

# **LAKE WORTH FIREFIGHTERS' PENSION TRUST FUND**

## **MINUTES OF MEETING HELD**

**August 4, 2003**

James Shook called the meeting to order at 9:34 A.M. in the Conference Room at Station 1, Lake Worth, Florida. Those persons present were:

### **TRUSTEES**

James Shook  
Rich Seamon  
Mark Lamb

### **OTHERS**

Margie Adcock and Scott Baur, Administrator  
Adam Levinson, Attorney  
Roger Forrest

### **ORDINANCE CHANGE**

Roger Forrest appeared before the Board and inquired about the Ordinance change for the 3% multiplier. It was noted that the Ordinance was going before the City Commission tomorrow evening and should be non-controversial because it is a change pursuant to collective bargaining negotiations. Mr. Forrest inquired about entering the DROP before the Ordinance is actually passed. Adam Levinson stated that the safest thing for him to do would be to make his entry into the DROP effective the date the Ordinance passes. Mr. Levinson stated that the Ordinance was drafted to read that it would apply to anyone who was employed on October 1, 2002 and was not in the DROP on October 1, 2002. Mr. Levinson stated that he would advise that Mr. Forrest wait the two weeks until the Ordinance passes second reading before entering the DROP. The Board called Lisa Greene in Finance at this point to determine what they were doing with Mr. Forrest's application to enter the DROP. Mr. Forrest verbally requested to Ms. Greene that his application to enter the DROP be postponed until the Ordinance has passed and once the Ordinance has passed that it be processed as soon as possible.

### **ADDITIONS AND DELETIONS**

It was noted that the Board wanted input from the Attorney on the new actuarial standards for healthcare; the new HIPPA standards as they related to disabilities; and discussion on coverage of Trustees for travel and attendance at pension conferences due to the death of a Trustee on the General Employees' Board while traveling to the FPPTA Conference. Adam Levinson stated that it is a good idea to get approval in advance that is reflected in the minutes for attendance at pension conferences so that it can be established that a Trustees is on Board business. The Board was interested in the details of how the City handled the matter of the Trustee on the General Employees' Board. Mr. Levinson stated that the Board could purchase a policy for life and/or car insurance as long as the premiums were not excessive. Mr. Levinson stated that he would discuss the matter with the City Attorney to see what happened in the situation involving the Trustee on the General Employees' Board.

## **MINUTES**

The Trustees discussed the minutes of June 17, 2003. A motion was made, seconded, and carried 3-0 to accept the minutes of June 17, 2003.

## **ATTORNEY REPORT**

Adam Levinson reported that he received a copy of a letter from the Division of Retirement dated July 1, 2003 raising 2 issues that were holding up the receipt of the Chapter 175 premium tax monies. He noted that the letter was addressed to the Finance Director. One issue had to do with Tim Selletti and it was noted that the Annual Report showed contributions from the General Employees' Plan to this Plan. The other issue had to do with Rod Pfleiderer and it was noted that, pursuant to the Division of Retirement, he was not eligible for credited service from December 7, 1987 to October 9, 1988. Apparently he was a dispatcher at one time and was not entitled to fire service credit for that period of time. Mr. Levinson stated that it would be possible to change the Ordinance to provide for a coordination of benefits provision which would aggregate together the total time with the City. There was then a lengthy discussion on the issues involved. It was noted that there were other Participants that were in the same situation as Mr. Pfleiderer although they were not noted by the Division of Retirement. It was determined that Finance would provide Mr. Levinson with various information he needed to review the matter further. The Board requested Mr. Levinson draft a letter from the Chairman to all of the Participants of the Plan who are in the same situation as Mr. Pfleiderer.

Mr. Levinson stated that Ordinance 2002-45 created an early retirement window and one firefighter took advantage of that window. He reminded the Board that the Division of Retirement advised the City by letter dated January 16, 2003 that the Ordinance was not proper. At the last meeting the Board directed the Attorney to prepare an Ordinance for the City. Mr. Levinson provided the Board with a draft Ordinance for review.

**ACTION:** A motion was made, seconded, and carried 3-0 to direct the Attorney to send the draft Ordinance to the City that corrects Ordinance 2002-45 so that the Division of Retirement will be satisfied. A motion was made, seconded, and carried 3-0 to direct the Attorney to investigate the options and submit proposals regarding service credited to non-certified firefighters.

Mr. Levinson discussed the enhanced multiplier that was negotiated by Hallandale. He stated that Hallandale negotiated a provision whereby the last 3 years of service they would receive double the multiplier and the member would pay more during those years. He noted that something similar could be done in this Plan although it would have to be negotiated.

Mr. Levinson stated that he is still waiting on impact statements from the Actuary on the partial lump sum option; the disability conversion; and purchase of prior fire service.

The Board then discussed the health care supplement. It was noted that the Actuary revised the impact statement to base the cost on a 30 year amortization.

There was discussion on possibly holding an informational meeting with the membership. The Board will consider revising the Summary Plan Description once the Ordinances get passed. It was noted that perhaps a meeting in November or December might be appropriate. Mark Lamb volunteered to plan such a meeting.

Mr. Levinson then advised that the City adopted an Ordinance that reduced the normal retirement age from 60 to 55 as required by the minimum benefits provision of Chapter 175. He noted that the cost was to be paid with the excess Chapter 175 premium tax monies. He noted that Division II has not yet transferred any money to Division I to pay for the change. He provided the Board with a draft letter and noted that he would confirm with the Actuary that the amount does not fluctuate from year to year.

**ACTION:** A motion was made, seconded, and carried 3-0 to provide the letter to Division II.

Mr. Levinson then discussed Trustee education and reimbursement for travel expenses. He provided the Board with a sample policy for review. The Trustees noted certain comments on the sample policy. Mr. Levinson stated that he would revise the policy according to the comments made by the Trustees for the next meeting. There was discussion on approval for attendance at pension conferences. It was noted that the Board has previously approval to attend 4 in-state conference which would cover the 3 FPPTA conferences and the Klausner conference. It was noted that a Trustee should obtain approval before each conference at the meeting, or if there is no meeting, they should request attendance in writing.

Mr. Levinson stated that there are two accounting advisory boards – GASB and FASB. He noted that FASB has made a proposal that deals with items other than pensions and would limit the ability of plans to fund for health insurance. With respect to the new HIPPA rules, Mr. Levinson recommended that one file of any disability be kept by the Attorney and Administrator and all the others be shred as there are confidential medical records involved.

The Board then discussed the purchase of prior fire service.

**ACTION:** A motion was made, seconded, and carried 3-0 to direct the Attorney to send the proposed Ordinance on the purchase of prior fire service to the City once he obtains an impact letter from the Actuary.

## **ADMINISTRATIVE REPORT**

Margie Adcock provided the Board with a proposed Amended Exhibit A to the Custodial Agreement with Salem Trust Company. There was discussion on the increase and the charge for security transactions over 500 a year. Mr. Levinson suggested that the Board ask Salem to place a maximum amount on the charge for trades not to exceed \$3,500 for trades in excess of 500 per year. The Board asked the Administrator to make such a counter proposal to Salem Trust.

Scott Baur stated that he had a meeting with the City last week on the transition of the account. He also noted that he obtained the DROP account information from the City

and stated that their method of calculating the account balance was valid. He noted that it was based on the minimum account balance during the quarter. However, such a calculation was really moot at this point as everyone is in the fixed account.

### **DISBURSEMENTS**

Margie Adcock presented a list of disbursements to be made. A motion was made, seconded and carried 3-0 to approve the disbursements listed.

### **OTHER BUSINESS**

There being no further business, the meeting was adjourned at 12:40 P.M.

Respectfully submitted,

Mark Lamb, Secretary