

**MINUTES OF A JOINT EMPLOYEES' RETIREMENT BOARD
AND POLICE RETIREMENT BOARD MEETING
HELD IN THE CONFERENCE ROOM AT
CITY HALL ON TUESDAY,
DECEMBER 4, 2007,
AT 1 PM**

I. ROLL CALL: 1:03 PM

A. Employees' Retirement Board:

The meeting was called to order at 1:03 PM.

Trustees present from the Employees' Retirement Board were Mayor Jeff Clemens, Valerie Hurley, (Chair), Interim Finance Director Mark Bates, Robert Lepa (Vice-Chair), and Robert Kahant. Also present was Kenneth Harrison, Esquire, sitting in for Board Attorney Robert Sugarman, Sugarman & Susskind. There was no recording secretary present.

B. Police Retirement Board:

The meeting was called to order at 1:03 PM.

Trustees present from the Police Retirement Board were Mayor Jeff Clemens, Lt. Kenneth White (Chair), Sergeant Randy Collier (Vice-Chair), Interim Finance Director Mark Bates, and Alex Tiligadas. Also present was Kenneth Harrison, Esquire, sitting in for Board Attorney Robert Sugarman, Sugarman & Susskind. There was no recording secretary present.

II. ADDITIONS/DELETIONS/REORDERING:

A. Employees' Retirement Board:

(Added) New Business, Item A-4 – Discussion regarding Phil Donovan

(Added) Consent Agenda, Item A-12 – Authorize \$400 for Robert Lepa's attendance at the FPPTA school

B. Police Retirement Board:

(Added) New Business, Item B-1 - Discussion on an actuarial report.

C. Employees' and Police Retirement Boards:

(Additional information added) Unfinished Business, Item C-1 – Letter from Stephen Palmquist, Actuary, regarding review of pension calculations

Action: Motion made and seconded by the Employees Retirement Board and Police Retirement Board members to approve the agenda, as amended.

Vote: Voice vote showed: AYES: Unanimous. NAYS: None.

III. UNFINISHED BUSINESS:

A. Employees' Retirement Board:

- 1. Letters received from Benjamin Chapman, David Mulvay, and Mark Thioult regarding possible miscalculation of benefits due to hurricane pay**

Action: Motion made and seconded to receive and file; and forward the issue to the Finance Department.

Vote: Voice vote showed: AYES: Unanimous. NAYS: None.

- 2. Email from Genia Baker regarding a difference in Reported Annual Salary**

Chairperson Hurley explained that the Actuary would base Genia Baker's annual salary calculation on the figures obtained from the Finance Department. If Ms. Baker disagreed with the actual wage, the issue would be between the City and Ms. Baker.

No action was required.

B. Police Retirement Board:

- 1. Approve revised Trustee Education & Travel Expenses Policy Statement**

Action: Motion made and seconded to approve the revised Trustee Education & Travel Expenses Policy Statement.

Vote: Voice vote showed: AYES: Unanimous. NAYS: None.

C. Employees' and Police Retirement Boards:

1. Letter from Stephen Palmquist, Actuary, regarding review of pension calculations

Mary Henline, Charles Kane, and Robert Rice's pension calculations were reviewed.

Action: Motion made and seconded by the Employees Retirement Board members to receive and file.

Vote: Voice vote showed: AYES: Unanimous. NAYS: None.

Action: Motion made and seconded by the Police Retirement Board members to receive and file.

Vote: Voice vote showed: AYES: Unanimous. NAYS: None.

2. Letter from the Board Attorney and response to Request for Proposals for Third Party Administrator

a) Benefits USA

b) Pension Resource Center

Action: Motion made and seconded by the Employees Retirement Board members for the Board Attorney to negotiate an agreement with Pension Resource Center at a cost between \$3,300 and \$3,600 and for Pension Resource Center to begin services at the January 22, 2008, meeting.

Vote: Voice vote showed: AYES: Unanimous. NAYS: None.

Action: Amended motion made and seconded by the Employees Retirement Board members for the Board Attorney to negotiate an agreement with Pension Resource Center at a cost between \$3,300 and \$3,600; Pension Resource Center to begin services at the January 22, 2008, meeting; and ratify the agreement at the January 22, 2008, meeting.

Vote: Voice vote showed: AYES: Unanimous. NAYS: None.

Action: Motion made and seconded by the Police Retirement Board members for the Board Attorney to negotiate an agreement with Pension Resource Center at a cost between \$3,300 and \$3,600 and for Pension Resource Center to begin services at the January 22, 2008, meeting.

Vote: Voice vote showed: AYES: Unanimous. NAYS: None.

Action: Amended motion made and seconded by the Police Retirement Board members for the Board Attorney to negotiate an agreement with Pension Resource Center at a cost between \$3,300 and \$3,600; Pension Resource Center to begin services at the January 22, 2008, meeting; and ratify the agreement at the January 22, 2008, meeting.

Vote: Voice vote showed: AYES: Unanimous. NAYS: None.

IV. NEW BUSINESS:

A. Employees' Retirement Board:

- 1. Calvin Smith, Utilities Department, requests entrance into the Deferred Retirement Option Plan (DROP) effective November 5, 2007**

Action: Motion made and seconded to accept Calvin Smith's entrance into the Deferred Retirement Option Plan (DROP), effective November 5, 2007.

Vote: Voice vote showed: AYES: Unanimous. NAYS: None.

- 2. Robert Rice, Public Services Department, requests regular retirement based on the Rule of 20-Years and Out effective November 14, 2007**

Action: Motion made and seconded to accept Robert Rice's regular retirement based on the Rule of 20-Years and Out, effective November 14, 2007.

Vote: Voice vote showed: AYES: Unanimous. NAYS: None.

- 3. Daniel Lynch, Purchasing Department, requests entrance into the Deferred Retirement Option Plan (DROP) effective February 1, 2008**

Action: Motion made and seconded to accept Daniel Lynch's entrance into the Deferred Retirement Option Plan (DROP), effective February 1, 2008.

Vote: Voice vote showed: AYES: Unanimous. NAYS: None.

- 4. (added) Phil Donovan, Utilities Department, requests entrance into the Deferred Retirement Option Plan (DROP) effective November 1, 2008**

Action: Motion made and seconded to accept Phil Donovan's entrance into the Deferred Retirement Option Plan (DROP) effective November 1, 2008.

Vote: Voice vote showed: AYES: Unanimous. NAYS: None.

B. Police Retirement Board:

1. **(added) Request actuarial study regarding the possible merger with Palm Beach County Sheriff's Office**

Action: Motion made and seconded to request an actuarial study regarding the possible merger with Palm Beach County Sheriff's Office at a cost not to exceed \$15,000 paid by the Pension Fund.

Vote: Voice vote showed: AYES: Unanimous. NAYS: None.

C. Employees' and Police Retirement Boards:

Mr. Bates left the meeting at 2:10 PM.

1. **Larry Cole, Merrill Lynch, to review September 30, 2007 Summary Reports**
 - a) **Merrill Lynch**
 - b) **Richmond Capital Management**
 - c) **Davis Hamilton Jackson & Associates**
 - d) **Fayez Sarofim & Co. (available for review)**
 - e) **Calamos (available for review)**

Board members agreed to receive Richmond Capital Management's report by email in the future.

Action: Motion made and seconded by the Employees Retirement Board members to receive and file the reports.

Vote: Voice vote showed: AYES: Unanimous. NAYS: None.

Action: Motion made and seconded by the Police Retirement Board members to receive and file the reports.

Vote: Voice vote showed: AYES: Unanimous. NAYS: None.

2. **Letter from Merrill Lynch regarding discontinuing their directed brokerage program**

No action was required.

3. Letter from Mike Callaway and Donald Plaus, Merrill Lynch; and the Board Attorney regarding Securities and Exchange Commission (SEC) inquiry

Mayor Clemens left the meeting at 2:26 PM.

Action: Motion made and seconded by the Employees Retirement Board members to approve a tolling agreement to preserve the right to forego the statute of limitation.

Vote: Voice vote showed: AYES: Unanimous. NAYS: None.

Action: Motion made and seconded by the Police Retirement Board members to approve a tolling agreement to preserve the right to forego the statute of limitation.

Vote: Voice vote showed: AYES: Unanimous. NAYS: None.

4. Summary Reports for month ending October 31, 2007

a) Calamos

b) M.D. Sass

c) ~~Merrill Lynch~~—mutual funds Euro Pacific and Franklin

Action: Motion made and seconded by the Employees Retirement Board members to receive and file.

Vote: Voice vote showed: AYES: Unanimous. NAYS: None.

Action: Motion made and seconded by the Police Retirement Board members to receive and file.

Vote: Voice vote showed: AYES: Unanimous. NAYS: None.

5. Email regarding custody fees

Action: Motion made and seconded by the Employees Retirement Board members to table the item to the next meeting; and refer the issue to the Board Attorney to check the contract.

Vote: Voice vote showed: AYES: Unanimous. NAYS: None.

Action: Motion made and seconded by the Police Retirement Board members to table the item to the next meeting; and refer the issue to the Board Attorney to check the contract.

Vote: Voice vote showed: AYES: Unanimous. NAYS: None.

V. CONSENT AGENDA:

A. Employees' Retirement Board:

1. Authorize payment of invoice from Sugarman & Susskin, for November retainer, in amount of \$1,093.96
2. Authorize payment of invoice from Davis Hamilton Jackson & Associates, for quarter ending September 30, 2007, in amount of \$7,141.22
3. Authorize payment of invoice from Calamos Investments, for quarter ending September 30, 2007, in amount of \$9,667
4. Authorize payment of invoice from M.D. Sass Associates, for quarter ending September 30, 2007, in amount of \$12,644.44
5. Receive invoice from Merrill Lynch Consulting Services, for quarter ending September 30, 2007, credit in amount of \$4,538.09
6. Receive Merrill Lynch brokerage statements for July, August, September, and October 2007
7. Receive Merrill Lynch Citation Group account summary, for month ending October 31, 2007, \$0.00 balance
8. Receive LJR Recapture Services trading summary, for quarter ending September 30, 2007, \$1,527 check deposited
9. Receive LJR Recapture Services trading summary, for month ending October 31, 2007
10. Receive Donaldson & Co. commission recapture statement, for month ending September 30, 2007
11. Receive 12b-1 fees from Merrill Lynch Consulting Services, for April 1-September 30, 2007, \$10,022.03 check deposited
12. (added) Authorize \$400 for Robert Lepa's attendance at the FPPTA School

Action: Motion made and seconded to approve the Consent Agenda, Items 1-12 with the stipulation that the Finance Department would check to make sure that Consent Agenda, Item 12 was not previously paid.

Vote: Voice vote showed: AYES: Unanimous. NAYS: None.

B. Police Retirement Board:

1. **Authorize payment of invoice from Sugarman & Susskind, for November retainer, in amount of \$1,640.94**
2. **Authorize payment of invoice from Davis Hamilton Jackson & Associates, for quarter ending September 30, 2007, in amount of \$2,427.74**
3. **Authorize payment of invoice from Calamos Investments, for quarter ending September 30, 2007, in amount of \$2,992**
4. **Authorize payment of invoice from M.D. Sass Associates, for quarter ending September 30, 2007, in amount of \$4,214.51**
5. **Receive invoice from Merrill Lynch Consulting Services for quarter ending September 30, 2007, in amount of \$5,754.24**
6. **Receive Merrill Lynch brokerage statements for July, August, September, and October 2007**
7. **Receive Merrill Lynch Citation Group account summary, for month ending October 31, 2007, credit in amount of \$272.92**
8. **Receive LJR Recapture Services trading summary, for quarter ending September 30, 2007, \$511 check deposited**
9. **Receive LJR Recapture Services trading summary, for month ending October 31, 2007**
10. **Receive Donaldson & Co. commission recapture statement, for month ending September 30, 2007**
11. **Receive 12b-1 fees from Merrill Lynch Consulting Services, for April 1-September 30, 2007, \$3,099.91 check deposited**

Action: Motion made and seconded to approve the Consent Agenda, Items 1-11.

Vote: Voice vote showed: AYES: Unanimous. NAYS: None.

C. Employees' and Police Retirement Boards:

1. Approve minutes of October 23, 2007, joint meeting, as presented

Action: Motion made and seconded by the Employees Retirement Board members to approve the minutes of the joint October 23, 2007, meeting as presented.

Vote: Voice vote showed: AYES: Unanimous. NAYS: None.

Action: Motion made and seconded by the Police Retirement Board members to approve the minutes of the joint October 23, 2007, meeting as presented.

Vote: Voice vote showed: AYES: Unanimous. NAYS: None.

2. Authorize payment of FPPTA annual membership dues, in amount of \$500.

Action: Motion made and seconded by the Employees Retirement Board members to authorize payment of the FPPTA annual membership dues, in the amount of \$500.

Vote: Voice vote showed: AYES: Unanimous. NAYS: None.

Action: Motion made and seconded by the Police Retirement Board members to authorize payment of the FPPTA annual membership dues, in the amount of \$500.

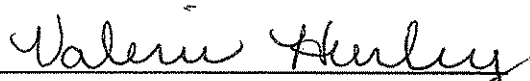
D. Board Attorney's Report:

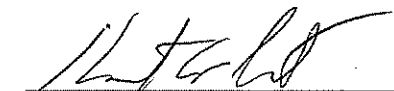
Attorney Kenneth Harrison explained there was issue about whether or not cell phones and automobile stipends were to be pensionable. He said the City's ordinance defining "compensation" was ambiguous and the interpretation on its meaning was left up to the Board members. He said he wanted to do more research and provide the members with more substantive information. He said the issue would be discussed at the next meeting.


VI. ADJOURNMENT:

The meeting adjourned at 3:39 p.m.

MINUTES APPROVED: Jan. 22, 2008


Valerie Hurley, Chair
Employees' Retirement Board


Kenneth White, Chairman
Police Retirement Board


Pamela J. Lopez, City Clerk
Employees' & Police Retirement Boards

An digital recording of this meeting will be available in the Office of the City Clerk for two years after approval of these minutes.