

***Town of Palm Beach Firefighters'
Retirement System
Workshop of December 1, 2006***

I. CALL TO ORDER

The Workshop was called to order at 9:12 a.m.

TRUSTEES

Mr. Richard Krock, Chairman (Fire)
Mr. James McC. Wearn (Police)
Mr. Gerald Goldsmith (Police)
Mr. Keith Elliott (Fire)

OTHERS

Sean Higman, Prime Buchholz
Denise Clougherty, Pension Resource Center

Mr. Sean Higman gave an overview of the mis-communication on the confirmation of attendance by Meridian Partners between them and the Pension Resource Center. A representative from Meridian Partners was not available to attend today's workshop.

Mr. Higman further addressed the Trustees stating that Prime Buchholz is carefully analyzing Meridian and has asked the Boards to interview possible replacements, although, they are not actively recommending an immediate replacement. They plan to do impact analysis on replacing Meridian, and have it available for review at the next regular meeting of the respective Boards.

Mr. James McC. Wearn of the Police Officers Board, commented that he believe the Trustees need to hear Meridian's explanation of past performance before a prudent judgement can be made regarding replacement. He further requested the Administrator reschedule the workshop, taking particular consideration in the schedules of the Trustees present. Mr. Wearn added that the workshop should occur well in advance of the February meeting, at which, the decision-making should occur. Mr. Wearn commented that a follow-up confirmation be made to ensure the attendance of all involved.

Mr. Keith Elliott, of the Firefighters Board, asked Mr. Higman to take a look at a Hedge Fund Study, based on numbers of funds, not on assets. Mr. Higman replied that he would do so, and he engaged in discussion with the Trustees present about how they came to the asset allocation they have today. The Board questioned Mr. Higman about the allocation and the number of assets required to achieve the desired diversification. Mr. Higman replied that prudence remains relative to other funds.

The Administrator advised that the workshop would be rescheduled. The workshop was adjourned at 9:30 a.m.

Michael Hays, Secretary