconded by Matt Young and carried 5-0.

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

Ms. Jensen reviewed the Statement of Policy Regarding Supplemental Pension Distribution. She explained that a participant who died during the year, the beneficiary, or estate receives a pro rated portion of the supplemental distribution. The Board had a brief discussion on the Policy. Ms Jensen will make some changes and bring back to the next Pension meeting for Board approval. Ms. Jensen then reviewed the provisions for

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Qualified Public Depository. Ms. Jensen advised the Board to file the Public Depository forms. Ms. Jensen briefly reviewed the ConvergeEx agreement.

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

Mr. Baur explained that the Auditors are scheduled to come into Pension Resource Centers office the first or second week of November. A draft of the annual report should be ready by December the 12th, 2008. Mr. Baur explained that the reason the State had sent a letter asking for page revisions is that the State requests that whenever a change or any kind of clarification is submitted, then the corresponding pages also have to be re submitted. Mr. Baur explained that he is trying to compute all of the benefits for all participants who have reached 23 years of service. Mr. Baur explained that this is a difficult task due to all the possibilities that a participant has depending on when they leave and how many years the participant wants to back drop. The Board had a brief discussion in regards to the participant's calculations. The Board suggestion to Mr. Baur is to do the calculations and mail it at the participant's request. Mr. Baur explained that Rick Dorey's term expires in October, Mr. Dorey will run again for the position on the Board of Trustees; he will submit a written notice. The nomination has been posted at all Fire stations. The Board had a brief discussion in regards to the participants who have not returned the completed form to receive the 13th check.

OTHER BUSINESS:

Matt Young term has expired. There was a brief discussion in regards to Mr. Young's term.

A motion was made by Tom Sheppard to re elect Mr. Young as the Fifth Trustees. The motion was seconded by Rick Dorey and carried 4-0.

Mr. Young discussed with the Board the specifics of the retirement dinner. The Pension Board meetings will be re scheduled to the second Thursday of every month starting in December.

There being no further business and the next Pension Board meeting having been scheduled for November 6, 2008, the meeting was adjourned at 3:52 pm.

Tom Sheppard, Secretary