

LAKE WORTH FIREFIGHTERS' PENSION TRUST FUND
MINUTES OF MEETING HELD
February 23, 2009

James Shook called the meeting to order at 9:12 A.M. in the Conference Room at Station 1, Lake Worth, Florida. Those persons present were:

TRUSTEES

James Shook
Rich Seamon
Harry Singh
Mark Lamb

OTHERS

Margie Adcock, Administrator
Bob Klausner, Attorney
Drew Hacker, Union Representative

ADDITIONS AND DELETIONS

Mr. Seamon stated that he would like to schedule a joint meeting of Division I and Division II to be placed under the item of Next Meeting.

Ms. Adcock stated that she would like to add disbursements under Other Business.

ATTORNEY REPORT

Mr. Klausner appeared before the Board. He discussed the letter from Chris Catuccy dated February 10, 2009. He stated that he has an identical issue in another plan he represents that has been going on for twelve years. It is an issue regarding the definition of compensation. He stated that this Plan does not include accumulated leave but includes retained leave and vacation. The definition of compensation with the City pay plan and the collective bargaining agreement show there is clearly a difference between accumulated leave and retained leave. The Board has the authority to interpret the Plan. He stated that the way this has been done started in 2000. Everything has been done in an open meeting and included in the Actuarial Valuations that the City receives. The minutes of the meetings are sent to the City as well. Everything has been done in the public. Mr. Klausner discussed the statute of limitations for governmental entities and contracts in writing. He stated that the letter that best explains the Board's position is the letter to Chris Catuccy dated July 31, 2008. Mr. Klausner stated that he has met with a series of City Attorneys, City Managers and City Finance Directors from 2000 to now. The current City Administration has taken a different view.

Mr. Klausner noted that the letter from Chris Catuccy dated February 10, 2009 states that the Board should "cease and desist its improper practice of including accumulated leave...in pensionable wages of retirees..." Mr. Klausner stated that he would not recommend doing that. He noted that the letter also asks for a list of "retirees whose pensions were inflated" He stated that there are none. He recommended staying the course. He stated that once a person is eligible to retire, they are treated under the State Constitution as if they had retired. Once they have attained the eligibility to retire, the payment of deferred compensation is due and owing. If the Union were to bargain

something different for active employees who are not eligible to retire that is something different. The Board does not make the Plan it just interprets it. The City's own position at the bargaining table made a distinction between accumulated leave and retained leave. The City cannot change the definition of compensation without changing the City Code. The Board has a fiduciary duty to protect the interests of those in the Plan that are eligible to retire.

Mr. Klausner recommended writing a letter to Ms. Catuccy advising that the Board's position is the same as it has been since 2000. He stated that he does not take litigation lightly. However, the City cannot change the interpretation of the Plan that the Board made when the issues were brought to the Board's attention in 2000. He also stated that he would address the City's mischaracterization of pensionable wages. Mr. Klausner discussed the possible merger with the County. A motion was made, seconded and carried 4-0 to authorize the Attorney to correspond with the City responding to Ms. Catuccy's letter dated February 10, 2009.

OTHER BUSINESS

Mr. Seamon stated that he would like to schedule a joint meeting with Division II. He wanted to wait until the draft Interlocal Agreement has been provided and the Attorney's for both Boards were able to review it. Mr. Klausner stated that after he reviewed the draft Interlocal Agreement he would want to talk to the Union Attorney, County Attorney and City Attorney. The Board decided to schedule a special joint meeting once they get the draft Interlocal Agreement and the Attorney is able to review it.

The Board was presented with a list of disbursements of the investment manager fees. A motion was made, seconded and carried 4-0 to pay the listed disbursements.

There being no further business, the Trustees adjourned the meeting.

Respectfully submitted,

Mark Lamb, Secretary