

**ATU LOCAL 1596 PENSION FUND
MINUTES OF WORKSHOP
Tuesday, November 12, 2002**

Board Members Present:

Thomas Lapins- Chairman
Edward Johnson- LYNX Appointee
Blanche Sherman- LYNX Appointee
Mike Donnelly- Union Appointee
Robert Doane- Union Appointee
Brian Anderson- Secretary

Others Present

Scott Baur - Fund Administrator
Jill Hanson- Fund Attorney
Frank Lacock

Agenda Item #	Discussion	Decision	Follow-up
1.	Meeting called to order.	1:56 PM	
2.	Minutes from meeting of October 15, 2002.	Blanche Sherman made a motion to approve the minutes as amended, seconded by Mike Donnelly, and approved by the Trustees 5-0.	None Required.
3.	Scott Baur reported some system problems prior to the meeting that prevented printing the financial statements through September, 2002.	Scott Baur will provide updated financials to Blanche Sherman and Tom Lapins when available.	PRC
*	Mary Donals came to the meeting and requested a projection of her pension benefits.	Scott Baur will contact Mary.	PRC
4.	The report by Merrill Lynch was deferred until later in the meeting.		

5.	Jill Hanson, attorney for the Pension Fund, reported that James McIlhenney, a former participant of the Pension Fund promoted to management just prior to vesting at 50%, requested information regarding his benefits. He has a possible interest in remaining in the Local 1596 Pension Plan. The hearing for the appeal by Hector Matos was deferred until the next meeting, to be scheduled in December to coincide with the reference guide workshops. Jill also noted that she required some additional information from Joyce Baldi or Luz Robledo, and GRS reviewed the situation with Hector Matos as well.	The Trustees briefly discussed the requirements to repay participant contributions previously refunded from the Plan following separation from service and reemployment by LYNX. Jill also reviewed the procedures for the appeal and hearing. The Trustees noted that LYNX may need to allow Mr. Matos time off to attend the hearing.	Jill Hanson
*	Jill reviewed her memo regarding submission of plan changes to the LYNX Board for review. She noted that the Pension Board was not required to seek the approval of the LYNX Board for benefit changes, and the ATU Local 1596 was governed solely by the plan document as opposed to any ordinance. Therefore, the Pension Board would only notify and submit changes to the LYNX Board as a matter of courtesy.	The Trustees deferred further discussion of the process to make plan and benefit changes until the January meeting. The Pension Board will also review Sunshine Law requirements in January. Discussion regarding the disability policies for the plan was deferred until March, when Theora Braccialarghe will next attend the meeting.	None Required.
*	The Trustees briefly discussed retro payments due to certain retirees because of incorrect pension benefit calculations. A situation was also discussed regarding a participant that may make an application for disability retirement.	The Trustees directed the administrator to pay interest on retro payments per the instructions of the actuary.	PRC

4.	<p>Jeff Swanson reported to the Board regarding the performance of the investment managers. He noted that the current bear market now extended to 2 ¾ years, but he feels the assets are positioned appropriately for an eventual recovery in the market. The overall portfolio, even though down by 3.1% for the fiscal year, strongly outperformed the target indices for the investments, the relevant benchmarks, and other pension plans. He then reviewed the performance of the individual managers employed by the Pension Fund. The managers complied with the investment guidelines for the plan, although the investments have not met the assumed actuarial rate of return for the past several years due to declines in the market.</p>	<p>Mike Donnelly questioned if the Pension Fund should modify the investment guidelines in light of the market. Because the managers vote the proxies on behalf of the plan, Jeff Swanson will provide a proxy voting report with the investment report. The Board noted that \$2Million of plan assets were invested in the Westfield Fund following the October meeting, because Baron was not a qualified Florida public depository.</p>	Jeff Swanson
*	<p>The Board discussed the status of the contract with Pension Resource Center, the administrator. The Trustees noted that the Board lacked a policy for dealing with contracts and renewals with service providers. The Trustees asked such questions as whether the contract would automatically renew following the initial contract period, a new request for proposal for an administrator should be completed, and any other guidelines for soliciting proposals for services applied to the Pension Plan.</p>	<p>Jill Hanson informed the Trustees that no requirement existed to conduct an RFP for proposals. Ed Johnson made a motion to request assistance from the human resources and procurement departments for LYNX in developing a policy for establishing and maintaining contracts with service providers, but the motion died for lack of a second. Blanche Sherman made a motion to obtain information from different sources for a possible guideline, including the human resources and procurement departments for LYNX, and determine any legal requirements that may apply to</p>	Jill Hanson

		arrangements with service providers. Ed Johnson seconded the motion, approved by the Trustees 6-0.	
*	The Trustees reviewed sample annual benefit statements for participants of the plan. The administrator reported to the Trustees on the recently completed enrollment in the Enhanced Benefit and the Share Accounts. Tom Lapins notified the Board that the Reference Guides would be available from the printer within days. Brenda Watts requested projections for her pension benefit.	The Trustees directed the administrator to eliminate the social security number from the statement.	PRC
*	The Trustees discussed topics for discussion at upcoming meetings.	The Trustees requested that Sunshine Law and vendor policies be added to the January agenda, the investment report and audit in February, and the actuarial report and discussion of disability provisions in March.	PRC
*	Bob Doane announced his resignation from the Board at the end of 2002. The hearing for Hector Matos was scheduled for December 11.	The next meetings were scheduled for January 21, February 18, and March 18, 2003, from 1 PM to 5 PM. The quarterly business meetings will take place on the 3 rd Tuesday of the second month of each quarter (May 15, August 19, and November 18).	None Required.
*	The Trustees requested a mailing to all the participants regarding distribution of the Reference Guide and annual benefit statements.		PRC

*	Mike Donnelly requested further discussion regarding a change to the asset allocation for the Pension Plan to 50% equities and 50% fixed income. The Trustees discussed possible formats for pre-retirement seminars for participants.	The asset allocation will be reviewed at the February meeting.	Jeff Swanson
10.	The Trustees reviewed the disbursements.	Mike Donnelly made a motion to approve the listed disbursements provided by the administrator. Brian Anderson seconded the motion, approved by the Trustees 5-0.	None Required.
13.	There being no other business, and the next meeting having been previously scheduled during the meeting, the Trustees adjourned at 4:50 PM.		

Sincerely,

Brian Anderson
Secretary