Chairperson Dwight Mattingly called the meeting to order at 10:40 A.M. in the Dale R. Smith Conference Room at Palm Tran North Facility, 3201 Electronics Way, West Palm Beach, Florida.

<table>
<thead>
<tr>
<th>TRUSTEES</th>
<th>OTHERS PRESENT</th>
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<tbody>
<tr>
<td>Dwight Mattingly</td>
<td>Bonni Jensen, Hanson, Perry &amp; Jensen</td>
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<td>Frank Stanzione</td>
<td>Sidney Taylor, Burgess Chambers &amp; Associates</td>
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<td>Liz Bloeser</td>
<td>Paula Freiman, Freiman Little Actuaries</td>
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<td>Nancy Bolton</td>
<td>Nick Schiess, Pension Resource Center</td>
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<td>Bob Sugarman, Sugarman &amp; Susskind</td>
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<td>John Murphy, Palm Tran</td>
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<td>Alan Purser, Asad Kazim &amp; Sonya Axter, RREEF</td>
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APPROVAL OF THE AGENDA

The Board reviewed and revised the agenda for the meeting. A motion was made by Nancy Bolton to approve the revised agenda. The motion was seconded and carried 4-0.

MINUTES

The Board reviewed the minutes for the meeting held on August 28, 2008. A motion was made by Liz Bloeser to approve the minutes of the meeting held on August 28, 2008. The motion was seconded and carried 4-0.

INVESTMENT CONSULTANT REPORT

Sidney Taylor appeared before the Board to present an investment performance report for the quarter ending September 30, 2008. He reported that the return for the quarter was -9.0%, with the best performing investment products being the RREEF REIT product, with a return of 3.8%, and the Galliard fixed income portfolio, with a 0.2% return. He reported that the return for the trailing one-year period was -13.1%, with the best performing investment products being the Galliard TIPS portfolio, with a 8.2% return, and the Galliard fixed income portfolio, with a 4.7% return. Mr. Taylor reviewed the asset allocation noting a slight overweighting in fixed income, however, recommended that no rebalancing occur until the market settles. He provided indices of returns by asset allocation noting that the recent market volatility had affected every asset class. Mr. Taylor then provided indices of market expansions and retractions noting that small cap domestic equities had historically outperformed all asset classes leading out of a market contraction. He recommended that the Trustees consider the addition of a small cap product. A lengthy discussion ensued and Mr. Taylor was questioned regarding the timing and amount of the allocation. He recommended a target allocation of 6% of the portfolio funded with a corresponding reduction in the mid-cap portfolio and advised that it was difficult to predict the exact date of a market rebound. Mr. Taylor requested authorization to conduct a search for passive and actively managed products, with the
results being brought back to the Board at the February 2009 meeting for consideration. Liz Bloeser made a motion to authorize a search for a small cap product. The motion was seconded and carried 4-0.

Mr. Taylor was questioned whether the assets of the Plan were secure and also whether there was any exposure to the firms that are recently defunct or have received allegations of fraud. Mr. Taylor responded that the portfolio is very diversified and therefore subject to less market volatility and was not aware of any questionable holdings within any of the investment products.

Mr. Taylor reviewed the compliance checklist noting all other items were in compliance, except the performance objectives of ranking in the top 40th percentile for a trailing five-year period had not been met.

**INVESTMENT MANAGER REPORT: RREEF**

Alan Purser, Asad Kazim and Sonya Axter appeared before the Board on behalf of RREEF to present an investment performance report for the quarter ending September 30, 2008. Mr. Purser reported that no organizational changes had occurred within the firm. Mr. Kazim discussed market and economic factors affecting the REIT asset class in general noting that the cost of leverage had increased significantly and the firm’s response was to focus on the holdings of firms with lower leverage and healthier balance sheets. Mr. Kazim advised that the performance objective was the outperformance of the index by 200 basis points and he anticipated that the asset class would outperform other domestic asset classes over the next three years after the stabilization of the capital markets occurs. Mr. Purser reported that the return on the product for the fiscal year-to-date was -31.45% versus -31.54% for the index and for the three-year trailing period was -5.6% versus -7.02% for the index. He advised that the market pricing of equities generally contained excessive emotion and irrationality. Mr. Purser was questioned whether the product contained exposure to international equities and he advised that the product was purely domestic, but a global strategy was offered by the firm.

Ms. Axter provided and discussed information regarding the firm’s new infrastructure product. Dwight Mattingly noted that infrastructure products were discussed at a recent educational conference and were under review by the Investment Consultant. Ms. Axter discussed in great detail the firm’s qualifications and experience and the investment management team and process. It was noted that the product was a new closed-ended fund with a twelve-year commitment. Sidney Taylor advised that due diligence research has begun on infrastructure products as viable alternative investments but this research had not been completed and therefore he could not recommend the product at this date.

The meeting recessed from 12:02 P.M. to 12:45 P.M. for lunch.
APPLICATION FOR DISABILITY BENEFITS: RASCHEEL WILSON

Bob Sugarman reviewed the procedures for the disability hearing proceeding, the Plan provisions and substantive law for the Trustees. He explained the definition of total and permanent disability, as well as the provisions of the Ordinance containing the substantive provisions in the Plan relating to disability pensions. He noted that the disability must be determined to have occurred in the line-of-duty for the Board to grant a service-related disability pension. Mr. Sugarman explained that the provisions of the Plan afforded disability benefits for a service-related disability for a maximum period of four years, unless the recipient was awarded social security disability benefits. Mr. Sugarman advised that an independent medical evaluation could be performed for an additional medical opinion, but at an additional cost to the Plan. The Trustees, having reviewed the medical records individually prior to the meeting, discussed in great detail Ms. Wilson’s medical condition, physicians’ evaluations, and other factors regarding the Application for Disability Benefits for Rascheel Wilson. A lengthy discussion ensued regarding whether Ms. Wilson had reached maximum medical improvement. A discussion then arose regarding the details of her Worker’s Compensation case and it was noted that she was not considered to have attained maximum medical improvement by the Worker’s Compensation Physician.

Ms. Wilson joined the meeting via teleconference and discussed her injuries that occurred while in service and her subsequent medical treatments. She was questioned in great detail regarding her physical limitations and medical treatments, including medications. She explained that the limitations prevented her from performing the duties of a full-time driver and no light duty employment had been available with Palm Tran. She was questioned regarding any other employment since termination from Palm Tran and any proposed medical treatments that could improve her condition. Ms. Wilson responded that she has not been employed since termination from Palm Tran and the risk of the only proposed treatment was paralysis. She was questioned whether she has submitted an application for social security disability benefits and she responded that she had not applied for these benefits. A lengthy discussion ensued regarding whether an independent medical exam was necessary to determine the status of whether Ms. Wilson had attained maximum medical improvement. Liz Bloeser made a motion to obtain an independent medical examination for Ms. Wilson from a specialist in the city of Ms. Wilson’s residence and authorize the related expenses. The motion was seconded and carried 4-0.

APPOINTMENT OF BOARD OFFICERS

Frank Stanzione made a motion to nominate Dwight Mattingly. The motion was seconded and carried 4-0. Nancy Bolton made a motion to nominate Liz Bloeser as Secretary. The motion was seconded and carried 4-0.

Frank Stanzione departed the meeting at 1:25 P.M.
ACTUARY REPORT: CHAD LITTLE

Paula Freiman provided the final 2008 Actuarial Valuation. Liz Bloeser made a motion to accept the 2008 Actuarial Valuation. The motion was seconded and carried 4-0. Ms. Freiman suggested that the employer contributions for the current fiscal year were suspect and would likely fall below the required contribution. The Board requested the administrator to forward the contribution information to the Auditor for review.

Ms. Freiman provided an impact statement dated November 19, 2008 summarizing the financial impact of Amendment Four.

Ms. Freiman provided a proposal for an experience study with options from a partial to a full experience review, ranging in fees from $4K to 8K. She noted that the best practice was to perform a full experience study at least every five years and therefore recommended the full experience study. Nancy Bolton made a motion to authorize the performance of a full experience study. The motion was seconded and carried 3-0.

PROPOSALS FOR AUDITING SERVICES

CHERRY, BEKAERT & HOLLAND

Ron Conrad and Rowana Flitan appeared before the Board on behalf of Cherry Bekaert and Holland to provide a proposal for auditing services. Mr. Conrad discussed the firm’s qualification and experience and then discussed recent organizational changes. Mr. Conrad presented a revised proposal with fees of $14,500 for FY 2008, $15,000 for 2009 and $15,500 for 2010. Nick Schiess discussed the level of bookkeeping services performed by the Administrator on behalf of the Plan and questioned whether the level was satisfactory or whether additional third party services would be required. Mr. Conrad advised that the level of bookkeeping services provided by the Administrator was satisfactory.

GOLDSTEIN SCHECHTER KOCH

Clement Johns appeared before the Board on behalf of Goldstein Schechter Koch to provide a proposal for auditing services. Mr. Johns discussed the firm’s qualification and experience and then discussed recent organizational changes. Mr. Conrad presented a revised proposal with fees of $16,000. Nick Schiess discussed the level of bookkeeping services performed by the Administrator on behalf of the Plan and questioned whether the level was satisfactory or whether additional third party services would be required. Mr. Johns advised that supplementary bookkeeping would be required by the firm at an approximate cost of $1,800 per annual audit.
The Trustees reviewed and discussed in great detail the presentations and proposals received for auditing services. **Nancy Bolton made a motion to engage the services of Cherry Bekaert and Holland. The motion was seconded and carried 3-0.**

**BENEFIT APPROVALS**

The Board reviewed a list of benefit approvals presented by the Administrator for approval. **Nancy Bolton made a motion to ratify the retirement benefits presented. The motion was seconded and carried 3-0.**

**REPORTING OF PLAN FINANCIALS**

The Board reviewed the unaudited financial statements provided by the Administrator for the period ending June 30, 2008. **Liz Bloeser made a motion to receive and file the financial statements. The motion was seconded and carried 3-0.**

**APPROVAL OF DISBURSEMENTS**

The Board reviewed the disbursements provided for approval. **Liz Bloeser made a motion to approve the disbursements as presented. The motion was seconded and passed 3-0.**

**ATTORNEY REPORT: BOB SUGARMAN**

Bob Sugarman provided the Administrator with securities monitoring reports for filing with the Plan’s custodian.

The Trustees discussed the possible recovery of expenses caused by the errors of the former Administrator. Paula Freiman advised that the amount of $18,688 was the additional costs attributable to the errors of the former Administrator. The Board requested Mr. Sugarman to issue the former administrator a demand letter for the additional costs.

Mr. Sugarman advised that the preliminary preparation of the IRS Determination Letter had been completed and a filing fee of $1,000 was required to proceed. **Nancy Bolton made a motion to issue a disbursement for $1,000 for the filing fee for the IRS determination Letter. The motion was seconded and carried 3-0.**

**ATTORNEY REPORT: BONNI JENSEN**

Ms. Jensen discussed the annual reporting requirements to the State on the Plan’s assets deposited with Qualified Public Depositories. Nick Schiess agreed to complete and submit the required filing.
ADMINISTRATIVE REPORT

Nick Schiess announced that the Pension Resource Center entered into a strategic partnership with the Michigan Employee Retirement System that resulted in the new entity Tegrit Plan Administrators. He agreed to provide Mr. Sugarman with additional information and a replacement agreement at the next meeting, if necessary.

A discussion arose regarding notifying the retirees of the Board meetings and Mr. Schiess agreed to include an announcement of the 2009 meetings with the retirees’ benefit payments.

OTHER BUSINESS

There was no other business.

SCHEDULE 2009 MEETINGS

Meetings were scheduled for February 26, 2009, May 28, 2009, August 27, 2009 and November 23, 2009.

ADJOURNEMENT

The meeting was adjourned at 2:55 P.M.

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Secretary