

WEST PALM BEACH FIREFIGHTERS' PENSION FUND
MINUTES OF WORKSHOP HELD
February 9, 2012

Chairman Rick Dorey called the workshop to order at 1:35 P.M. in the Third Floor Conference Room at Station 1; 500 N. Dixie Highway, West Palm Beach, Florida. Those persons present were:

TRUSTEES

Rick Dorey, Chairman
Dave Merrell, Trustee

OTHERS

Audrey Ross, Resource Centers
Bonni Jensen, The Law Offices of Perry & Jensen
Troy Brown, The Bogdahn Group

PUBLIC COMMENTS

N/A

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

Mr. Brown reviewed the updated Investment Policy Guidelines. He explained that he revised the policy to add a specific dedication to global bonds. Also he revised the target allocations and the benchmarks they are measured against.

Mr. Brown discussed the current market environment and commented that it is still very volatile out there and that is when you really want the upside protection of the portfolio. All the problems that existed last year are still here and have not gone away. He briefly discussed the issues that are still occurring overseas, although Europe is finally starting to move in the right direction and hopefully they will have their issues resolved sometime in the near future.

Mr. Brown reviewed the portfolio for the quarter ending December 31, 2011 and commented that they ended with \$133,456,788 in assets, which is almost making up for the quarter ending September 30, 2011. Although as of yesterday (February 8, 2012) the fund was up almost another \$2M. During the quarter the small cap managers underperformed and the fixed income managers outperformed. The total fund net of fees outperformed at 7.14% versus the benchmark at 6.75%, but for the one year they are behind the benchmark at 1.32% versus 2.15%. Mr. Brown noted that all managers have outperformed their benchmark since inception and then he briefly reviewed their performance for the quarter. He reviewed the letter that he received from Brown Advisory stating that they have changed their name from Brown Advisory LLC to Brown Advisory Inc. Mr. Brown stated that this is just an organizational structure change and that it does not have any effect on the portfolio. Lastly he commented that he does not have any recommendations at this time to rebalance.

Board Discussion:

The Trustees discussed whether or not they should allow their managers to move into cash if needed when the market goes down. Mr. Brown stated that he can write a letter to all the managers notifying them that they are allowed to move into cash if they wanted, but he stated that most managers wouldn't do it anyways. He also suggested that he could have all the managers resign their addendums stating that they now have the opportunity to move into more cash, although the decision is still up to that manager as to whether or not they will to do it.

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OTHER BUSINESS

Ms. Jensen briefly reviewed the letter that she received from the City stating the Randy Sherman is not longer serving on the Board. She stated that she will notify the board as soon as she hears of a replacement Trustee.

There being no further business and the next Pension Board meeting having been rescheduled for Thursday March 26, 2012 @ 1:30PM, the workshop concluded at 3:43PM.

Brian Wallker, Secretary