

**LAKE WORTH FIREFIGHTERS' PENSION TRUST FUND
AND
LAKE WORTH DIVISION II FIREFIGHTERS'
RELIEF AND PENSION FUND**

**MINUTES OF JOINT MEETING HELD
May 22, 2009**

The meeting to order at 1:03 P.M. in the Commission Chambers at City Hall, Lake Worth, Florida. Those persons present were:

TRUSTEES (DIV I)

James Shook
Wes Lamb
Pat Highland
Rich Seamon

OTHERS

Margie Adcock and Scott Baur, Administrator
Adam Levinson, Division I Attorney
Steve Palmquist, Actuary
Mark Floyd, Division II Attorney

TRUSTEES (DIV II)

Jeff Joel
James Nevad
Tim Sipe

DISCUSSION ON PENSION ISSUES

Adam Levinson provided a brief introduction. He stated that the main objective of the meeting was to discuss the merger and identify the pending items that members will need to know for the election on the merger. There are a lot of decisions members will need to make and they will need to have an understanding of all the options so that they can make a decision. Mr. Levinson discussed the March 12, 2006 letter from Ms. Shoemaker and Cathy Smith regarding a 175 fire department merger with the County. He reviewed Exhibit 3 to the Interlocal Agreement between the County and the City and the Union. It was noted that the current position of the Division or Retirement is that if a DROP participant continues to receive share distributions after a merger, they will not be able to receive FRS service credit. He stated that he understands from the attorney for the Police Pension Plan that their Plan now provides that future accruals will only go to active members and not DROP members so that the DROP members can start to accrue FRS credit. Mr. Levinson stated that it might be possible to roll up Division II into Division I and develop another benefit like a 13th check or something. It was noted that another issue was the effect of the 2006 Ordinance that increased the multiplier.

The Boards reviewed the list of questions from the membership. It was noted that Mr. Floyd provided responses to those questions. Mr. Levinson stated that he might add a little more detail. While the Boards cannot tell people what they should do, the Boards can play a constructive roll by giving good information and having a seminar before the

election process. It was noted that the County will be preparing the ballot and the Boards will try to get a copy of that beforehand.

Mr. Levinson then discussed the insurance premium tax database alert. He stated that a study found that one-third of a municipality was not properly included in the database. He believes the Boards should make sure the information is getting updated. It is free money and the Boards should try to make sure they are getting what they are entitled to. It is a worthwhile activity. There was a lengthy discussion. Mr. Levinson recommended finding out the person in Lake Worth that is responsible for the database and run through some of the issues mentioned with them. It was noted that while Mr. Bates is the contact person, there is probably someone else who actually does the data imputing.

There was then further discussion on the merger. Mr. Floyd recommended that the Boards put together a ballot and give it to the County for potential use. There was discussion on the information to provide to the members. Mr. Baur stated that he would prepare employee benefit statements for each person with their accrued benefit and contributions. There was discussion on the effect of the merger on employee contributions due to the 2006 Ordinance. Mr. Palmquist stated that he had not completed the 2008 Actuarial Valuation so he had no good answers on that yet. He stated that there is a remote chance the employees would have to pay more. However, it depends on who is actually leaving. The Boards stated that they felt this was the most important question out there right now. Mr. Palmquist stated that he would do a study based on different scenarios, which study should be completed in about two weeks.

There was discussion on the State premium tax monies and the supplemental payment. Mr. Palmquist stated that with the Plan closing, he thinks they need to refigure the cost of the extra multiplier. Mr. Levinson stated that unless something changes, he would assume that someone who goes to FRS would not be able to receive Share Account distributions from Division II. He stated that he thinks people should be able to forego Division II distributions. If not, Division II should be amended to take it away from them. There was a lengthy discussion. There was further discussion on holding workshops for the members.

OTHER BUSINESS

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

Respectfully submitted,

Mark Lamb, Secretary