

**MINUTES OF A JOINT EMPLOYEES' RETIREMENT BOARD
AND POLICE RETIREMENT BOARD MEETING
HELD IN THE CONFERENCE ROOM AT CITY HALL ON
WEDNESDAY, MAY 25, 2011 at 1:30 PM**

I. ROLL CALL: 1:47 PM

A. Employees' Retirement Board:

A meeting was called to order at 1:47 PM.

Those persons present included:

Trustees: Valerie Hurley, Chair
Robert Lepa (2:05 pm)
Robert Kahant (1:51 pm)
Steve Carr
Suzanne Mulvihill

Others: Ken Harrison, Sugarman & Susskind
Dixie Martinez, Resource Centers
Members of Public:

B. Police Retirement Board:

A meeting was called to order at 1:47 PM.

Those persons present included:

Trustees: Sgt. Randy Collier, Chair
Lt. David Moss
Steve Carr
Karri Casper
Suzanne Mulvihill

Others: Ken Harrison, Sugarman & Susskind
Dixie Martinez, Resource Centers
Members of Public:

II. ADDITIONS/ DELETIONS/ REORDERING:

A. Employees' Retirement Board:

Ms. Martinez added item IV.D.2. Election for Employee Representative to the Lake Worth General Employees Pension.

Action: Consensus of the Board to add the above mentioned items to the Agenda.

B. Police Retirement Board:

Lt. Moss added item IV.B.2. Inquiry as to possibilities on what would happen to active members of the Plan if the City were to do away with the current law enforcement service agreement.

Action: Consensus of the Board to add the above mentioned items to the Agenda.

III. UNFINISHED BUSINESS:

A. Employees' Retirement Board:

B. Police Retirement Board:

C. Employees' and Police Retirement Boards

1. Contributions owed by Mr. William Meloy (Police)

Ms. Martinez reported that Mr. Meloy had asked at the last Pension Board meeting to be allowed to come back into the Pension Plan due to FRS's refusal to allow him to join FRS because of his vested status in the Lake Worth Police Officers Pension Plan. She reported that the Palm Beach Sheriff's office started to deduct employee contributions out of his check on May 13, 2011. She reported that Mr. Meloy owes the Pension Plan \$3,792.49 in employee contributions from October 1, 2010 to May 13, 2011. She asked the Board for direction on how they want to proceed in collecting the employee contributions owed by Mr. Meloy. The Board had a lengthy discussion regarding this matter.

Action: A motion was made by Mr. Carr and seconded by Ms. Mulvhill to request the payment of employee contributions owed by Mr. Meloy to be repaid over 9 months which is equal to the time that he was not contributing to the Plan.

The Board had a lengthy discussion regarding Mr. Carr's motion. Ms. Kasper would prefer to request the repayment to be done over a period of 18 months.

Ms. Martinez reported that Mr. Meloy's wife is currently not working and he was hoping that the Board could allow him to repay the Plan over a longer period of time.

Action: Mr. Carr withdrew his motion.

Action: A motion was made by Ms. Kasper and seconded by Lt. Moss to request the re-payment of the employee contributions owed by Mr. Meloy to be repaid in installments over an 18 month period.

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

2. Contributions owed by Ms. Rosalia Santana-Farber (GE)

Ms. Martinez reported that Ms. Santana-Farber had asked at the last Pension Board meeting to be allowed to come back into the Pension Plan due to FRS's refusal to allow her to join FRS because of her vested status in the Lake Worth General Employees' Pension Plan. She reported that the Palm Beach Sheriff's (PBSO) office started to deduct the employee contributions out of her check on May 13, 2011. She reported that Ms. Santana-Farber owes \$1,711.54 in employee contributions from October 1, 2010 to May 13, 2011. Mr. Harrison stated that the member needs to repay the Pension Plan before she retires. The Board had a lengthy discussion regarding this matter. Ms. Hurley reported that she would be willing to allow Ms. Santana-Farber to make monthly installments until a month prior to her retirement date to repay the employee contributions that she owes to the

Plan.

Action: A motion was made by Mr. Carr and seconded by Mr. Lepa to request the re-payment of the employee contributions owed by Ms. Santana-Farber to be repaid in monthly installments until a month prior to her retirement date.

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

Ms. Martinez will confirm with the PBSO whether they will be able to deduct the employee contributions owed by the participants out of their bi-weekly payroll.

Mr. Carr stated that PBSO has not remitted the employer contributions for these participants. He reported that the City will request payment from PBSO.

IV. NEW BUSINESS:

A. Employees' Retirement Board:

1. Benefit Approval

Ms. Martinez presented to the General Employees' Pension Board the following benefit applications for approval: Application for Refund of Contributions for Kitty Pitman-Miller, Maria Khan, Robert Mackey, and Fedner Alcius; Application for Retirement for Michelle Miclea and Pamela Reeves; Application to Exit the DROP for Elizabeth Genia Baker.

Action: A motion was made by Mr. Lepa and seconded by Mr. Kahant to approve the Application for Refund of Contributions for Kitty Pitman-Miller, Maria Khan, Robert Mackey, and Fedner Alcius; Application for Retirement for Michelle Miclea and Pamela Reeves; Application to Exit the DROP for Elizabeth Genia Baker.

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

B. Police Retirement Board:

1. Benefit Approval

Ms. Martinez presented to the Police Officers' Pension Board the following benefit applications for approval: Application to Enter DROP for Michael Mendelsberg and Craig Long.

Action: A motion was made by Mr. Carr and seconded by Lt. Moss to approve the Application to Enter DROP for Michael Mendelsberg and Craig Long.

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

2. Inquiry as to possibilities on what would happen to active members of the Plan if the City were to do away with the current law enforcement service agreement:

Lt. Moss asked Mr. Harrison what would happen to active members of the Plan who are currently employed by PBSO and are covered under the law enforcement contract if the City decides to cancel the contract with PBSO. Mr. Harrison explained that he would have to look at what is being proposed. He noted that it could be that if the City cancels the contract with PBSO the employee would continue to be a PBSO employee but will no longer be with the City. Depending on what they may be trying to do, the participants may become vested members in the Plan and may have the option to continue in the Plan. Mr. Harrison reported that this Pension Plan will not go away until the last payment is made to the last retiree. Mr. Harrison asked that a copy of the proposal be sent to him so that he can review and comment.

C. Employees' and Police Retirement Boards

D. Board Attorney's Report:

1. Request from Merrill Lynch Attorneys for Documents:

Mr. Harrison reported that over 50 former Trustees and service providers have been served with subpoenas. He reported that his firm is offering to represent them at no cost. He explained that if the persons who have been subpoenaed wanted his firm to represent them they needed to complete and sign an "authority to represent." He reported that these subpoenas are to produce documents that in his opinion are documents that the Plan Administrator would have and not documents that these individuals would have.

Ms. Martinez reported that Merrill Lynch submitted a Public Records request in August of 2010. She explained that all of the records that Pension Resource Centers has on file, which were requested at that time have been submitted. She reported that a second public records request was received in February, 2011 asking for copies of e-mails. Mr. Baur is currently working with council on this second request to see exactly what it is that needs to be sent. She reported that on May 13, 2011 Pension Resource Centers received a letter asking questions regarding the documents that had been submitted in response to the August 2010 public records request. She explained that Mr. Baur is working on answering these questions. She reported that Mr. Baur has been subpoenaed as well. Mr. Harrison stated that the Board should make a motion to authorize the administrator to send copies of all e-mails that have the Boards names on them to Merrill Lynch as part of their public records request. Ms. Martinez reported that Mr. Baur has been working with Ivelisse from Sugarman and Susskind and Adam Levinson from Klausner and Kaufman regarding the request for e-mails to determine what needs to be sent. Mr. Harrison reported that he believes that if both Boards make a motion to allow the administrator to release the e-mails this will solve the issue.

Action: A motion was made by Mr. Carr and seconded by Mr. Lepa to authorize the administrator to respond to the public records request by releasing all e-mails.

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

Action: A motion was made by Mr. Carr and seconded by Lt. Moss to authorize the administrator to respond to the public records request by releasing all e-mails.

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

2. Acceptance of fiduciary responsibility by investment managers:

Mr. Harrison reported that he has been working on negotiating the agreements with Cornerstone. He reported that Cornerstone will accept a fiduciary liability for the fund but will not accept an individual fiduciary liability. He explained that normally the Plan has required investment managers to accept fiduciary liability not only for the Plan but individually. He reported that in the past some Boards have gone ahead and approved a contract where they only accept fiduciary responsibility for the Plan. The Board had a lengthy discussion regarding this matter. Ms. Martinez reported that Tim Nash the Plans investment consultant is scheduled to present at the next Pension Board meeting. The Board asked Ms. Martinez to ask Mr. Nash to bring the manager search so that they can see who their second option was at the time they elected Cornerstone.

Action: Consensus of the Board to defer this item to the next Pension Board meeting.

Mr. Harrison reviewed Senate Bill 1128. Mr. Carr asked Mr. Harrison for an update on the changes to the DROP Plan that the Board had discussed at the last Pension Board meeting. Mr. Harrison reported that he may have it ready for the next Pension Board meeting.

Ms. Hurley reported that when she was an active employee of the City she used to upload the Agenda and Minutes to the City's website. She noted that Pension Resource Centers does not have access to do this therefore she wants to make sure that this is still being done. Mr. Carr asked Ms. Martinez to send a request to the Clerk's office to post the Minutes as well as the Agenda next time the Agenda is sent to be posted. He also asked that he be copied on the e-mail.

E. ADMINISTRATORS REPORT:

1. Disability Review

Ms. Martinez reported that the disability review letters have been mailed via certified mail and the due date was May 13. All letters have been received with the exception of Mr. Shield's and Mr. Viera's. Ms. Martinez reported that so far there will be no disability needs to be offset. She asked Mr. Harrison if social security income needs to be considered when determining the disabilities offsets. Mr. Harrison reported that social security is not considered as active payment therefore it does not apply. Ms. Hurley stated that she believes the Disability Review needs to be done by March of every year. Mr. Harrison looked at the Ordinance and confirmed that the Disability Review needs to be done by the end of February of every year. Mr. Harrison reported that the Board has a Policy where they stop the monthly benefit payment until the member responds to the disability review letter.

Action: A motion was made by Mr. Lepa and seconded by Mr. Carr to accept the disability review letters.

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

Action: A motion was made by Lt. Moss and seconded by Mr. Carr to accept the disability review letters with the exception of Mr. Viera's and Mr. Shield's.

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

Action: A motion was made by Lt. Moss and seconded by Mr. Carr to stop Mr. Viera's and Mr. Shield's payment until they submit the Disability Review paperwork.

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

2. Election for Employee Representative to the Lake Worth General Employees Pension.

Ms. Martinez reported that Ms. Hurley's term expires August 1, 2011. She reported that the last time the Plan had an election the election notices had been sent to City Hall, to the Municipal Building and to Utilities to be posted. She explained that the nomination period is 30 days. The Board noted that the Plan can not accept nominations from the Utilities department. The Board will set the election date at the next Pension Board meeting.

Ms. Martinez reported that she is still working on Mr. Kahant's request. She explained that at the last Pension Board meeting Mr. Kahant had asked her to research to see if there were any members receiving a benefit of 100% of their final average salary. She will have an answer for next Pension Board meeting.

IV. CONSENT AGENDA:

A. Employees' Retirement Board:

1. Warrant for Accounts Payable

Ms. Martinez reported that last month First Southern Bank did not release the ACH file that was sent for the first of the month. The Bank's explanation was that no more than two ACH files can be released for that day because the Plan has only two ACH templates. We were not aware of this therefore we had released the ACH files for the first of the month and one ACH file overrode the other causing the monthly payments not be deposited on the first. Because retired member Charles Nichols had an overdraft fee of \$70.00. we refunded Mr. Nichols the \$70.00 and First Southern will refund the Plan the \$70.00. We have been advised that the Plan now has five ACH templates so that this will not happen again.

Ms. Hurley reported that a correction needs to be made on the April 27 minutes on pg. 6 under the motion needs to be added the vote.

Action: A motion was made by Mr. Carr and seconded by Mr. Lepa to approve the Consent Agenda, which included a Warrant for invoices and Minutes for Regular Meeting on April 27, 2011 as revised.

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

B. Police Retirement Board:

1. Warrant for Accounts Payable

Action: A motion was made by Mr. Carr and seconded by Lt. Moss to approve the Consent Agenda, which included a Warrant for invoices and Minutes for Regular Meeting on April 27, 2011 as revised.

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

C. Employees' and Police Retirement Boards:

1. Approval of Minutes: Meeting April 27, 2011

Mr. Harrison reported that it is his understanding that the proposed ordinance amendment that allows for DROP and retired members to sit on the Board will be included on the next City Commission Agenda but staff is recommending against it. The Board does not want to withdraw the ordinance amendment.

VI. ADJOURNMENT:

There being no other business and the next meeting having been previously scheduled for Wednesday, June 22 at 1:30 PM, the General Employees' and Police Board adjourned the meeting at 3:22 p.m.

MINUTES APPROVED: July 27, 2011

Valerie Hurley, Chair Employees' Retirement Board

Randy Collier, Chairman Police Retirement Board

Dixie Martinez, Administrator
Employees' & Police Retirement Boards

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II. ADDITIONS/ DELETIONS/ REORDERING:

A. Employees' Retirement Board:

Ms. Martinez added item IV.D.2. Election for Employee Representative to the Lake Worth General Employees Pension.

Action: Consensus of the Board to add the above mentioned items to the Agenda.

B. Police Retirement Board:

Lt. Moss added item IV.B.2. Inquiry as to possibilities on what would happen to active members of the Plan if the City were to do away with the current law enforcement service agreement.

Action: Consensus of the Board to add the above mentioned items to the Agenda.

III. UNFINISHED BUSINESS:

A. Employees' Retirement Board:

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C. Employees' and Police Retirement Boards

1. Contributions owed by Mr. William Meloy (Police)

Ms. Martinez reported that Mr. Meloy had asked at the last Pension Board meeting to be allowed to come back into the Pension Plan due to FRS's refusal to allow him to join FRS because of his vested status in the Lake Worth Police Officers Pension Plan. She reported that the Palm Beach Sheriff's office started to deduct employee contributions out of his check on May 13, 2011. She reported that Mr. Meloy owes the Pension Plan \$3,792.49 in employee contributions from October 1, 2010 to May 13, 2011. She asked the Board for direction on how they want to proceed in collecting the employee contributions owed by Mr. Meloy. The Board had a lengthy discussion regarding this matter.

Action: A motion was made by Mr. Carr and seconded by Ms. Mulvhill to request the payment of employee contributions owed by Mr. Meloy to be repaid over 9 months which is equal to the time that he was not contributing to the Plan.

The Board had a lengthy discussion regarding Mr. Carr's motion. Ms. Kasper would prefer to request the repayment to be done over a period of 18 months.

Ms. Martinez reported that Mr. Meloy's wife is currently not working and he was hoping that the Board could allow him to repay the Plan over a longer period of time.

Action: Mr. Carr withdrew his motion.

Action: A motion was made by Ms. Kasper and seconded by Lt. Moss to request the re-payment of the employee contributions owed by Mr. Meloy to be repaid in installments over an 18 month period.

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Plan.

Action: A motion was made by Mr. Carr and seconded by Mr. Lepa to request the re-payment of the employee contributions owed by Ms. Santana-Farber to be repaid in monthly installments until a month prior to her retirement date.

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

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

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1. Benefit Approval

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Action: A motion was made by Mr. Carr and seconded by Lt. Moss to approve the Application to Enter DROP for Michael Mendelsberg and Craig Long.

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

2. Inquiry as to possibilities on what would happen to active members of the Plan if the City were to do away with the current law enforcement service agreement:

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

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1. Approval of Minutes: Meeting April 27, 2011

Mr. Harrison reported that it is his understanding that the proposed ordinance amendment that allows for DROP and retired members to sit on the Board will be included on the next City Commission Agenda but staff is recommending against it. The Board does not want to withdraw the ordinance amendment.

VI. ADJOURNMENT:

There being no other business and the next meeting having been previously scheduled for Wednesday, June 22 at 1:30 PM, the General Employees' and Police Board adjourned the meeting at 3:22 p.m.

MINUTES APPROVED: July 27, 2011

Valerie Hurley, Chair Employees' Retirement Board

Randy Collier, Chairman Police Retirement Board

Dixie Martinez, Administrator
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Ms. Martinez reported that Mr. Meloy had asked at the last Pension Board meeting to be allowed to come back into the Pension Plan due to FRS's refusal to allow him to join FRS because of his vested status in the Lake Worth Police Officers Pension Plan. She reported that the Palm Beach Sheriff's office started to deduct employee contributions out of his check on May 13, 2011. She reported that Mr. Meloy owes the Pension Plan \$3,792.49 in employee contributions from October 1, 2010 to May 13, 2011. She asked the Board for direction on how they want to proceed in collecting the employee contributions owed by Mr. Meloy. The Board had a lengthy discussion regarding this matter.

Action: A motion was made by Mr. Carr and seconded by Ms. Mulvhill to request the payment of employee contributions owed by Mr. Meloy to be repaid over 9 months which is equal to the time that he was not contributing to the Plan.

The Board had a lengthy discussion regarding Mr. Carr's motion. Ms. Kasper would prefer to request the repayment to be done over a period of 18 months.

Ms. Martinez reported that Mr. Meloy's wife is currently not working and he was hoping that the Board could allow him to repay the Plan over a longer period of time.

Action: Mr. Carr withdrew his motion.

Action: A motion was made by Ms. Kasper and seconded by Lt. Moss to request the re-payment of the employee contributions owed by Mr. Meloy to be repaid in installments over an 18 month period.

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

2. Contributions owed by Ms. Rosalia Santana-Farber (GE)

Ms. Martinez reported that Ms. Santana-Farber had asked at the last Pension Board meeting to be allowed to come back into the Pension Plan due to FRS's refusal to allow her to join FRS because of her vested status in the Lake Worth General Employees' Pension Plan. She reported that the Palm Beach Sheriff's (PBSO) office started to deduct the employee contributions out of her check on May 13, 2011. She reported that Ms. Santana-Farber owes \$1,711.54 in employee contributions from October 1, 2010 to May 13, 2011. Mr. Harrison stated that the member needs to repay the Pension Plan before she retires. The Board had a lengthy discussion regarding this matter. Ms. Hurley reported that she would be willing to allow Ms. Santana-Farber to make monthly installments until a month prior to her retirement date to repay the employee contributions that she owes to the

Plan.

Action: A motion was made by Mr. Carr and seconded by Mr. Lepa to request the re-payment of the employee contributions owed by Ms. Santana-Farber to be repaid in monthly installments until a month prior to her retirement date.

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

Ms. Martinez will confirm with the PBSO whether they will be able to deduct the employee contributions owed by the participants out of their bi-weekly payroll.

Mr. Carr stated that PBSO has not remitted the employer contributions for these participants. He reported that the City will request payment from PBSO.

IV. NEW BUSINESS:

A. Employees' Retirement Board:

1. Benefit Approval

Ms. Martinez presented to the General Employees' Pension Board the following benefit applications for approval: Application for Refund of Contributions for Kitty Pitman-Miller, Maria Khan, Robert Mackey, and Fedner Alcius; Application for Retirement for Michelle Miclea and Pamela Reeves; Application to Exit the DROP for Elizabeth Genia Baker.

Action: A motion was made by Mr. Lepa and seconded by Mr. Kahant to approve the Application for Refund of Contributions for Kitty Pitman-Miller, Maria Khan, Robert Mackey, and Fedner Alcius; Application for Retirement for Michelle Miclea and Pamela Reeves; Application to Exit the DROP for Elizabeth Genia Baker.

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

B. Police Retirement Board:

1. Benefit Approval

Ms. Martinez presented to the Police Officers' Pension Board the following benefit applications for approval: Application to Enter DROP for Michael Mendelsberg and Craig Long.

Action: A motion was made by Mr. Carr and seconded by Lt. Moss to approve the Application to Enter DROP for Michael Mendelsberg and Craig Long.

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

2. Inquiry as to possibilities on what would happen to active members of the Plan if the City were to do away with the current law enforcement service agreement:

Lt. Moss asked Mr. Harrison what would happen to active members of the Plan who are currently employed by PBSO and are covered under the law enforcement contract if the City decides to cancel the contract with PBSO. Mr. Harrison explained that he would have to look at what is being proposed. He noted that it could be that if the City cancels the contract with PBSO the employee would continue to be a PBSO employee but will no longer be with the City. Depending on what they may be trying to do, the participants may become vested members in the Plan and may have the option to continue in the Plan. Mr. Harrison reported that this Pension Plan will not go away until the last payment is made to the last retiree. Mr. Harrison asked that a copy of the proposal be sent to him so that he can review and comment.

C. Employees' and Police Retirement Boards

D. Board Attorney's Report:

1. Request from Merrill Lynch Attorneys for Documents:

Mr. Harrison reported that over 50 former Trustees and service providers have been served with subpoenas. He reported that his firm is offering to represent them at no cost. He explained that if the persons who have been subpoenaed wanted his firm to represent them they needed to complete and sign an "authority to represent." He reported that these subpoenas are to produce documents that in his opinion are documents that the Plan Administrator would have and not documents that these individuals would have.

Ms. Martinez reported that Merrill Lynch submitted a Public Records request in August of 2010. She explained that all of the records that Pension Resource Centers has on file, which were requested at that time have been submitted. She reported that a second public records request was received in February, 2011 asking for copies of e-mails. Mr. Baur is currently working with council on this second request to see exactly what it is that needs to be sent. She reported that on May 13, 2011 Pension Resource Centers received a letter asking questions regarding the documents that had been submitted in response to the August 2010 public records request. She explained that Mr. Baur is working on answering these questions. She reported that Mr. Baur has been subpoenaed as well. Mr. Harrison stated that the Board should make a motion to authorize the administrator to send copies of all e-mails that have the Boards names on them to Merrill Lynch as part of their public records request. Ms. Martinez reported that Mr. Baur has been working with Ivelisse from Sugarman and Susskind and Adam Levinson from Klausner and Kaufman regarding the request for e-mails to determine what needs to be sent. Mr. Harrison reported that he believes that if both Boards make a motion to allow the administrator to release the e-mails this will solve the issue.

Action: A motion was made by Mr. Carr and seconded by Mr. Lepa to authorize the administrator to respond to the public records request by releasing all e-mails.

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

Action: A motion was made by Mr. Carr and seconded by Lt. Moss to authorize the administrator to respond to the public records request by releasing all e-mails.

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

2. Acceptance of fiduciary responsibility by investment managers:

Mr. Harrison reported that he has been working on negotiating the agreements with Cornerstone. He reported that Cornerstone will accept a fiduciary liability for the fund but will not accept an individual fiduciary liability. He explained that normally the Plan has required investment managers to accept fiduciary liability not only for the Plan but individually. He reported that in the past some Boards have gone ahead and approved a contract where they only accept fiduciary responsibility for the Plan. The Board had a lengthy discussion regarding this matter. Ms. Martinez reported that Tim Nash the Plans investment consultant is scheduled to present at the next Pension Board meeting. The Board asked Ms. Martinez to ask Mr. Nash to bring the manager search so that they can see who their second option was at the time they elected Cornerstone.

Action: Consensus of the Board to defer this item to the next Pension Board meeting.

Mr. Harrison reviewed Senate Bill 1128. Mr. Carr asked Mr. Harrison for an update on the changes to the DROP Plan that the Board had discussed at the last Pension Board meeting. Mr. Harrison reported that he may have it ready for the next Pension Board meeting.

Ms. Hurley reported that when she was an active employee of the City she used to upload the Agenda and Minutes to the City's website. She noted that Pension Resource Centers does not have access to do this therefore she wants to make sure that this is still being done. Mr. Carr asked Ms. Martinez to send a request to the Clerk's office to post the Minutes as well as the Agenda next time the Agenda is sent to be posted. He also asked that he be copied on the e-mail.

E. ADMINISTRATORS REPORT:

1. Disability Review

Ms. Martinez reported that the disability review letters have been mailed via certified mail and the due date was May 13. All letters have been received with the exception of Mr. Shield's and Mr. Viera's. Ms. Martinez reported that so far there will be no disability needs to be offset. She asked Mr. Harrison if social security income needs to be considered when determining the disabilities offsets. Mr. Harrison reported that social security is not considered as active payment therefore it does not apply. Ms. Hurley stated that she believes the Disability Review needs to be done by March of every year. Mr. Harrison looked at the Ordinance and confirmed that the Disability Review needs to be done by the end of February of every year. Mr. Harrison reported that the Board has a Policy where they stop the monthly benefit payment until the member responds to the disability review letter.

Action: A motion was made by Mr. Lepa and seconded by Mr. Carr to accept the disability review letters.

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

Action: A motion was made by Lt. Moss and seconded by Mr. Carr to accept the disability review letters with the exception of Mr. Viera's and Mr. Shield's.

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

Action: A motion was made by Lt. Moss and seconded by Mr. Carr to stop Mr. Viera's and Mr. Shield's payment until they submit the Disability Review paperwork.

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

2. Election for Employee Representative to the Lake Worth General Employees Pension.

Ms. Martinez reported that Ms. Hurley's term expires August 1, 2011. She reported that the last time the Plan had an election the election notices had been sent to City Hall, to the Municipal Building and to Utilities to be posted. She explained that the nomination period is 30 days. The Board noted that the Plan can not accept nominations from the Utilities department. The Board will set the election date at the next Pension Board meeting.

Ms. Martinez reported that she is still working on Mr. Kahant's request. She explained that at the last Pension Board meeting Mr. Kahant had asked her to research to see if there were any members receiving a benefit of 100% of their final average salary. She will have an answer for next Pension Board meeting.

IV. CONSENT AGENDA:

A. Employees' Retirement Board:

1. Warrant for Accounts Payable

Ms. Martinez reported that last month First Southern Bank did not release the ACH file that was sent for the first of the month. The Bank's explanation was that no more than two ACH files can be released for that day because the Plan has only two ACH templates. We were not aware of this therefore we had released the ACH files for the first of the month and one ACH file overrode the other causing the monthly payments not be deposited on the first. Because retired member Charles Nichols had an overdraft fee of \$70.00. we refunded Mr. Nichols the \$70.00 and First Southern will refund the Plan the \$70.00. We have been advised that the Plan now has five ACH templates so that this will not happen again.

Ms. Hurley reported that a correction needs to be made on the April 27 minutes on pg. 6 under the motion needs to be added the vote.

Action: A motion was made by Mr. Carr and seconded by Mr. Lepa to approve the Consent Agenda, which included a Warrant for invoices and Minutes for Regular Meeting on April 27, 2011 as revised.

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

B. Police Retirement Board:

1. Warrant for Accounts Payable

Action: A motion was made by Mr. Carr and seconded by Lt. Moss to approve the Consent Agenda, which included a Warrant for invoices and Minutes for Regular Meeting on April 27, 2011 as revised.

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

C. Employees' and Police Retirement Boards:

1. Approval of Minutes: Meeting April 27, 2011

Mr. Harrison reported that it is his understanding that the proposed ordinance amendment that allows for DROP and retired members to sit on the Board will be included on the next City Commission Agenda but staff is recommending against it. The Board does not want to withdraw the ordinance amendment.

VI. ADJOURNMENT:

There being no other business and the next meeting having been previously scheduled for Wednesday, June 22 at 1:30 PM, the General Employees' and Police Board adjourned the meeting at 3:22 p.m.

MINUTES APPROVED: July 27, 2011

Valerie Hurley, Chair Employees' Retirement Board

Randy Collier, Chairman Police Retirement Board

Dixie Martinez, Administrator
Employees' & Police Retirement Boards

**MINUTES OF A JOINT EMPLOYEES' RETIREMENT BOARD
AND POLICE RETIREMENT BOARD MEETING
HELD IN THE CONFERENCE ROOM AT CITY HALL ON
WEDNESDAY, MAY 25, 2011 at 1:30 PM**

I. ROLL CALL: 1:47 PM

A. Employees' Retirement Board:

A meeting was called to order at 1:47 PM.

Those persons present included:

Trustees: Valerie Hurley, Chair
Robert Lepa (2:05 pm)
Robert Kahant (1:51 pm)
Steve Carr
Suzanne Mulvihill

Others: Ken Harrison, Sugarman & Susskind
Dixie Martinez, Resource Centers
Members of Public:

B. Police Retirement Board:

A meeting was called to order at 1:47 PM.

Those persons present included:

Trustees: Sgt. Randy Collier, Chair
Lt. David Moss
Steve Carr
Karri Casper
Suzanne Mulvihill

Others: Ken Harrison, Sugarman & Susskind
Dixie Martinez, Resource Centers
Members of Public:

II. ADDITIONS/ DELETIONS/ REORDERING:

A. Employees' Retirement Board:

Ms. Martinez added item IV.D.2. Election for Employee Representative to the Lake Worth General Employees Pension.

Action: Consensus of the Board to add the above mentioned items to the Agenda.

B. Police Retirement Board:

Lt. Moss added item IV.B.2. Inquiry as to possibilities on what would happen to active members of the Plan if the City were to do away with the current law enforcement service agreement.

Action: Consensus of the Board to add the above mentioned items to the Agenda.

III. UNFINISHED BUSINESS:

A. Employees' Retirement Board:

B. Police Retirement Board:

C. Employees' and Police Retirement Boards

1. Contributions owed by Mr. William Meloy (Police)

Ms. Martinez reported that Mr. Meloy had asked at the last Pension Board meeting to be allowed to come back into the Pension Plan due to FRS's refusal to allow him to join FRS because of his vested status in the Lake Worth Police Officers Pension Plan. She reported that the Palm Beach Sheriff's office started to deduct employee contributions out of his check on May 13, 2011. She reported that Mr. Meloy owes the Pension Plan \$3,792.49 in employee contributions from October 1, 2010 to May 13, 2011. She asked the Board for direction on how they want to proceed in collecting the employee contributions owed by Mr. Meloy. The Board had a lengthy discussion regarding this matter.

Action: A motion was made by Mr. Carr and seconded by Ms. Mulvhill to request the payment of employee contributions owed by Mr. Meloy to be repaid over 9 months which is equal to the time that he was not contributing to the Plan.

The Board had a lengthy discussion regarding Mr. Carr's motion. Ms. Kasper would prefer to request the repayment to be done over a period of 18 months.

Ms. Martinez reported that Mr. Meloy's wife is currently not working and he was hoping that the Board could allow him to repay the Plan over a longer period of time.

Action: Mr. Carr withdrew his motion.

Action: A motion was made by Ms. Kasper and seconded by Lt. Moss to request the re-payment of the employee contributions owed by Mr. Meloy to be repaid in installments over an 18 month period.

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

2. Contributions owed by Ms. Rosalia Santana-Farber (GE)

Ms. Martinez reported that Ms. Santana-Farber had asked at the last Pension Board meeting to be allowed to come back into the Pension Plan due to FRS's refusal to allow her to join FRS because of her vested status in the Lake Worth General Employees' Pension Plan. She reported that the Palm Beach Sheriff's (PBSO) office started to deduct the employee contributions out of her check on May 13, 2011. She reported that Ms. Santana-Farber owes \$1,711.54 in employee contributions from October 1, 2010 to May 13, 2011. Mr. Harrison stated that the member needs to repay the Pension Plan before she retires. The Board had a lengthy discussion regarding this matter. Ms. Hurley reported that she would be willing to allow Ms. Santana-Farber to make monthly installments until a month prior to her retirement date to repay the employee contributions that she owes to the

Plan.

Action: A motion was made by Mr. Carr and seconded by Mr. Lepa to request the re-payment of the employee contributions owed by Ms. Santana-Farber to be repaid in monthly installments until a month prior to her retirement date.

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

Ms. Martinez will confirm with the PBSO whether they will be able to deduct the employee contributions owed by the participants out of their bi-weekly payroll.

Mr. Carr stated that PBSO has not remitted the employer contributions for these participants. He reported that the City will request payment from PBSO.

IV. NEW BUSINESS:

A. Employees' Retirement Board:

1. Benefit Approval

Ms. Martinez presented to the General Employees' Pension Board the following benefit applications for approval: Application for Refund of Contributions for Kitty Pitman-Miller, Maria Khan, Robert Mackey, and Fedner Alcius; Application for Retirement for Michelle Miclea and Pamela Reeves; Application to Exit the DROP for Elizabeth Genia Baker.

Action: A motion was made by Mr. Lepa and seconded by Mr. Kahant to approve the Application for Refund of Contributions for Kitty Pitman-Miller, Maria Khan, Robert Mackey, and Fedner Alcius; Application for Retirement for Michelle Miclea and Pamela Reeves; Application to Exit the DROP for Elizabeth Genia Baker.

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

B. Police Retirement Board:

1. Benefit Approval

Ms. Martinez presented to the Police Officers' Pension Board the following benefit applications for approval: Application to Enter DROP for Michael Mendelsberg and Craig Long.

Action: A motion was made by Mr. Carr and seconded by Lt. Moss to approve the Application to Enter DROP for Michael Mendelsberg and Craig Long.

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

2. Inquiry as to possibilities on what would happen to active members of the Plan if the City were to do away with the current law enforcement service agreement:

Lt. Moss asked Mr. Harrison what would happen to active members of the Plan who are currently employed by PBSO and are covered under the law enforcement contract if the City decides to cancel the contract with PBSO. Mr. Harrison explained that he would have to look at what is being proposed. He noted that it could be that if the City cancels the contract with PBSO the employee would continue to be a PBSO employee but will no longer be with the City. Depending on what they may be trying to do, the participants may become vested members in the Plan and may have the option to continue in the Plan. Mr. Harrison reported that this Pension Plan will not go away until the last payment is made to the last retiree. Mr. Harrison asked that a copy of the proposal be sent to him so that he can review and comment.

C. Employees' and Police Retirement Boards

D. Board Attorney's Report:

1. Request from Merrill Lynch Attorneys for Documents:

Mr. Harrison reported that over 50 former Trustees and service providers have been served with subpoenas. He reported that his firm is offering to represent them at no cost. He explained that if the persons who have been subpoenaed wanted his firm to represent them they needed to complete and sign an "authority to represent." He reported that these subpoenas are to produce documents that in his opinion are documents that the Plan Administrator would have and not documents that these individuals would have.

Ms. Martinez reported that Merrill Lynch submitted a Public Records request in August of 2010. She explained that all of the records that Pension Resource Centers has on file, which were requested at that time have been submitted. She reported that a second public records request was received in February, 2011 asking for copies of e-mails. Mr. Baur is currently working with council on this second request to see exactly what it is that needs to be sent. She reported that on May 13, 2011 Pension Resource Centers received a letter asking questions regarding the documents that had been submitted in response to the August 2010 public records request. She explained that Mr. Baur is working on answering these questions. She reported that Mr. Baur has been subpoenaed as well. Mr. Harrison stated that the Board should make a motion to authorize the administrator to send copies of all e-mails that have the Boards names on them to Merrill Lynch as part of their public records request. Ms. Martinez reported that Mr. Baur has been working with Ivelisse from Sugarman and Susskind and Adam Levinson from Klausner and Kaufman regarding the request for e-mails to determine what needs to be sent. Mr. Harrison reported that he believes that if both Boards make a motion to allow the administrator to release the e-mails this will solve the issue.

Action: A motion was made by Mr. Carr and seconded by Mr. Lepa to authorize the administrator to respond to the public records request by releasing all e-mails.

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

Action: A motion was made by Mr. Carr and seconded by Lt. Moss to authorize the administrator to respond to the public records request by releasing all e-mails.

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

2. Acceptance of fiduciary responsibility by investment managers:

Mr. Harrison reported that he has been working on negotiating the agreements with Cornerstone. He reported that Cornerstone will accept a fiduciary liability for the fund but will not accept an individual fiduciary liability. He explained that normally the Plan has required investment managers to accept fiduciary liability not only for the Plan but individually. He reported that in the past some Boards have gone ahead and approved a contract where they only accept fiduciary responsibility for the Plan. The Board had a lengthy discussion regarding this matter. Ms. Martinez reported that Tim Nash the Plans investment consultant is scheduled to present at the next Pension Board meeting. The Board asked Ms. Martinez to ask Mr. Nash to bring the manager search so that they can see who their second option was at the time they elected Cornerstone.

Action: Consensus of the Board to defer this item to the next Pension Board meeting.

Mr. Harrison reviewed Senate Bill 1128. Mr. Carr asked Mr. Harrison for an update on the changes to the DROP Plan that the Board had discussed at the last Pension Board meeting. Mr. Harrison reported that he may have it ready for the next Pension Board meeting.

Ms. Hurley reported that when she was an active employee of the City she used to upload the Agenda and Minutes to the City's website. She noted that Pension Resource Centers does not have access to do this therefore she wants to make sure that this is still being done. Mr. Carr asked Ms. Martinez to send a request to the Clerk's office to post the Minutes as well as the Agenda next time the Agenda is sent to be posted. He also asked that he be copied on the e-mail.

E. ADMINISTRATORS REPORT:

1. Disability Review

Ms. Martinez reported that the disability review letters have been mailed via certified mail and the due date was May 13. All letters have been received with the exception of Mr. Shield's and Mr. Viera's. Ms. Martinez reported that so far there will be no disability needs to be offset. She asked Mr. Harrison if social security income needs to be considered when determining the disabilities offsets. Mr. Harrison reported that social security is not considered as active payment therefore it does not apply. Ms. Hurley stated that she believes the Disability Review needs to be done by March of every year. Mr. Harrison looked at the Ordinance and confirmed that the Disability Review needs to be done by the end of February of every year. Mr. Harrison reported that the Board has a Policy where they stop the monthly benefit payment until the member responds to the disability review letter.

Action: A motion was made by Mr. Lepa and seconded by Mr. Carr to accept the disability review letters.

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

Action: A motion was made by Lt. Moss and seconded by Mr. Carr to accept the disability review letters with the exception of Mr. Viera's and Mr. Shield's.

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

Action: A motion was made by Lt. Moss and seconded by Mr. Carr to stop Mr. Viera's and Mr. Shield's payment until they submit the Disability Review paperwork.

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

2. Election for Employee Representative to the Lake Worth General Employees Pension.

Ms. Martinez reported that Ms. Hurley's term expires August 1, 2011. She reported that the last time the Plan had an election the election notices had been sent to City Hall, to the Municipal Building and to Utilities to be posted. She explained that the nomination period is 30 days. The Board noted that the Plan can not accept nominations from the Utilities department. The Board will set the election date at the next Pension Board meeting.

Ms. Martinez reported that she is still working on Mr. Kahant's request. She explained that at the last Pension Board meeting Mr. Kahant had asked her to research to see if there were any members receiving a benefit of 100% of their final average salary. She will have an answer for next Pension Board meeting.

IV. CONSENT AGENDA:

A. Employees' Retirement Board:

1. Warrant for Accounts Payable

Ms. Martinez reported that last month First Southern Bank did not release the ACH file that was sent for the first of the month. The Bank's explanation was that no more than two ACH files can be released for that day because the Plan has only two ACH templates. We were not aware of this therefore we had released the ACH files for the first of the month and one ACH file overrode the other causing the monthly payments not be deposited on the first. Because retired member Charles Nichols had an overdraft fee of \$70.00. we refunded Mr. Nichols the \$70.00 and First Southern will refund the Plan the \$70.00. We have been advised that the Plan now has five ACH templates so that this will not happen again.

Ms. Hurley reported that a correction needs to be made on the April 27 minutes on pg. 6 under the motion needs to be added the vote.

Action: A motion was made by Mr. Carr and seconded by Mr. Lepa to approve the Consent Agenda, which included a Warrant for invoices and Minutes for Regular Meeting on April 27, 2011 as revised.

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

B. Police Retirement Board:

1. Warrant for Accounts Payable

Action: A motion was made by Mr. Carr and seconded by Lt. Moss to approve the Consent Agenda, which included a Warrant for invoices and Minutes for Regular Meeting on April 27, 2011 as revised.

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

C. Employees' and Police Retirement Boards:

1. Approval of Minutes: Meeting April 27, 2011

Mr. Harrison reported that it is his understanding that the proposed ordinance amendment that allows for DROP and retired members to sit on the Board will be included on the next City Commission Agenda but staff is recommending against it. The Board does not want to withdraw the ordinance amendment.

VI. ADJOURNMENT:

There being no other business and the next meeting having been previously scheduled for Wednesday, June 22 at 1:30 PM, the General Employees' and Police Board adjourned the meeting at 3:22 p.m.

MINUTES APPROVED: July 27, 2011

Valerie Hurley, Chair Employees' Retirement Board

Randy Collier, Chairman Police Retirement Board

Dixie Martinez, Administrator
Employees' & Police Retirement Boards

**MINUTES OF A JOINT EMPLOYEES' RETIREMENT BOARD
AND POLICE RETIREMENT BOARD MEETING
HELD IN THE CONFERENCE ROOM AT CITY HALL ON
WEDNESDAY, MAY 25, 2011 at 1:30 PM**

I. ROLL CALL: 1:47 PM

A. Employees' Retirement Board:

A meeting was called to order at 1:47 PM.

Those persons present included:

Trustees: Valerie Hurley, Chair
Robert Lepa (2:05 pm)
Robert Kahant (1:51 pm)
Steve Carr
Suzanne Mulvihill

Others: Ken Harrison, Sugarman & Susskind
Dixie Martinez, Resource Centers
Members of Public:

B. Police Retirement Board:

A meeting was called to order at 1:47 PM.

Those persons present included:

Trustees: Sgt. Randy Collier, Chair
Lt. David Moss
Steve Carr
Karri Casper
Suzanne Mulvihill

Others: Ken Harrison, Sugarman & Susskind
Dixie Martinez, Resource Centers
Members of Public:

II. ADDITIONS/ DELETIONS/ REORDERING:

A. Employees' Retirement Board:

Ms. Martinez added item IV.D.2. Election for Employee Representative to the Lake Worth General Employees Pension.

Action: Consensus of the Board to add the above mentioned items to the Agenda.

B. Police Retirement Board:

Lt. Moss added item IV.B.2. Inquiry as to possibilities on what would happen to active members of the Plan if the City were to do away with the current law enforcement service agreement.

Action: Consensus of the Board to add the above mentioned items to the Agenda.

III. UNFINISHED BUSINESS:

A. Employees' Retirement Board:

B. Police Retirement Board:

C. Employees' and Police Retirement Boards

1. Contributions owed by Mr. William Meloy (Police)

Ms. Martinez reported that Mr. Meloy had asked at the last Pension Board meeting to be allowed to come back into the Pension Plan due to FRS's refusal to allow him to join FRS because of his vested status in the Lake Worth Police Officers Pension Plan. She reported that the Palm Beach Sheriff's office started to deduct employee contributions out of his check on May 13, 2011. She reported that Mr. Meloy owes the Pension Plan \$3,792.49 in employee contributions from October 1, 2010 to May 13, 2011. She asked the Board for direction on how they want to proceed in collecting the employee contributions owed by Mr. Meloy. The Board had a lengthy discussion regarding this matter.

Action: A motion was made by Mr. Carr and seconded by Ms. Mulvhill to request the payment of employee contributions owed by Mr. Meloy to be repaid over 9 months which is equal to the time that he was not contributing to the Plan.

The Board had a lengthy discussion regarding Mr. Carr's motion. Ms. Kasper would prefer to request the repayment to be done over a period of 18 months.

Ms. Martinez reported that Mr. Meloy's wife is currently not working and he was hoping that the Board could allow him to repay the Plan over a longer period of time.

Action: Mr. Carr withdrew his motion.

Action: A motion was made by Ms. Kasper and seconded by Lt. Moss to request the re-payment of the employee contributions owed by Mr. Meloy to be repaid in installments over an 18 month period.

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

2. Contributions owed by Ms. Rosalia Santana-Farber (GE)

Ms. Martinez reported that Ms. Santana-Farber had asked at the last Pension Board meeting to be allowed to come back into the Pension Plan due to FRS's refusal to allow her to join FRS because of her vested status in the Lake Worth General Employees' Pension Plan. She reported that the Palm Beach Sheriff's (PBSO) office started to deduct the employee contributions out of her check on May 13, 2011. She reported that Ms. Santana-Farber owes \$1,711.54 in employee contributions from October 1, 2010 to May 13, 2011. Mr. Harrison stated that the member needs to repay the Pension Plan before she retires. The Board had a lengthy discussion regarding this matter. Ms. Hurley reported that she would be willing to allow Ms. Santana-Farber to make monthly installments until a month prior to her retirement date to repay the employee contributions that she owes to the

Plan.

Action: A motion was made by Mr. Carr and seconded by Mr. Lepa to request the re-payment of the employee contributions owed by Ms. Santana-Farber to be repaid in monthly installments until a month prior to her retirement date.

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

Ms. Martinez will confirm with the PBSO whether they will be able to deduct the employee contributions owed by the participants out of their bi-weekly payroll.

Mr. Carr stated that PBSO has not remitted the employer contributions for these participants. He reported that the City will request payment from PBSO.

IV. NEW BUSINESS:

A. Employees' Retirement Board:

1. Benefit Approval

Ms. Martinez presented to the General Employees' Pension Board the following benefit applications for approval: Application for Refund of Contributions for Kitty Pitman-Miller, Maria Khan, Robert Mackey, and Fedner Alcius; Application for Retirement for Michelle Miclea and Pamela Reeves; Application to Exit the DROP for Elizabeth Genia Baker.

Action: A motion was made by Mr. Lepa and seconded by Mr. Kahant to approve the Application for Refund of Contributions for Kitty Pitman-Miller, Maria Khan, Robert Mackey, and Fedner Alcius; Application for Retirement for Michelle Miclea and Pamela Reeves; Application to Exit the DROP for Elizabeth Genia Baker.

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

B. Police Retirement Board:

1. Benefit Approval

Ms. Martinez presented to the Police Officers' Pension Board the following benefit applications for approval: Application to Enter DROP for Michael Mendelsberg and Craig Long.

Action: A motion was made by Mr. Carr and seconded by Lt. Moss to approve the Application to Enter DROP for Michael Mendelsberg and Craig Long.

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

2. Inquiry as to possibilities on what would happen to active members of the Plan if the City were to do away with the current law enforcement service agreement:

Lt. Moss asked Mr. Harrison what would happen to active members of the Plan who are currently employed by PBSO and are covered under the law enforcement contract if the City decides to cancel the contract with PBSO. Mr. Harrison explained that he would have to look at what is being proposed. He noted that it could be that if the City cancels the contract with PBSO the employee would continue to be a PBSO employee but will no longer be with the City. Depending on what they may be trying to do, the participants may become vested members in the Plan and may have the option to continue in the Plan. Mr. Harrison reported that this Pension Plan will not go away until the last payment is made to the last retiree. Mr. Harrison asked that a copy of the proposal be sent to him so that he can review and comment.

C. Employees' and Police Retirement Boards

D. Board Attorney's Report:

1. Request from Merrill Lynch Attorneys for Documents:

Mr. Harrison reported that over 50 former Trustees and service providers have been served with subpoenas. He reported that his firm is offering to represent them at no cost. He explained that if the persons who have been subpoenaed wanted his firm to represent them they needed to complete and sign an "authority to represent." He reported that these subpoenas are to produce documents that in his opinion are documents that the Plan Administrator would have and not documents that these individuals would have.

Ms. Martinez reported that Merrill Lynch submitted a Public Records request in August of 2010. She explained that all of the records that Pension Resource Centers has on file, which were requested at that time have been submitted. She reported that a second public records request was received in February, 2011 asking for copies of e-mails. Mr. Baur is currently working with council on this second request to see exactly what it is that needs to be sent. She reported that on May 13, 2011 Pension Resource Centers received a letter asking questions regarding the documents that had been submitted in response to the August 2010 public records request. She explained that Mr. Baur is working on answering these questions. She reported that Mr. Baur has been subpoenaed as well. Mr. Harrison stated that the Board should make a motion to authorize the administrator to send copies of all e-mails that have the Boards names on them to Merrill Lynch as part of their public records request. Ms. Martinez reported that Mr. Baur has been working with Ivelisse from Sugarman and Susskind and Adam Levinson from Klausner and Kaufman regarding the request for e-mails to determine what needs to be sent. Mr. Harrison reported that he believes that if both Boards make a motion to allow the administrator to release the e-mails this will solve the issue.

Action: A motion was made by Mr. Carr and seconded by Mr. Lepa to authorize the administrator to respond to the public records request by releasing all e-mails.

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

Action: A motion was made by Mr. Carr and seconded by Lt. Moss to authorize the administrator to respond to the public records request by releasing all e-mails.

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

2. Acceptance of fiduciary responsibility by investment managers:

Mr. Harrison reported that he has been working on negotiating the agreements with Cornerstone. He reported that Cornerstone will accept a fiduciary liability for the fund but will not accept an individual fiduciary liability. He explained that normally the Plan has required investment managers to accept fiduciary liability not only for the Plan but individually. He reported that in the past some Boards have gone ahead and approved a contract where they only accept fiduciary responsibility for the Plan. The Board had a lengthy discussion regarding this matter. Ms. Martinez reported that Tim Nash the Plans investment consultant is scheduled to present at the next Pension Board meeting. The Board asked Ms. Martinez to ask Mr. Nash to bring the manager search so that they can see who their second option was at the time they elected Cornerstone.

Action: Consensus of the Board to defer this item to the next Pension Board meeting.

Mr. Harrison reviewed Senate Bill 1128. Mr. Carr asked Mr. Harrison for an update on the changes to the DROP Plan that the Board had discussed at the last Pension Board meeting. Mr. Harrison reported that he may have it ready for the next Pension Board meeting.

Ms. Hurley reported that when she was an active employee of the City she used to upload the Agenda and Minutes to the City's website. She noted that Pension Resource Centers does not have access to do this therefore she wants to make sure that this is still being done. Mr. Carr asked Ms. Martinez to send a request to the Clerk's office to post the Minutes as well as the Agenda next time the Agenda is sent to be posted. He also asked that he be copied on the e-mail.

E. ADMINISTRATORS REPORT:

1. Disability Review

Ms. Martinez reported that the disability review letters have been mailed via certified mail and the due date was May 13. All letters have been received with the exception of Mr. Shield's and Mr. Viera's. Ms. Martinez reported that so far there will be no disability needs to be offset. She asked Mr. Harrison if social security income needs to be considered when determining the disabilities offsets. Mr. Harrison reported that social security is not considered as active payment therefore it does not apply. Ms. Hurley stated that she believes the Disability Review needs to be done by March of every year. Mr. Harrison looked at the Ordinance and confirmed that the Disability Review needs to be done by the end of February of every year. Mr. Harrison reported that the Board has a Policy where they stop the monthly benefit payment until the member responds to the disability review letter.

Action: A motion was made by Mr. Lepa and seconded by Mr. Carr to accept the disability review letters.

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

Action: A motion was made by Lt. Moss and seconded by Mr. Carr to accept the disability review letters with the exception of Mr. Viera's and Mr. Shield's.

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

Action: A motion was made by Lt. Moss and seconded by Mr. Carr to stop Mr. Viera's and Mr. Shield's payment until they submit the Disability Review paperwork.

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

2. Election for Employee Representative to the Lake Worth General Employees Pension.

Ms. Martinez reported that Ms. Hurley's term expires August 1, 2011. She reported that the last time the Plan had an election the election notices had been sent to City Hall, to the Municipal Building and to Utilities to be posted. She explained that the nomination period is 30 days. The Board noted that the Plan can not accept nominations from the Utilities department. The Board will set the election date at the next Pension Board meeting.

Ms. Martinez reported that she is still working on Mr. Kahant's request. She explained that at the last Pension Board meeting Mr. Kahant had asked her to research to see if there were any members receiving a benefit of 100% of their final average salary. She will have an answer for next Pension Board meeting.

IV. CONSENT AGENDA:

A. Employees' Retirement Board:

1. Warrant for Accounts Payable

Ms. Martinez reported that last month First Southern Bank did not release the ACH file that was sent for the first of the month. The Bank's explanation was that no more than two ACH files can be released for that day because the Plan has only two ACH templates. We were not aware of this therefore we had released the ACH files for the first of the month and one ACH file overrode the other causing the monthly payments not be deposited on the first. Because retired member Charles Nichols had an overdraft fee of \$70.00. we refunded Mr. Nichols the \$70.00 and First Southern will refund the Plan the \$70.00. We have been advised that the Plan now has five ACH templates so that this will not happen again.

Ms. Hurley reported that a correction needs to be made on the April 27 minutes on pg. 6 under the motion needs to be added the vote.

Action: A motion was made by Mr. Carr and seconded by Mr. Lepa to approve the Consent Agenda, which included a Warrant for invoices and Minutes for Regular Meeting on April 27, 2011 as revised.

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

B. Police Retirement Board:

1. Warrant for Accounts Payable

Action: A motion was made by Mr. Carr and seconded by Lt. Moss to approve the Consent Agenda, which included a Warrant for invoices and Minutes for Regular Meeting on April 27, 2011 as revised.

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

C. Employees' and Police Retirement Boards:

1. Approval of Minutes: Meeting April 27, 2011

Mr. Harrison reported that it is his understanding that the proposed ordinance amendment that allows for DROP and retired members to sit on the Board will be included on the next City Commission Agenda but staff is recommending against it. The Board does not want to withdraw the ordinance amendment.

VI. ADJOURNMENT:

There being no other business and the next meeting having been previously scheduled for Wednesday, June 22 at 1:30 PM, the General Employees' and Police Board adjourned the meeting at 3:22 p.m.

MINUTES APPROVED: July 27, 2011

Valerie Hurley, Chair Employees' Retirement Board

Randy Collier, Chairman Police Retirement Board

Dixie Martinez, Administrator
Employees' & Police Retirement Boards

**MINUTES OF A JOINT EMPLOYEES' RETIREMENT BOARD
AND POLICE RETIREMENT BOARD MEETING
HELD IN THE CONFERENCE ROOM AT CITY HALL ON
WEDNESDAY, MAY 25, 2011 at 1:30 PM**

I. ROLL CALL: 1:47 PM

A. Employees' Retirement Board:

A meeting was called to order at 1:47 PM.

Those persons present included:

Trustees: Valerie Hurley, Chair
Robert Lepa (2:05 pm)
Robert Kahant (1:51 pm)
Steve Carr
Suzanne Mulvihill

Others: Ken Harrison, Sugarman & Susskind
Dixie Martinez, Resource Centers
Members of Public:

B. Police Retirement Board:

A meeting was called to order at 1:47 PM.

Those persons present included:

Trustees: Sgt. Randy Collier, Chair
Lt. David Moss
Steve Carr
Karri Casper
Suzanne Mulvihill

Others: Ken Harrison, Sugarman & Susskind
Dixie Martinez, Resource Centers
Members of Public:

II. ADDITIONS/ DELETIONS/ REORDERING:

A. Employees' Retirement Board:

Ms. Martinez added item IV.D.2. Election for Employee Representative to the Lake Worth General Employees Pension.

Action: Consensus of the Board to add the above mentioned items to the Agenda.

B. Police Retirement Board:

Lt. Moss added item IV.B.2. Inquiry as to possibilities on what would happen to active members of the Plan if the City were to do away with the current law enforcement service agreement.

Action: Consensus of the Board to add the above mentioned items to the Agenda.

III. UNFINISHED BUSINESS:

A. Employees' Retirement Board:

B. Police Retirement Board:

C. Employees' and Police Retirement Boards

1. Contributions owed by Mr. William Meloy (Police)

Ms. Martinez reported that Mr. Meloy had asked at the last Pension Board meeting to be allowed to come back into the Pension Plan due to FRS's refusal to allow him to join FRS because of his vested status in the Lake Worth Police Officers Pension Plan. She reported that the Palm Beach Sheriff's office started to deduct employee contributions out of his check on May 13, 2011. She reported that Mr. Meloy owes the Pension Plan \$3,792.49 in employee contributions from October 1, 2010 to May 13, 2011. She asked the Board for direction on how they want to proceed in collecting the employee contributions owed by Mr. Meloy. The Board had a lengthy discussion regarding this matter.

Action: A motion was made by Mr. Carr and seconded by Ms. Mulvhill to request the payment of employee contributions owed by Mr. Meloy to be repaid over 9 months which is equal to the time that he was not contributing to the Plan.

The Board had a lengthy discussion regarding Mr. Carr's motion. Ms. Kasper would prefer to request the repayment to be done over a period of 18 months.

Ms. Martinez reported that Mr. Meloy's wife is currently not working and he was hoping that the Board could allow him to repay the Plan over a longer period of time.

Action: Mr. Carr withdrew his motion.

Action: A motion was made by Ms. Kasper and seconded by Lt. Moss to request the re-payment of the employee contributions owed by Mr. Meloy to be repaid in installments over an 18 month period.

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

2. Contributions owed by Ms. Rosalia Santana-Farber (GE)

Ms. Martinez reported that Ms. Santana-Farber had asked at the last Pension Board meeting to be allowed to come back into the Pension Plan due to FRS's refusal to allow her to join FRS because of her vested status in the Lake Worth General Employees' Pension Plan. She reported that the Palm Beach Sheriff's (PBSO) office started to deduct the employee contributions out of her check on May 13, 2011. She reported that Ms. Santana-Farber owes \$1,711.54 in employee contributions from October 1, 2010 to May 13, 2011. Mr. Harrison stated that the member needs to repay the Pension Plan before she retires. The Board had a lengthy discussion regarding this matter. Ms. Hurley reported that she would be willing to allow Ms. Santana-Farber to make monthly installments until a month prior to her retirement date to repay the employee contributions that she owes to the

Plan.

Action: A motion was made by Mr. Carr and seconded by Mr. Lepa to request the re-payment of the employee contributions owed by Ms. Santana-Farber to be repaid in monthly installments until a month prior to her retirement date.

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

Ms. Martinez will confirm with the PBSO whether they will be able to deduct the employee contributions owed by the participants out of their bi-weekly payroll.

Mr. Carr stated that PBSO has not remitted the employer contributions for these participants. He reported that the City will request payment from PBSO.

IV. NEW BUSINESS:

A. Employees' Retirement Board:

1. Benefit Approval

Ms. Martinez presented to the General Employees' Pension Board the following benefit applications for approval: Application for Refund of Contributions for Kitty Pitman-Miller, Maria Khan, Robert Mackey, and Fedner Alcius; Application for Retirement for Michelle Miclea and Pamela Reeves; Application to Exit the DROP for Elizabeth Genia Baker.

Action: A motion was made by Mr. Lepa and seconded by Mr. Kahant to approve the Application for Refund of Contributions for Kitty Pitman-Miller, Maria Khan, Robert Mackey, and Fedner Alcius; Application for Retirement for Michelle Miclea and Pamela Reeves; Application to Exit the DROP for Elizabeth Genia Baker.

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

B. Police Retirement Board:

1. Benefit Approval

Ms. Martinez presented to the Police Officers' Pension Board the following benefit applications for approval: Application to Enter DROP for Michael Mendelsberg and Craig Long.

Action: A motion was made by Mr. Carr and seconded by Lt. Moss to approve the Application to Enter DROP for Michael Mendelsberg and Craig Long.

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

2. Inquiry as to possibilities on what would happen to active members of the Plan if the City were to do away with the current law enforcement service agreement:

Lt. Moss asked Mr. Harrison what would happen to active members of the Plan who are currently employed by PBSO and are covered under the law enforcement contract if the City decides to cancel the contract with PBSO. Mr. Harrison explained that he would have to look at what is being proposed. He noted that it could be that if the City cancels the contract with PBSO the employee would continue to be a PBSO employee but will no longer be with the City. Depending on what they may be trying to do, the participants may become vested members in the Plan and may have the option to continue in the Plan. Mr. Harrison reported that this Pension Plan will not go away until the last payment is made to the last retiree. Mr. Harrison asked that a copy of the proposal be sent to him so that he can review and comment.

C. Employees' and Police Retirement Boards

D. Board Attorney's Report:

1. Request from Merrill Lynch Attorneys for Documents:

Mr. Harrison reported that over 50 former Trustees and service providers have been served with subpoenas. He reported that his firm is offering to represent them at no cost. He explained that if the persons who have been subpoenaed wanted his firm to represent them they needed to complete and sign an "authority to represent." He reported that these subpoenas are to produce documents that in his opinion are documents that the Plan Administrator would have and not documents that these individuals would have.

Ms. Martinez reported that Merrill Lynch submitted a Public Records request in August of 2010. She explained that all of the records that Pension Resource Centers has on file, which were requested at that time have been submitted. She reported that a second public records request was received in February, 2011 asking for copies of e-mails. Mr. Baur is currently working with council on this second request to see exactly what it is that needs to be sent. She reported that on May 13, 2011 Pension Resource Centers received a letter asking questions regarding the documents that had been submitted in response to the August 2010 public records request. She explained that Mr. Baur is working on answering these questions. She reported that Mr. Baur has been subpoenaed as well. Mr. Harrison stated that the Board should make a motion to authorize the administrator to send copies of all e-mails that have the Boards names on them to Merrill Lynch as part of their public records request. Ms. Martinez reported that Mr. Baur has been working with Ivelisse from Sugarman and Susskind and Adam Levinson from Klausner and Kaufman regarding the request for e-mails to determine what needs to be sent. Mr. Harrison reported that he believes that if both Boards make a motion to allow the administrator to release the e-mails this will solve the issue.

Action: A motion was made by Mr. Carr and seconded by Mr. Lepa to authorize the administrator to respond to the public records request by releasing all e-mails.

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

Action: A motion was made by Mr. Carr and seconded by Lt. Moss to authorize the administrator to respond to the public records request by releasing all e-mails.

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

2. Acceptance of fiduciary responsibility by investment managers:

Mr. Harrison reported that he has been working on negotiating the agreements with Cornerstone. He reported that Cornerstone will accept a fiduciary liability for the fund but will not accept an individual fiduciary liability. He explained that normally the Plan has required investment managers to accept fiduciary liability not only for the Plan but individually. He reported that in the past some Boards have gone ahead and approved a contract where they only accept fiduciary responsibility for the Plan. The Board had a lengthy discussion regarding this matter. Ms. Martinez reported that Tim Nash the Plans investment consultant is scheduled to present at the next Pension Board meeting. The Board asked Ms. Martinez to ask Mr. Nash to bring the manager search so that they can see who their second option was at the time they elected Cornerstone.

Action: Consensus of the Board to defer this item to the next Pension Board meeting.

Mr. Harrison reviewed Senate Bill 1128. Mr. Carr asked Mr. Harrison for an update on the changes to the DROP Plan that the Board had discussed at the last Pension Board meeting. Mr. Harrison reported that he may have it ready for the next Pension Board meeting.

Ms. Hurley reported that when she was an active employee of the City she used to upload the Agenda and Minutes to the City's website. She noted that Pension Resource Centers does not have access to do this therefore she wants to make sure that this is still being done. Mr. Carr asked Ms. Martinez to send a request to the Clerk's office to post the Minutes as well as the Agenda next time the Agenda is sent to be posted. He also asked that he be copied on the e-mail.

E. ADMINISTRATORS REPORT:

1. Disability Review

Ms. Martinez reported that the disability review letters have been mailed via certified mail and the due date was May 13. All letters have been received with the exception of Mr. Shield's and Mr. Viera's. Ms. Martinez reported that so far there will be no disability needs to be offset. She asked Mr. Harrison if social security income needs to be considered when determining the disabilities offsets. Mr. Harrison reported that social security is not considered as active payment therefore it does not apply. Ms. Hurley stated that she believes the Disability Review needs to be done by March of every year. Mr. Harrison looked at the Ordinance and confirmed that the Disability Review needs to be done by the end of February of every year. Mr. Harrison reported that the Board has a Policy where they stop the monthly benefit payment until the member responds to the disability review letter.

Action: A motion was made by Mr. Lepa and seconded by Mr. Carr to accept the disability review letters.

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

Action: A motion was made by Lt. Moss and seconded by Mr. Carr to accept the disability review letters with the exception of Mr. Viera's and Mr. Shield's.

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

Action: A motion was made by Lt. Moss and seconded by Mr. Carr to stop Mr. Viera's and Mr. Shield's payment until they submit the Disability Review paperwork.

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

2. Election for Employee Representative to the Lake Worth General Employees Pension.

Ms. Martinez reported that Ms. Hurley's term expires August 1, 2011. She reported that the last time the Plan had an election the election notices had been sent to City Hall, to the Municipal Building and to Utilities to be posted. She explained that the nomination period is 30 days. The Board noted that the Plan can not accept nominations from the Utilities department. The Board will set the election date at the next Pension Board meeting.

Ms. Martinez reported that she is still working on Mr. Kahant's request. She explained that at the last Pension Board meeting Mr. Kahant had asked her to research to see if there were any members receiving a benefit of 100% of their final average salary. She will have an answer for next Pension Board meeting.

IV. CONSENT AGENDA:

A. Employees' Retirement Board:

1. Warrant for Accounts Payable

Ms. Martinez reported that last month First Southern Bank did not release the ACH file that was sent for the first of the month. The Bank's explanation was that no more than two ACH files can be released for that day because the Plan has only two ACH templates. We were not aware of this therefore we had released the ACH files for the first of the month and one ACH file overrode the other causing the monthly payments not be deposited on the first. Because retired member Charles Nichols had an overdraft fee of \$70.00. we refunded Mr. Nichols the \$70.00 and First Southern will refund the Plan the \$70.00. We have been advised that the Plan now has five ACH templates so that this will not happen again.

Ms. Hurley reported that a correction needs to be made on the April 27 minutes on pg. 6 under the motion needs to be added the vote.

Action: A motion was made by Mr. Carr and seconded by Mr. Lepa to approve the Consent Agenda, which included a Warrant for invoices and Minutes for Regular Meeting on April 27, 2011 as revised.

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

B. Police Retirement Board:

1. Warrant for Accounts Payable

Action: A motion was made by Mr. Carr and seconded by Lt. Moss to approve the Consent Agenda, which included a Warrant for invoices and Minutes for Regular Meeting on April 27, 2011 as revised.

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

C. Employees' and Police Retirement Boards:

1. Approval of Minutes: Meeting April 27, 2011

Mr. Harrison reported that it is his understanding that the proposed ordinance amendment that allows for DROP and retired members to sit on the Board will be included on the next City Commission Agenda but staff is recommending against it. The Board does not want to withdraw the ordinance amendment.

VI. ADJOURNMENT:

There being no other business and the next meeting having been previously scheduled for Wednesday, June 22 at 1:30 PM, the General Employees' and Police Board adjourned the meeting at 3:22 p.m.

MINUTES APPROVED: July 27, 2011

Valerie Hurley, Chair Employees' Retirement Board

Randy Collier, Chairman Police Retirement Board

Dixie Martinez, Administrator
Employees' & Police Retirement Boards

**MINUTES OF A JOINT EMPLOYEES' RETIREMENT BOARD
AND POLICE RETIREMENT BOARD MEETING
HELD IN THE CONFERENCE ROOM AT CITY HALL ON
WEDNESDAY, MAY 25, 2011 at 1:30 PM**

I. ROLL CALL: 1:47 PM

A. Employees' Retirement Board:

A meeting was called to order at 1:47 PM.

Those persons present included:

Trustees: Valerie Hurley, Chair
Robert Lepa (2:05 pm)
Robert Kahant (1:51 pm)
Steve Carr
Suzanne Mulvihill

Others: Ken Harrison, Sugarman & Susskind
Dixie Martinez, Resource Centers
Members of Public:

B. Police Retirement Board:

A meeting was called to order at 1:47 PM.

Those persons present included:

Trustees: Sgt. Randy Collier, Chair
Lt. David Moss
Steve Carr
Karri Casper
Suzanne Mulvihill

Others: Ken Harrison, Sugarman & Susskind
Dixie Martinez, Resource Centers
Members of Public:

II. ADDITIONS/ DELETIONS/ REORDERING:

A. Employees' Retirement Board:

Ms. Martinez added item IV.D.2. Election for Employee Representative to the Lake Worth General Employees Pension.

Action: Consensus of the Board to add the above mentioned items to the Agenda.

B. Police Retirement Board:

Lt. Moss added item IV.B.2. Inquiry as to possibilities on what would happen to active members of the Plan if the City were to do away with the current law enforcement service agreement.

Action: Consensus of the Board to add the above mentioned items to the Agenda.

III. UNFINISHED BUSINESS:

A. Employees' Retirement Board:

B. Police Retirement Board:

C. Employees' and Police Retirement Boards

1. Contributions owed by Mr. William Meloy (Police)

Ms. Martinez reported that Mr. Meloy had asked at the last Pension Board meeting to be allowed to come back into the Pension Plan due to FRS's refusal to allow him to join FRS because of his vested status in the Lake Worth Police Officers Pension Plan. She reported that the Palm Beach Sheriff's office started to deduct employee contributions out of his check on May 13, 2011. She reported that Mr. Meloy owes the Pension Plan \$3,792.49 in employee contributions from October 1, 2010 to May 13, 2011. She asked the Board for direction on how they want to proceed in collecting the employee contributions owed by Mr. Meloy. The Board had a lengthy discussion regarding this matter.

Action: A motion was made by Mr. Carr and seconded by Ms. Mulvhill to request the payment of employee contributions owed by Mr. Meloy to be repaid over 9 months which is equal to the time that he was not contributing to the Plan.

The Board had a lengthy discussion regarding Mr. Carr's motion. Ms. Kasper would prefer to request the repayment to be done over a period of 18 months.

Ms. Martinez reported that Mr. Meloy's wife is currently not working and he was hoping that the Board could allow him to repay the Plan over a longer period of time.

Action: Mr. Carr withdrew his motion.

Action: A motion was made by Ms. Kasper and seconded by Lt. Moss to request the re-payment of the employee contributions owed by Mr. Meloy to be repaid in installments over an 18 month period.

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

2. Contributions owed by Ms. Rosalia Santana-Farber (GE)

Ms. Martinez reported that Ms. Santana-Farber had asked at the last Pension Board meeting to be allowed to come back into the Pension Plan due to FRS's refusal to allow her to join FRS because of her vested status in the Lake Worth General Employees' Pension Plan. She reported that the Palm Beach Sheriff's (PBSO) office started to deduct the employee contributions out of her check on May 13, 2011. She reported that Ms. Santana-Farber owes \$1,711.54 in employee contributions from October 1, 2010 to May 13, 2011. Mr. Harrison stated that the member needs to repay the Pension Plan before she retires. The Board had a lengthy discussion regarding this matter. Ms. Hurley reported that she would be willing to allow Ms. Santana-Farber to make monthly installments until a month prior to her retirement date to repay the employee contributions that she owes to the

Plan.

Action: A motion was made by Mr. Carr and seconded by Mr. Lepa to request the re-payment of the employee contributions owed by Ms. Santana-Farber to be repaid in monthly installments until a month prior to her retirement date.

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

Ms. Martinez will confirm with the PBSO whether they will be able to deduct the employee contributions owed by the participants out of their bi-weekly payroll.

Mr. Carr stated that PBSO has not remitted the employer contributions for these participants. He reported that the City will request payment from PBSO.

IV. NEW BUSINESS:

A. Employees' Retirement Board:

1. Benefit Approval

Ms. Martinez presented to the General Employees' Pension Board the following benefit applications for approval: Application for Refund of Contributions for Kitty Pitman-Miller, Maria Khan, Robert Mackey, and Fedner Alcius; Application for Retirement for Michelle Miclea and Pamela Reeves; Application to Exit the DROP for Elizabeth Genia Baker.

Action: A motion was made by Mr. Lepa and seconded by Mr. Kahant to approve the Application for Refund of Contributions for Kitty Pitman-Miller, Maria Khan, Robert Mackey, and Fedner Alcius; Application for Retirement for Michelle Miclea and Pamela Reeves; Application to Exit the DROP for Elizabeth Genia Baker.

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

B. Police Retirement Board:

1. Benefit Approval

Ms. Martinez presented to the Police Officers' Pension Board the following benefit applications for approval: Application to Enter DROP for Michael Mendelsberg and Craig Long.

Action: A motion was made by Mr. Carr and seconded by Lt. Moss to approve the Application to Enter DROP for Michael Mendelsberg and Craig Long.

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

2. Inquiry as to possibilities on what would happen to active members of the Plan if the City were to do away with the current law enforcement service agreement:

Lt. Moss asked Mr. Harrison what would happen to active members of the Plan who are currently employed by PBSO and are covered under the law enforcement contract if the City decides to cancel the contract with PBSO. Mr. Harrison explained that he would have to look at what is being proposed. He noted that it could be that if the City cancels the contract with PBSO the employee would continue to be a PBSO employee but will no longer be with the City. Depending on what they may be trying to do, the participants may become vested members in the Plan and may have the option to continue in the Plan. Mr. Harrison reported that this Pension Plan will not go away until the last payment is made to the last retiree. Mr. Harrison asked that a copy of the proposal be sent to him so that he can review and comment.

C. Employees' and Police Retirement Boards

D. Board Attorney's Report:

1. Request from Merrill Lynch Attorneys for Documents:

Mr. Harrison reported that over 50 former Trustees and service providers have been served with subpoenas. He reported that his firm is offering to represent them at no cost. He explained that if the persons who have been subpoenaed wanted his firm to represent them they needed to complete and sign an "authority to represent." He reported that these subpoenas are to produce documents that in his opinion are documents that the Plan Administrator would have and not documents that these individuals would have.

Ms. Martinez reported that Merrill Lynch submitted a Public Records request in August of 2010. She explained that all of the records that Pension Resource Centers has on file, which were requested at that time have been submitted. She reported that a second public records request was received in February, 2011 asking for copies of e-mails. Mr. Baur is currently working with council on this second request to see exactly what it is that needs to be sent. She reported that on May 13, 2011 Pension Resource Centers received a letter asking questions regarding the documents that had been submitted in response to the August 2010 public records request. She explained that Mr. Baur is working on answering these questions. She reported that Mr. Baur has been subpoenaed as well. Mr. Harrison stated that the Board should make a motion to authorize the administrator to send copies of all e-mails that have the Boards names on them to Merrill Lynch as part of their public records request. Ms. Martinez reported that Mr. Baur has been working with Ivelisse from Sugarman and Susskind and Adam Levinson from Klausner and Kaufman regarding the request for e-mails to determine what needs to be sent. Mr. Harrison reported that he believes that if both Boards make a motion to allow the administrator to release the e-mails this will solve the issue.

Action: A motion was made by Mr. Carr and seconded by Mr. Lepa to authorize the administrator to respond to the public records request by releasing all e-mails.

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

Action: A motion was made by Mr. Carr and seconded by Lt. Moss to authorize the administrator to respond to the public records request by releasing all e-mails.

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

2. Acceptance of fiduciary responsibility by investment managers:

Mr. Harrison reported that he has been working on negotiating the agreements with Cornerstone. He reported that Cornerstone will accept a fiduciary liability for the fund but will not accept an individual fiduciary liability. He explained that normally the Plan has required investment managers to accept fiduciary liability not only for the Plan but individually. He reported that in the past some Boards have gone ahead and approved a contract where they only accept fiduciary responsibility for the Plan. The Board had a lengthy discussion regarding this matter. Ms. Martinez reported that Tim Nash the Plans investment consultant is scheduled to present at the next Pension Board meeting. The Board asked Ms. Martinez to ask Mr. Nash to bring the manager search so that they can see who their second option was at the time they elected Cornerstone.

Action: Consensus of the Board to defer this item to the next Pension Board meeting.

Mr. Harrison reviewed Senate Bill 1128. Mr. Carr asked Mr. Harrison for an update on the changes to the DROP Plan that the Board had discussed at the last Pension Board meeting. Mr. Harrison reported that he may have it ready for the next Pension Board meeting.

Ms. Hurley reported that when she was an active employee of the City she used to upload the Agenda and Minutes to the City's website. She noted that Pension Resource Centers does not have access to do this therefore she wants to make sure that this is still being done. Mr. Carr asked Ms. Martinez to send a request to the Clerk's office to post the Minutes as well as the Agenda next time the Agenda is sent to be posted. He also asked that he be copied on the e-mail.

E. ADMINISTRATORS REPORT:

1. Disability Review

Ms. Martinez reported that the disability review letters have been mailed via certified mail and the due date was May 13. All letters have been received with the exception of Mr. Shield's and Mr. Viera's. Ms. Martinez reported that so far there will be no disability needs to be offset. She asked Mr. Harrison if social security income needs to be considered when determining the disabilities offsets. Mr. Harrison reported that social security is not considered as active payment therefore it does not apply. Ms. Hurley stated that she believes the Disability Review needs to be done by March of every year. Mr. Harrison looked at the Ordinance and confirmed that the Disability Review needs to be done by the end of February of every year. Mr. Harrison reported that the Board has a Policy where they stop the monthly benefit payment until the member responds to the disability review letter.

Action: A motion was made by Mr. Lepa and seconded by Mr. Carr to accept the disability review letters.

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

Action: A motion was made by Lt. Moss and seconded by Mr. Carr to accept the disability review letters with the exception of Mr. Viera's and Mr. Shield's.

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

Action: A motion was made by Lt. Moss and seconded by Mr. Carr to stop Mr. Viera's and Mr. Shield's payment until they submit the Disability Review paperwork.

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

2. Election for Employee Representative to the Lake Worth General Employees Pension.

Ms. Martinez reported that Ms. Hurley's term expires August 1, 2011. She reported that the last time the Plan had an election the election notices had been sent to City Hall, to the Municipal Building and to Utilities to be posted. She explained that the nomination period is 30 days. The Board noted that the Plan can not accept nominations from the Utilities department. The Board will set the election date at the next Pension Board meeting.

Ms. Martinez reported that she is still working on Mr. Kahant's request. She explained that at the last Pension Board meeting Mr. Kahant had asked her to research to see if there were any members receiving a benefit of 100% of their final average salary. She will have an answer for next Pension Board meeting.

IV. CONSENT AGENDA:

A. Employees' Retirement Board:

1. Warrant for Accounts Payable

Ms. Martinez reported that last month First Southern Bank did not release the ACH file that was sent for the first of the month. The Bank's explanation was that no more than two ACH files can be released for that day because the Plan has only two ACH templates. We were not aware of this therefore we had released the ACH files for the first of the month and one ACH file overrode the other causing the monthly payments not be deposited on the first. Because retired member Charles Nichols had an overdraft fee of \$70.00. we refunded Mr. Nichols the \$70.00 and First Southern will refund the Plan the \$70.00. We have been advised that the Plan now has five ACH templates so that this will not happen again.

Ms. Hurley reported that a correction needs to be made on the April 27 minutes on pg. 6 under the motion needs to be added the vote.

Action: A motion was made by Mr. Carr and seconded by Mr. Lepa to approve the Consent Agenda, which included a Warrant for invoices and Minutes for Regular Meeting on April 27, 2011 as revised.

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

B. Police Retirement Board:

1. Warrant for Accounts Payable

Action: A motion was made by Mr. Carr and seconded by Lt. Moss to approve the Consent Agenda, which included a Warrant for invoices and Minutes for Regular Meeting on April 27, 2011 as revised.

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

C. Employees' and Police Retirement Boards:

1. Approval of Minutes: Meeting April 27, 2011

Mr. Harrison reported that it is his understanding that the proposed ordinance amendment that allows for DROP and retired members to sit on the Board will be included on the next City Commission Agenda but staff is recommending against it. The Board does not want to withdraw the ordinance amendment.

VI. ADJOURNMENT:

There being no other business and the next meeting having been previously scheduled for Wednesday, June 22 at 1:30 PM, the General Employees' and Police Board adjourned the meeting at 3:22 p.m.

MINUTES APPROVED: July 27, 2011

Valerie Hurley, Chair Employees' Retirement Board

Randy Collier, Chairman Police Retirement Board

Dixie Martinez, Administrator
Employees' & Police Retirement Boards

**MINUTES OF A JOINT EMPLOYEES' RETIREMENT BOARD
AND POLICE RETIREMENT BOARD MEETING
HELD IN THE CONFERENCE ROOM AT CITY HALL ON
WEDNESDAY, MAY 25, 2011 at 1:30 PM**

I. ROLL CALL: 1:47 PM

A. Employees' Retirement Board:

A meeting was called to order at 1:47 PM.

Those persons present included:

Trustees: Valerie Hurley, Chair
Robert Lepa (2:05 pm)
Robert Kahant (1:51 pm)
Steve Carr
Suzanne Mulvihill

Others: Ken Harrison, Sugarman & Susskind
Dixie Martinez, Resource Centers
Members of Public:

B. Police Retirement Board:

A meeting was called to order at 1:47 PM.

Those persons present included:

Trustees: Sgt. Randy Collier, Chair
Lt. David Moss
Steve Carr
Karri Casper
Suzanne Mulvihill

Others: Ken Harrison, Sugarman & Susskind
Dixie Martinez, Resource Centers
Members of Public:

II. ADDITIONS/ DELETIONS/ REORDERING:

A. Employees' Retirement Board:

Ms. Martinez added item IV.D.2. Election for Employee Representative to the Lake Worth General Employees Pension.

Action: Consensus of the Board to add the above mentioned items to the Agenda.

B. Police Retirement Board:

Lt. Moss added item IV.B.2. Inquiry as to possibilities on what would happen to active members of the Plan if the City were to do away with the current law enforcement service agreement.

Action: Consensus of the Board to add the above mentioned items to the Agenda.

III. UNFINISHED BUSINESS:

A. Employees' Retirement Board:

B. Police Retirement Board:

C. Employees' and Police Retirement Boards

1. Contributions owed by Mr. William Meloy (Police)

Ms. Martinez reported that Mr. Meloy had asked at the last Pension Board meeting to be allowed to come back into the Pension Plan due to FRS's refusal to allow him to join FRS because of his vested status in the Lake Worth Police Officers Pension Plan. She reported that the Palm Beach Sheriff's office started to deduct employee contributions out of his check on May 13, 2011. She reported that Mr. Meloy owes the Pension Plan \$3,792.49 in employee contributions from October 1, 2010 to May 13, 2011. She asked the Board for direction on how they want to proceed in collecting the employee contributions owed by Mr. Meloy. The Board had a lengthy discussion regarding this matter.

Action: A motion was made by Mr. Carr and seconded by Ms. Mulvhill to request the payment of employee contributions owed by Mr. Meloy to be repaid over 9 months which is equal to the time that he was not contributing to the Plan.

The Board had a lengthy discussion regarding Mr. Carr's motion. Ms. Kasper would prefer to request the repayment to be done over a period of 18 months.

Ms. Martinez reported that Mr. Meloy's wife is currently not working and he was hoping that the Board could allow him to repay the Plan over a longer period of time.

Action: Mr. Carr withdrew his motion.

Action: A motion was made by Ms. Kasper and seconded by Lt. Moss to request the re-payment of the employee contributions owed by Mr. Meloy to be repaid in installments over an 18 month period.

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

2. Contributions owed by Ms. Rosalia Santana-Farber (GE)

Ms. Martinez reported that Ms. Santana-Farber had asked at the last Pension Board meeting to be allowed to come back into the Pension Plan due to FRS's refusal to allow her to join FRS because of her vested status in the Lake Worth General Employees' Pension Plan. She reported that the Palm Beach Sheriff's (PBSO) office started to deduct the employee contributions out of her check on May 13, 2011. She reported that Ms. Santana-Farber owes \$1,711.54 in employee contributions from October 1, 2010 to May 13, 2011. Mr. Harrison stated that the member needs to repay the Pension Plan before she retires. The Board had a lengthy discussion regarding this matter. Ms. Hurley reported that she would be willing to allow Ms. Santana-Farber to make monthly installments until a month prior to her retirement date to repay the employee contributions that she owes to the

Plan.

Action: A motion was made by Mr. Carr and seconded by Mr. Lepa to request the re-payment of the employee contributions owed by Ms. Santana-Farber to be repaid in monthly installments until a month prior to her retirement date.

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

Ms. Martinez will confirm with the PBSO whether they will be able to deduct the employee contributions owed by the participants out of their bi-weekly payroll.

Mr. Carr stated that PBSO has not remitted the employer contributions for these participants. He reported that the City will request payment from PBSO.

IV. NEW BUSINESS:

A. Employees' Retirement Board:

1. Benefit Approval

Ms. Martinez presented to the General Employees' Pension Board the following benefit applications for approval: Application for Refund of Contributions for Kitty Pitman-Miller, Maria Khan, Robert Mackey, and Fedner Alcius; Application for Retirement for Michelle Miclea and Pamela Reeves; Application to Exit the DROP for Elizabeth Genia Baker.

Action: A motion was made by Mr. Lepa and seconded by Mr. Kahant to approve the Application for Refund of Contributions for Kitty Pitman-Miller, Maria Khan, Robert Mackey, and Fedner Alcius; Application for Retirement for Michelle Miclea and Pamela Reeves; Application to Exit the DROP for Elizabeth Genia Baker.

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

B. Police Retirement Board:

1. Benefit Approval

Ms. Martinez presented to the Police Officers' Pension Board the following benefit applications for approval: Application to Enter DROP for Michael Mendelsberg and Craig Long.

Action: A motion was made by Mr. Carr and seconded by Lt. Moss to approve the Application to Enter DROP for Michael Mendelsberg and Craig Long.

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

2. Inquiry as to possibilities on what would happen to active members of the Plan if the City were to do away with the current law enforcement service agreement:

Lt. Moss asked Mr. Harrison what would happen to active members of the Plan who are currently employed by PBSO and are covered under the law enforcement contract if the City decides to cancel the contract with PBSO. Mr. Harrison explained that he would have to look at what is being proposed. He noted that it could be that if the City cancels the contract with PBSO the employee would continue to be a PBSO employee but will no longer be with the City. Depending on what they may be trying to do, the participants may become vested members in the Plan and may have the option to continue in the Plan. Mr. Harrison reported that this Pension Plan will not go away until the last payment is made to the last retiree. Mr. Harrison asked that a copy of the proposal be sent to him so that he can review and comment.

C. Employees' and Police Retirement Boards

D. Board Attorney's Report:

1. Request from Merrill Lynch Attorneys for Documents:

Mr. Harrison reported that over 50 former Trustees and service providers have been served with subpoenas. He reported that his firm is offering to represent them at no cost. He explained that if the persons who have been subpoenaed wanted his firm to represent them they needed to complete and sign an "authority to represent." He reported that these subpoenas are to produce documents that in his opinion are documents that the Plan Administrator would have and not documents that these individuals would have.

Ms. Martinez reported that Merrill Lynch submitted a Public Records request in August of 2010. She explained that all of the records that Pension Resource Centers has on file, which were requested at that time have been submitted. She reported that a second public records request was received in February, 2011 asking for copies of e-mails. Mr. Baur is currently working with council on this second request to see exactly what it is that needs to be sent. She reported that on May 13, 2011 Pension Resource Centers received a letter asking questions regarding the documents that had been submitted in response to the August 2010 public records request. She explained that Mr. Baur is working on answering these questions. She reported that Mr. Baur has been subpoenaed as well. Mr. Harrison stated that the Board should make a motion to authorize the administrator to send copies of all e-mails that have the Boards names on them to Merrill Lynch as part of their public records request. Ms. Martinez reported that Mr. Baur has been working with Ivelisse from Sugarman and Susskind and Adam Levinson from Klausner and Kaufman regarding the request for e-mails to determine what needs to be sent. Mr. Harrison reported that he believes that if both Boards make a motion to allow the administrator to release the e-mails this will solve the issue.

Action: A motion was made by Mr. Carr and seconded by Mr. Lepa to authorize the administrator to respond to the public records request by releasing all e-mails.

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

Action: A motion was made by Mr. Carr and seconded by Lt. Moss to authorize the administrator to respond to the public records request by releasing all e-mails.

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

2. Acceptance of fiduciary responsibility by investment managers:

Mr. Harrison reported that he has been working on negotiating the agreements with Cornerstone. He reported that Cornerstone will accept a fiduciary liability for the fund but will not accept an individual fiduciary liability. He explained that normally the Plan has required investment managers to accept fiduciary liability not only for the Plan but individually. He reported that in the past some Boards have gone ahead and approved a contract where they only accept fiduciary responsibility for the Plan. The Board had a lengthy discussion regarding this matter. Ms. Martinez reported that Tim Nash the Plans investment consultant is scheduled to present at the next Pension Board meeting. The Board asked Ms. Martinez to ask Mr. Nash to bring the manager search so that they can see who their second option was at the time they elected Cornerstone.

Action: Consensus of the Board to defer this item to the next Pension Board meeting.

Mr. Harrison reviewed Senate Bill 1128. Mr. Carr asked Mr. Harrison for an update on the changes to the DROP Plan that the Board had discussed at the last Pension Board meeting. Mr. Harrison reported that he may have it ready for the next Pension Board meeting.

Ms. Hurley reported that when she was an active employee of the City she used to upload the Agenda and Minutes to the City's website. She noted that Pension Resource Centers does not have access to do this therefore she wants to make sure that this is still being done. Mr. Carr asked Ms. Martinez to send a request to the Clerk's office to post the Minutes as well as the Agenda next time the Agenda is sent to be posted. He also asked that he be copied on the e-mail.

E. ADMINISTRATORS REPORT:

1. Disability Review

Ms. Martinez reported that the disability review letters have been mailed via certified mail and the due date was May 13. All letters have been received with the exception of Mr. Shield's and Mr. Viera's. Ms. Martinez reported that so far there will be no disability needs to be offset. She asked Mr. Harrison if social security income needs to be considered when determining the disabilities offsets. Mr. Harrison reported that social security is not considered as active payment therefore it does not apply. Ms. Hurley stated that she believes the Disability Review needs to be done by March of every year. Mr. Harrison looked at the Ordinance and confirmed that the Disability Review needs to be done by the end of February of every year. Mr. Harrison reported that the Board has a Policy where they stop the monthly benefit payment until the member responds to the disability review letter.

Action: A motion was made by Mr. Lepa and seconded by Mr. Carr to accept the disability review letters.

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

Action: A motion was made by Lt. Moss and seconded by Mr. Carr to accept the disability review letters with the exception of Mr. Viera's and Mr. Shield's.

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

Action: A motion was made by Lt. Moss and seconded by Mr. Carr to stop Mr. Viera's and Mr. Shield's payment until they submit the Disability Review paperwork.

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

2. Election for Employee Representative to the Lake Worth General Employees Pension.

Ms. Martinez reported that Ms. Hurley's term expires August 1, 2011. She reported that the last time the Plan had an election the election notices had been sent to City Hall, to the Municipal Building and to Utilities to be posted. She explained that the nomination period is 30 days. The Board noted that the Plan can not accept nominations from the Utilities department. The Board will set the election date at the next Pension Board meeting.

Ms. Martinez reported that she is still working on Mr. Kahant's request. She explained that at the last Pension Board meeting Mr. Kahant had asked her to research to see if there were any members receiving a benefit of 100% of their final average salary. She will have an answer for next Pension Board meeting.

IV. CONSENT AGENDA:

A. Employees' Retirement Board:

1. Warrant for Accounts Payable

Ms. Martinez reported that last month First Southern Bank did not release the ACH file that was sent for the first of the month. The Bank's explanation was that no more than two ACH files can be released for that day because the Plan has only two ACH templates. We were not aware of this therefore we had released the ACH files for the first of the month and one ACH file overrode the other causing the monthly payments not be deposited on the first. Because retired member Charles Nichols had an overdraft fee of \$70.00. we refunded Mr. Nichols the \$70.00 and First Southern will refund the Plan the \$70.00. We have been advised that the Plan now has five ACH templates so that this will not happen again.

Ms. Hurley reported that a correction needs to be made on the April 27 minutes on pg. 6 under the motion needs to be added the vote.

Action: A motion was made by Mr. Carr and seconded by Mr. Lepa to approve the Consent Agenda, which included a Warrant for invoices and Minutes for Regular Meeting on April 27, 2011 as revised.

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

B. Police Retirement Board:

1. Warrant for Accounts Payable

Action: A motion was made by Mr. Carr and seconded by Lt. Moss to approve the Consent Agenda, which included a Warrant for invoices and Minutes for Regular Meeting on April 27, 2011 as revised.

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

C. Employees' and Police Retirement Boards:

1. Approval of Minutes: Meeting April 27, 2011

Mr. Harrison reported that it is his understanding that the proposed ordinance amendment that allows for DROP and retired members to sit on the Board will be included on the next City Commission Agenda but staff is recommending against it. The Board does not want to withdraw the ordinance amendment.

VI. ADJOURNMENT:

There being no other business and the next meeting having been previously scheduled for Wednesday, June 22 at 1:30 PM, the General Employees' and Police Board adjourned the meeting at 3:22 p.m.

MINUTES APPROVED: July 27, 2011

Valerie Hurley, Chair Employees' Retirement Board

Randy Collier, Chairman Police Retirement Board

Dixie Martinez, Administrator
Employees' & Police Retirement Boards

**MINUTES OF A JOINT EMPLOYEES' RETIREMENT BOARD
AND POLICE RETIREMENT BOARD MEETING
HELD IN THE CONFERENCE ROOM AT CITY HALL ON
WEDNESDAY, MAY 25, 2011 at 1:30 PM**

I. ROLL CALL: 1:47 PM

A. Employees' Retirement Board:

A meeting was called to order at 1:47 PM.

Those persons present included:

Trustees: Valerie Hurley, Chair
Robert Lepa (2:05 pm)
Robert Kahant (1:51 pm)
Steve Carr
Suzanne Mulvihill

Others: Ken Harrison, Sugarman & Susskind
Dixie Martinez, Resource Centers
Members of Public:

B. Police Retirement Board:

A meeting was called to order at 1:47 PM.

Those persons present included:

Trustees: Sgt. Randy Collier, Chair
Lt. David Moss
Steve Carr
Karri Casper
Suzanne Mulvihill

Others: Ken Harrison, Sugarman & Susskind
Dixie Martinez, Resource Centers
Members of Public:

II. ADDITIONS/ DELETIONS/ REORDERING:

A. Employees' Retirement Board:

Ms. Martinez added item IV.D.2. Election for Employee Representative to the Lake Worth General Employees Pension.

Action: Consensus of the Board to add the above mentioned items to the Agenda.

B. Police Retirement Board:

Lt. Moss added item IV.B.2. Inquiry as to possibilities on what would happen to active members of the Plan if the City were to do away with the current law enforcement service agreement.

Action: Consensus of the Board to add the above mentioned items to the Agenda.

III. UNFINISHED BUSINESS:

A. Employees' Retirement Board:

B. Police Retirement Board:

C. Employees' and Police Retirement Boards

1. Contributions owed by Mr. William Meloy (Police)

Ms. Martinez reported that Mr. Meloy had asked at the last Pension Board meeting to be allowed to come back into the Pension Plan due to FRS's refusal to allow him to join FRS because of his vested status in the Lake Worth Police Officers Pension Plan. She reported that the Palm Beach Sheriff's office started to deduct employee contributions out of his check on May 13, 2011. She reported that Mr. Meloy owes the Pension Plan \$3,792.49 in employee contributions from October 1, 2010 to May 13, 2011. She asked the Board for direction on how they want to proceed in collecting the employee contributions owed by Mr. Meloy. The Board had a lengthy discussion regarding this matter.

Action: A motion was made by Mr. Carr and seconded by Ms. Mulvhill to request the payment of employee contributions owed by Mr. Meloy to be repaid over 9 months which is equal to the time that he was not contributing to the Plan.

The Board had a lengthy discussion regarding Mr. Carr's motion. Ms. Kasper would prefer to request the repayment to be done over a period of 18 months.

Ms. Martinez reported that Mr. Meloy's wife is currently not working and he was hoping that the Board could allow him to repay the Plan over a longer period of time.

Action: Mr. Carr withdrew his motion.

Action: A motion was made by Ms. Kasper and seconded by Lt. Moss to request the re-payment of the employee contributions owed by Mr. Meloy to be repaid in installments over an 18 month period.

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

2. Contributions owed by Ms. Rosalia Santana-Farber (GE)

Ms. Martinez reported that Ms. Santana-Farber had asked at the last Pension Board meeting to be allowed to come back into the Pension Plan due to FRS's refusal to allow her to join FRS because of her vested status in the Lake Worth General Employees' Pension Plan. She reported that the Palm Beach Sheriff's (PBSO) office started to deduct the employee contributions out of her check on May 13, 2011. She reported that Ms. Santana-Farber owes \$1,711.54 in employee contributions from October 1, 2010 to May 13, 2011. Mr. Harrison stated that the member needs to repay the Pension Plan before she retires. The Board had a lengthy discussion regarding this matter. Ms. Hurley reported that she would be willing to allow Ms. Santana-Farber to make monthly installments until a month prior to her retirement date to repay the employee contributions that she owes to the

Plan.

Action: A motion was made by Mr. Carr and seconded by Mr. Lepa to request the re-payment of the employee contributions owed by Ms. Santana-Farber to be repaid in monthly installments until a month prior to her retirement date.

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

Ms. Martinez will confirm with the PBSO whether they will be able to deduct the employee contributions owed by the participants out of their bi-weekly payroll.

Mr. Carr stated that PBSO has not remitted the employer contributions for these participants. He reported that the City will request payment from PBSO.

IV. NEW BUSINESS:

A. Employees' Retirement Board:

1. Benefit Approval

Ms. Martinez presented to the General Employees' Pension Board the following benefit applications for approval: Application for Refund of Contributions for Kitty Pitman-Miller, Maria Khan, Robert Mackey, and Fedner Alcius; Application for Retirement for Michelle Miclea and Pamela Reeves; Application to Exit the DROP for Elizabeth Genia Baker.

Action: A motion was made by Mr. Lepa and seconded by Mr. Kahant to approve the Application for Refund of Contributions for Kitty Pitman-Miller, Maria Khan, Robert Mackey, and Fedner Alcius; Application for Retirement for Michelle Miclea and Pamela Reeves; Application to Exit the DROP for Elizabeth Genia Baker.

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

B. Police Retirement Board:

1. Benefit Approval

Ms. Martinez presented to the Police Officers' Pension Board the following benefit applications for approval: Application to Enter DROP for Michael Mendelsberg and Craig Long.

Action: A motion was made by Mr. Carr and seconded by Lt. Moss to approve the Application to Enter DROP for Michael Mendelsberg and Craig Long.

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

2. Inquiry as to possibilities on what would happen to active members of the Plan if the City were to do away with the current law enforcement service agreement:

Lt. Moss asked Mr. Harrison what would happen to active members of the Plan who are currently employed by PBSO and are covered under the law enforcement contract if the City decides to cancel the contract with PBSO. Mr. Harrison explained that he would have to look at what is being proposed. He noted that it could be that if the City cancels the contract with PBSO the employee would continue to be a PBSO employee but will no longer be with the City. Depending on what they may be trying to do, the participants may become vested members in the Plan and may have the option to continue in the Plan. Mr. Harrison reported that this Pension Plan will not go away until the last payment is made to the last retiree. Mr. Harrison asked that a copy of the proposal be sent to him so that he can review and comment.

C. Employees' and Police Retirement Boards

D. Board Attorney's Report:

1. Request from Merrill Lynch Attorneys for Documents:

Mr. Harrison reported that over 50 former Trustees and service providers have been served with subpoenas. He reported that his firm is offering to represent them at no cost. He explained that if the persons who have been subpoenaed wanted his firm to represent them they needed to complete and sign an "authority to represent." He reported that these subpoenas are to produce documents that in his opinion are documents that the Plan Administrator would have and not documents that these individuals would have.

Ms. Martinez reported that Merrill Lynch submitted a Public Records request in August of 2010. She explained that all of the records that Pension Resource Centers has on file, which were requested at that time have been submitted. She reported that a second public records request was received in February, 2011 asking for copies of e-mails. Mr. Baur is currently working with council on this second request to see exactly what it is that needs to be sent. She reported that on May 13, 2011 Pension Resource Centers received a letter asking questions regarding the documents that had been submitted in response to the August 2010 public records request. She explained that Mr. Baur is working on answering these questions. She reported that Mr. Baur has been subpoenaed as well. Mr. Harrison stated that the Board should make a motion to authorize the administrator to send copies of all e-mails that have the Boards names on them to Merrill Lynch as part of their public records request. Ms. Martinez reported that Mr. Baur has been working with Ivelisse from Sugarman and Susskind and Adam Levinson from Klausner and Kaufman regarding the request for e-mails to determine what needs to be sent. Mr. Harrison reported that he believes that if both Boards make a motion to allow the administrator to release the e-mails this will solve the issue.

Action: A motion was made by Mr. Carr and seconded by Mr. Lepa to authorize the administrator to respond to the public records request by releasing all e-mails.

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

Action: A motion was made by Mr. Carr and seconded by Lt. Moss to authorize the administrator to respond to the public records request by releasing all e-mails.

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

2. Acceptance of fiduciary responsibility by investment managers:

Mr. Harrison reported that he has been working on negotiating the agreements with Cornerstone. He reported that Cornerstone will accept a fiduciary liability for the fund but will not accept an individual fiduciary liability. He explained that normally the Plan has required investment managers to accept fiduciary liability not only for the Plan but individually. He reported that in the past some Boards have gone ahead and approved a contract where they only accept fiduciary responsibility for the Plan. The Board had a lengthy discussion regarding this matter. Ms. Martinez reported that Tim Nash the Plans investment consultant is scheduled to present at the next Pension Board meeting. The Board asked Ms. Martinez to ask Mr. Nash to bring the manager search so that they can see who their second option was at the time they elected Cornerstone.

Action: Consensus of the Board to defer this item to the next Pension Board meeting.

Mr. Harrison reviewed Senate Bill 1128. Mr. Carr asked Mr. Harrison for an update on the changes to the DROP Plan that the Board had discussed at the last Pension Board meeting. Mr. Harrison reported that he may have it ready for the next Pension Board meeting.

Ms. Hurley reported that when she was an active employee of the City she used to upload the Agenda and Minutes to the City's website. She noted that Pension Resource Centers does not have access to do this therefore she wants to make sure that this is still being done. Mr. Carr asked Ms. Martinez to send a request to the Clerk's office to post the Minutes as well as the Agenda next time the Agenda is sent to be posted. He also asked that he be copied on the e-mail.

E. ADMINISTRATORS REPORT:

1. Disability Review

Ms. Martinez reported that the disability review letters have been mailed via certified mail and the due date was May 13. All letters have been received with the exception of Mr. Shield's and Mr. Viera's. Ms. Martinez reported that so far there will be no disability needs to be offset. She asked Mr. Harrison if social security income needs to be considered when determining the disabilities offsets. Mr. Harrison reported that social security is not considered as active payment therefore it does not apply. Ms. Hurley stated that she believes the Disability Review needs to be done by March of every year. Mr. Harrison looked at the Ordinance and confirmed that the Disability Review needs to be done by the end of February of every year. Mr. Harrison reported that the Board has a Policy where they stop the monthly benefit payment until the member responds to the disability review letter.

Action: A motion was made by Mr. Lepa and seconded by Mr. Carr to accept the disability review letters.

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

Action: A motion was made by Lt. Moss and seconded by Mr. Carr to accept the disability review letters with the exception of Mr. Viera's and Mr. Shield's.

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

Action: A motion was made by Lt. Moss and seconded by Mr. Carr to stop Mr. Viera's and Mr. Shield's payment until they submit the Disability Review paperwork.

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

2. Election for Employee Representative to the Lake Worth General Employees Pension.

Ms. Martinez reported that Ms. Hurley's term expires August 1, 2011. She reported that the last time the Plan had an election the election notices had been sent to City Hall, to the Municipal Building and to Utilities to be posted. She explained that the nomination period is 30 days. The Board noted that the Plan can not accept nominations from the Utilities department. The Board will set the election date at the next Pension Board meeting.

Ms. Martinez reported that she is still working on Mr. Kahant's request. She explained that at the last Pension Board meeting Mr. Kahant had asked her to research to see if there were any members receiving a benefit of 100% of their final average salary. She will have an answer for next Pension Board meeting.

IV. CONSENT AGENDA:

A. Employees' Retirement Board:

1. Warrant for Accounts Payable

Ms. Martinez reported that last month First Southern Bank did not release the ACH file that was sent for the first of the month. The Bank's explanation was that no more than two ACH files can be released for that day because the Plan has only two ACH templates. We were not aware of this therefore we had released the ACH files for the first of the month and one ACH file overrode the other causing the monthly payments not be deposited on the first. Because retired member Charles Nichols had an overdraft fee of \$70.00. we refunded Mr. Nichols the \$70.00 and First Southern will refund the Plan the \$70.00. We have been advised that the Plan now has five ACH templates so that this will not happen again.

Ms. Hurley reported that a correction needs to be made on the April 27 minutes on pg. 6 under the motion needs to be added the vote.

Action: A motion was made by Mr. Carr and seconded by Mr. Lepa to approve the Consent Agenda, which included a Warrant for invoices and Minutes for Regular Meeting on April 27, 2011 as revised.

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

B. Police Retirement Board:

1. Warrant for Accounts Payable

Action: A motion was made by Mr. Carr and seconded by Lt. Moss to approve the Consent Agenda, which included a Warrant for invoices and Minutes for Regular Meeting on April 27, 2011 as revised.

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

C. Employees' and Police Retirement Boards:

1. Approval of Minutes: Meeting April 27, 2011

Mr. Harrison reported that it is his understanding that the proposed ordinance amendment that allows for DROP and retired members to sit on the Board will be included on the next City Commission Agenda but staff is recommending against it. The Board does not want to withdraw the ordinance amendment.

VI. ADJOURNMENT:

There being no other business and the next meeting having been previously scheduled for Wednesday, June 22 at 1:30 PM, the General Employees' and Police Board adjourned the meeting at 3:22 p.m.

MINUTES APPROVED: July 27, 2011

Valerie Hurley, Chair Employees' Retirement Board

Randy Collier, Chairman Police Retirement Board

Dixie Martinez, Administrator
Employees' & Police Retirement Boards

**MINUTES OF A JOINT EMPLOYEES' RETIREMENT BOARD
AND POLICE RETIREMENT BOARD MEETING
HELD IN THE CONFERENCE ROOM AT CITY HALL ON
WEDNESDAY, MAY 25, 2011 at 1:30 PM**

I. ROLL CALL: 1:47 PM

A. Employees' Retirement Board:

A meeting was called to order at 1:47 PM.

Those persons present included:

Trustees: Valerie Hurley, Chair
Robert Lepa (2:05 pm)
Robert Kahant (1:51 pm)
Steve Carr
Suzanne Mulvihill

Others: Ken Harrison, Sugarman & Susskind
Dixie Martinez, Resource Centers
Members of Public:

B. Police Retirement Board:

A meeting was called to order at 1:47 PM.

Those persons present included:

Trustees: Sgt. Randy Collier, Chair
Lt. David Moss
Steve Carr
Karri Casper
Suzanne Mulvihill

Others: Ken Harrison, Sugarman & Susskind
Dixie Martinez, Resource Centers
Members of Public:

II. ADDITIONS/ DELETIONS/ REORDERING:

A. Employees' Retirement Board:

Ms. Martinez added item IV.D.2. Election for Employee Representative to the Lake Worth General Employees Pension.

Action: Consensus of the Board to add the above mentioned items to the Agenda.

B. Police Retirement Board:

Lt. Moss added item IV.B.2. Inquiry as to possibilities on what would happen to active members of the Plan if the City were to do away with the current law enforcement service agreement.

Action: Consensus of the Board to add the above mentioned items to the Agenda.

III. UNFINISHED BUSINESS:

A. Employees' Retirement Board:

B. Police Retirement Board:

C. Employees' and Police Retirement Boards

1. Contributions owed by Mr. William Meloy (Police)

Ms. Martinez reported that Mr. Meloy had asked at the last Pension Board meeting to be allowed to come back into the Pension Plan due to FRS's refusal to allow him to join FRS because of his vested status in the Lake Worth Police Officers Pension Plan. She reported that the Palm Beach Sheriff's office started to deduct employee contributions out of his check on May 13, 2011. She reported that Mr. Meloy owes the Pension Plan \$3,792.49 in employee contributions from October 1, 2010 to May 13, 2011. She asked the Board for direction on how they want to proceed in collecting the employee contributions owed by Mr. Meloy. The Board had a lengthy discussion regarding this matter.

Action: A motion was made by Mr. Carr and seconded by Ms. Mulvhill to request the payment of employee contributions owed by Mr. Meloy to be repaid over 9 months which is equal to the time that he was not contributing to the Plan.

The Board had a lengthy discussion regarding Mr. Carr's motion. Ms. Kasper would prefer to request the repayment to be done over a period of 18 months.

Ms. Martinez reported that Mr. Meloy's wife is currently not working and he was hoping that the Board could allow him to repay the Plan over a longer period of time.

Action: Mr. Carr withdrew his motion.

Action: A motion was made by Ms. Kasper and seconded by Lt. Moss to request the re-payment of the employee contributions owed by Mr. Meloy to be repaid in installments over an 18 month period.

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

2. Contributions owed by Ms. Rosalia Santana-Farber (GE)

Ms. Martinez reported that Ms. Santana-Farber had asked at the last Pension Board meeting to be allowed to come back into the Pension Plan due to FRS's refusal to allow her to join FRS because of her vested status in the Lake Worth General Employees' Pension Plan. She reported that the Palm Beach Sheriff's (PBSO) office started to deduct the employee contributions out of her check on May 13, 2011. She reported that Ms. Santana-Farber owes \$1,711.54 in employee contributions from October 1, 2010 to May 13, 2011. Mr. Harrison stated that the member needs to repay the Pension Plan before she retires. The Board had a lengthy discussion regarding this matter. Ms. Hurley reported that she would be willing to allow Ms. Santana-Farber to make monthly installments until a month prior to her retirement date to repay the employee contributions that she owes to the

Plan.

Action: A motion was made by Mr. Carr and seconded by Mr. Lepa to request the re-payment of the employee contributions owed by Ms. Santana-Farber to be repaid in monthly installments until a month prior to her retirement date.

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

Ms. Martinez will confirm with the PBSO whether they will be able to deduct the employee contributions owed by the participants out of their bi-weekly payroll.

Mr. Carr stated that PBSO has not remitted the employer contributions for these participants. He reported that the City will request payment from PBSO.

IV. NEW BUSINESS:

A. Employees' Retirement Board:

1. Benefit Approval

Ms. Martinez presented to the General Employees' Pension Board the following benefit applications for approval: Application for Refund of Contributions for Kitty Pitman-Miller, Maria Khan, Robert Mackey, and Fedner Alcius; Application for Retirement for Michelle Miclea and Pamela Reeves; Application to Exit the DROP for Elizabeth Genia Baker.

Action: A motion was made by Mr. Lepa and seconded by Mr. Kahant to approve the Application for Refund of Contributions for Kitty Pitman-Miller, Maria Khan, Robert Mackey, and Fedner Alcius; Application for Retirement for Michelle Miclea and Pamela Reeves; Application to Exit the DROP for Elizabeth Genia Baker.

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

B. Police Retirement Board:

1. Benefit Approval

Ms. Martinez presented to the Police Officers' Pension Board the following benefit applications for approval: Application to Enter DROP for Michael Mendelsberg and Craig Long.

Action: A motion was made by Mr. Carr and seconded by Lt. Moss to approve the Application to Enter DROP for Michael Mendelsberg and Craig Long.

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

2. Inquiry as to possibilities on what would happen to active members of the Plan if the City were to do away with the current law enforcement service agreement:

Lt. Moss asked Mr. Harrison what would happen to active members of the Plan who are currently employed by PBSO and are covered under the law enforcement contract if the City decides to cancel the contract with PBSO. Mr. Harrison explained that he would have to look at what is being proposed. He noted that it could be that if the City cancels the contract with PBSO the employee would continue to be a PBSO employee but will no longer be with the City. Depending on what they may be trying to do, the participants may become vested members in the Plan and may have the option to continue in the Plan. Mr. Harrison reported that this Pension Plan will not go away until the last payment is made to the last retiree. Mr. Harrison asked that a copy of the proposal be sent to him so that he can review and comment.

C. Employees' and Police Retirement Boards

D. Board Attorney's Report:

1. Request from Merrill Lynch Attorneys for Documents:

Mr. Harrison reported that over 50 former Trustees and service providers have been served with subpoenas. He reported that his firm is offering to represent them at no cost. He explained that if the persons who have been subpoenaed wanted his firm to represent them they needed to complete and sign an "authority to represent." He reported that these subpoenas are to produce documents that in his opinion are documents that the Plan Administrator would have and not documents that these individuals would have.

Ms. Martinez reported that Merrill Lynch submitted a Public Records request in August of 2010. She explained that all of the records that Pension Resource Centers has on file, which were requested at that time have been submitted. She reported that a second public records request was received in February, 2011 asking for copies of e-mails. Mr. Baur is currently working with council on this second request to see exactly what it is that needs to be sent. She reported that on May 13, 2011 Pension Resource Centers received a letter asking questions regarding the documents that had been submitted in response to the August 2010 public records request. She explained that Mr. Baur is working on answering these questions. She reported that Mr. Baur has been subpoenaed as well. Mr. Harrison stated that the Board should make a motion to authorize the administrator to send copies of all e-mails that have the Boards names on them to Merrill Lynch as part of their public records request. Ms. Martinez reported that Mr. Baur has been working with Ivelisse from Sugarman and Susskind and Adam Levinson from Klausner and Kaufman regarding the request for e-mails to determine what needs to be sent. Mr. Harrison reported that he believes that if both Boards make a motion to allow the administrator to release the e-mails this will solve the issue.

Action: A motion was made by Mr. Carr and seconded by Mr. Lepa to authorize the administrator to respond to the public records request by releasing all e-mails.

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

Action: A motion was made by Mr. Carr and seconded by Lt. Moss to authorize the administrator to respond to the public records request by releasing all e-mails.

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

2. Acceptance of fiduciary responsibility by investment managers:

Mr. Harrison reported that he has been working on negotiating the agreements with Cornerstone. He reported that Cornerstone will accept a fiduciary liability for the fund but will not accept an individual fiduciary liability. He explained that normally the Plan has required investment managers to accept fiduciary liability not only for the Plan but individually. He reported that in the past some Boards have gone ahead and approved a contract where they only accept fiduciary responsibility for the Plan. The Board had a lengthy discussion regarding this matter. Ms. Martinez reported that Tim Nash the Plans investment consultant is scheduled to present at the next Pension Board meeting. The Board asked Ms. Martinez to ask Mr. Nash to bring the manager search so that they can see who their second option was at the time they elected Cornerstone.

Action: Consensus of the Board to defer this item to the next Pension Board meeting.

Mr. Harrison reviewed Senate Bill 1128. Mr. Carr asked Mr. Harrison for an update on the changes to the DROP Plan that the Board had discussed at the last Pension Board meeting. Mr. Harrison reported that he may have it ready for the next Pension Board meeting.

Ms. Hurley reported that when she was an active employee of the City she used to upload the Agenda and Minutes to the City's website. She noted that Pension Resource Centers does not have access to do this therefore she wants to make sure that this is still being done. Mr. Carr asked Ms. Martinez to send a request to the Clerk's office to post the Minutes as well as the Agenda next time the Agenda is sent to be posted. He also asked that he be copied on the e-mail.

E. ADMINISTRATORS REPORT:

1. Disability Review

Ms. Martinez reported that the disability review letters have been mailed via certified mail and the due date was May 13. All letters have been received with the exception of Mr. Shield's and Mr. Viera's. Ms. Martinez reported that so far there will be no disability needs to be offset. She asked Mr. Harrison if social security income needs to be considered when determining the disabilities offsets. Mr. Harrison reported that social security is not considered as active payment therefore it does not apply. Ms. Hurley stated that she believes the Disability Review needs to be done by March of every year. Mr. Harrison looked at the Ordinance and confirmed that the Disability Review needs to be done by the end of February of every year. Mr. Harrison reported that the Board has a Policy where they stop the monthly benefit payment until the member responds to the disability review letter.

Action: A motion was made by Mr. Lepa and seconded by Mr. Carr to accept the disability review letters.

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

Action: A motion was made by Lt. Moss and seconded by Mr. Carr to accept the disability review letters with the exception of Mr. Viera's and Mr. Shield's.

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

Action: A motion was made by Lt. Moss and seconded by Mr. Carr to stop Mr. Viera's and Mr. Shield's payment until they submit the Disability Review paperwork.

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

2. Election for Employee Representative to the Lake Worth General Employees Pension.

Ms. Martinez reported that Ms. Hurley's term expires August 1, 2011. She reported that the last time the Plan had an election the election notices had been sent to City Hall, to the Municipal Building and to Utilities to be posted. She explained that the nomination period is 30 days. The Board noted that the Plan can not accept nominations from the Utilities department. The Board will set the election date at the next Pension Board meeting.

Ms. Martinez reported that she is still working on Mr. Kahant's request. She explained that at the last Pension Board meeting Mr. Kahant had asked her to research to see if there were any members receiving a benefit of 100% of their final average salary. She will have an answer for next Pension Board meeting.

IV. CONSENT AGENDA:

A. Employees' Retirement Board:

1. Warrant for Accounts Payable

Ms. Martinez reported that last month First Southern Bank did not release the ACH file that was sent for the first of the month. The Bank's explanation was that no more than two ACH files can be released for that day because the Plan has only two ACH templates. We were not aware of this therefore we had released the ACH files for the first of the month and one ACH file overrode the other causing the monthly payments not be deposited on the first. Because retired member Charles Nichols had an overdraft fee of \$70.00. we refunded Mr. Nichols the \$70.00 and First Southern will refund the Plan the \$70.00. We have been advised that the Plan now has five ACH templates so that this will not happen again.

Ms. Hurley reported that a correction needs to be made on the April 27 minutes on pg. 6 under the motion needs to be added the vote.

Action: A motion was made by Mr. Carr and seconded by Mr. Lepa to approve the Consent Agenda, which included a Warrant for invoices and Minutes for Regular Meeting on April 27, 2011 as revised.

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

B. Police Retirement Board:

1. Warrant for Accounts Payable

Action: A motion was made by Mr. Carr and seconded by Lt. Moss to approve the Consent Agenda, which included a Warrant for invoices and Minutes for Regular Meeting on April 27, 2011 as revised.

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

C. Employees' and Police Retirement Boards:

1. Approval of Minutes: Meeting April 27, 2011

Mr. Harrison reported that it is his understanding that the proposed ordinance amendment that allows for DROP and retired members to sit on the Board will be included on the next City Commission Agenda but staff is recommending against it. The Board does not want to withdraw the ordinance amendment.

VI. ADJOURNMENT:

There being no other business and the next meeting having been previously scheduled for Wednesday, June 22 at 1:30 PM, the General Employees' and Police Board adjourned the meeting at 3:22 p.m.

MINUTES APPROVED: July 27, 2011

Valerie Hurley, Chair Employees' Retirement Board

Randy Collier, Chairman Police Retirement Board

Dixie Martinez, Administrator
Employees' & Police Retirement Boards

**MINUTES OF A JOINT EMPLOYEES' RETIREMENT BOARD
AND POLICE RETIREMENT BOARD MEETING
HELD IN THE CONFERENCE ROOM AT CITY HALL ON
WEDNESDAY, MAY 25, 2011 at 1:30 PM**

I. ROLL CALL: 1:47 PM

A. Employees' Retirement Board:

A meeting was called to order at 1:47 PM.

Those persons present included:

Trustees: Valerie Hurley, Chair
Robert Lepa (2:05 pm)
Robert Kahant (1:51 pm)
Steve Carr
Suzanne Mulvihill

Others: Ken Harrison, Sugarman & Susskind
Dixie Martinez, Resource Centers
Members of Public:

B. Police Retirement Board:

A meeting was called to order at 1:47 PM.

Those persons present included:

Trustees: Sgt. Randy Collier, Chair
Lt. David Moss
Steve Carr
Karri Casper
Suzanne Mulvihill

Others: Ken Harrison, Sugarman & Susskind
Dixie Martinez, Resource Centers
Members of Public:

II. ADDITIONS/ DELETIONS/ REORDERING:

A. Employees' Retirement Board:

Ms. Martinez added item IV.D.2. Election for Employee Representative to the Lake Worth General Employees Pension.

Action: Consensus of the Board to add the above mentioned items to the Agenda.

B. Police Retirement Board:

Lt. Moss added item IV.B.2. Inquiry as to possibilities on what would happen to active members of the Plan if the City were to do away with the current law enforcement service agreement.

Action: Consensus of the Board to add the above mentioned items to the Agenda.

III. UNFINISHED BUSINESS:

A. Employees' Retirement Board:

B. Police Retirement Board:

C. Employees' and Police Retirement Boards

1. Contributions owed by Mr. William Meloy (Police)

Ms. Martinez reported that Mr. Meloy had asked at the last Pension Board meeting to be allowed to come back into the Pension Plan due to FRS's refusal to allow him to join FRS because of his vested status in the Lake Worth Police Officers Pension Plan. She reported that the Palm Beach Sheriff's office started to deduct employee contributions out of his check on May 13, 2011. She reported that Mr. Meloy owes the Pension Plan \$3,792.49 in employee contributions from October 1, 2010 to May 13, 2011. She asked the Board for direction on how they want to proceed in collecting the employee contributions owed by Mr. Meloy. The Board had a lengthy discussion regarding this matter.

Action: A motion was made by Mr. Carr and seconded by Ms. Mulvhill to request the payment of employee contributions owed by Mr. Meloy to be repaid over 9 months which is equal to the time that he was not contributing to the Plan.

The Board had a lengthy discussion regarding Mr. Carr's motion. Ms. Kasper would prefer to request the repayment to be done over a period of 18 months.

Ms. Martinez reported that Mr. Meloy's wife is currently not working and he was hoping that the Board could allow him to repay the Plan over a longer period of time.

Action: Mr. Carr withdrew his motion.

Action: A motion was made by Ms. Kasper and seconded by Lt. Moss to request the re-payment of the employee contributions owed by Mr. Meloy to be repaid in installments over an 18 month period.

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

2. Contributions owed by Ms. Rosalia Santana-Farber (GE)

Ms. Martinez reported that Ms. Santana-Farber had asked at the last Pension Board meeting to be allowed to come back into the Pension Plan due to FRS's refusal to allow her to join FRS because of her vested status in the Lake Worth General Employees' Pension Plan. She reported that the Palm Beach Sheriff's (PBSO) office started to deduct the employee contributions out of her check on May 13, 2011. She reported that Ms. Santana-Farber owes \$1,711.54 in employee contributions from October 1, 2010 to May 13, 2011. Mr. Harrison stated that the member needs to repay the Pension Plan before she retires. The Board had a lengthy discussion regarding this matter. Ms. Hurley reported that she would be willing to allow Ms. Santana-Farber to make monthly installments until a month prior to her retirement date to repay the employee contributions that she owes to the

Plan.

Action: A motion was made by Mr. Carr and seconded by Mr. Lepa to request the re-payment of the employee contributions owed by Ms. Santana-Farber to be repaid in monthly installments until a month prior to her retirement date.

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

Ms. Martinez will confirm with the PBSO whether they will be able to deduct the employee contributions owed by the participants out of their bi-weekly payroll.

Mr. Carr stated that PBSO has not remitted the employer contributions for these participants. He reported that the City will request payment from PBSO.

IV. NEW BUSINESS:

A. Employees' Retirement Board:

1. Benefit Approval

Ms. Martinez presented to the General Employees' Pension Board the following benefit applications for approval: Application for Refund of Contributions for Kitty Pitman-Miller, Maria Khan, Robert Mackey, and Fedner Alcius; Application for Retirement for Michelle Miclea and Pamela Reeves; Application to Exit the DROP for Elizabeth Genia Baker.

Action: A motion was made by Mr. Lepa and seconded by Mr. Kahant to approve the Application for Refund of Contributions for Kitty Pitman-Miller, Maria Khan, Robert Mackey, and Fedner Alcius; Application for Retirement for Michelle Miclea and Pamela Reeves; Application to Exit the DROP for Elizabeth Genia Baker.

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

B. Police Retirement Board:

1. Benefit Approval

Ms. Martinez presented to the Police Officers' Pension Board the following benefit applications for approval: Application to Enter DROP for Michael Mendelsberg and Craig Long.

Action: A motion was made by Mr. Carr and seconded by Lt. Moss to approve the Application to Enter DROP for Michael Mendelsberg and Craig Long.

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

2. Inquiry as to possibilities on what would happen to active members of the Plan if the City were to do away with the current law enforcement service agreement:

Lt. Moss asked Mr. Harrison what would happen to active members of the Plan who are currently employed by PBSO and are covered under the law enforcement contract if the City decides to cancel the contract with PBSO. Mr. Harrison explained that he would have to look at what is being proposed. He noted that it could be that if the City cancels the contract with PBSO the employee would continue to be a PBSO employee but will no longer be with the City. Depending on what they may be trying to do, the participants may become vested members in the Plan and may have the option to continue in the Plan. Mr. Harrison reported that this Pension Plan will not go away until the last payment is made to the last retiree. Mr. Harrison asked that a copy of the proposal be sent to him so that he can review and comment.

C. Employees' and Police Retirement Boards

D. Board Attorney's Report:

1. Request from Merrill Lynch Attorneys for Documents:

Mr. Harrison reported that over 50 former Trustees and service providers have been served with subpoenas. He reported that his firm is offering to represent them at no cost. He explained that if the persons who have been subpoenaed wanted his firm to represent them they needed to complete and sign an "authority to represent." He reported that these subpoenas are to produce documents that in his opinion are documents that the Plan Administrator would have and not documents that these individuals would have.

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Action: A motion was made by Mr. Carr and seconded by Mr. Lepa to authorize the administrator to respond to the public records request by releasing all e-mails.

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

Action: A motion was made by Mr. Carr and seconded by Lt. Moss to authorize the administrator to respond to the public records request by releasing all e-mails.

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

2. Acceptance of fiduciary responsibility by investment managers:

Mr. Harrison reported that he has been working on negotiating the agreements with Cornerstone. He reported that Cornerstone will accept a fiduciary liability for the fund but will not accept an individual fiduciary liability. He explained that normally the Plan has required investment managers to accept fiduciary liability not only for the Plan but individually. He reported that in the past some Boards have gone ahead and approved a contract where they only accept fiduciary responsibility for the Plan. The Board had a lengthy discussion regarding this matter. Ms. Martinez reported that Tim Nash the Plans investment consultant is scheduled to present at the next Pension Board meeting. The Board asked Ms. Martinez to ask Mr. Nash to bring the manager search so that they can see who their second option was at the time they elected Cornerstone.

Action: Consensus of the Board to defer this item to the next Pension Board meeting.

Mr. Harrison reviewed Senate Bill 1128. Mr. Carr asked Mr. Harrison for an update on the changes to the DROP Plan that the Board had discussed at the last Pension Board meeting. Mr. Harrison reported that he may have it ready for the next Pension Board meeting.

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E. ADMINISTRATORS REPORT:

1. Disability Review

Ms. Martinez reported that the disability review letters have been mailed via certified mail and the due date was May 13. All letters have been received with the exception of Mr. Shield's and Mr. Viera's. Ms. Martinez reported that so far there will be no disability needs to be offset. She asked Mr. Harrison if social security income needs to be considered when determining the disabilities offsets. Mr. Harrison reported that social security is not considered as active payment therefore it does not apply. Ms. Hurley stated that she believes the Disability Review needs to be done by March of every year. Mr. Harrison looked at the Ordinance and confirmed that the Disability Review needs to be done by the end of February of every year. Mr. Harrison reported that the Board has a Policy where they stop the monthly benefit payment until the member responds to the disability review letter.

Action: A motion was made by Mr. Lepa and seconded by Mr. Carr to accept the disability review letters.

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

Action: A motion was made by Lt. Moss and seconded by Mr. Carr to accept the disability review letters with the exception of Mr. Viera's and Mr. Shield's.

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

Action: A motion was made by Lt. Moss and seconded by Mr. Carr to stop Mr. Viera's and Mr. Shield's payment until they submit the Disability Review paperwork.

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

2. Election for Employee Representative to the Lake Worth General Employees Pension.

Ms. Martinez reported that Ms. Hurley's term expires August 1, 2011. She reported that the last time the Plan had an election the election notices had been sent to City Hall, to the Municipal Building and to Utilities to be posted. She explained that the nomination period is 30 days. The Board noted that the Plan can not accept nominations from the Utilities department. The Board will set the election date at the next Pension Board meeting.

Ms. Martinez reported that she is still working on Mr. Kahant's request. She explained that at the last Pension Board meeting Mr. Kahant had asked her to research to see if there were any members receiving a benefit of 100% of their final average salary. She will have an answer for next Pension Board meeting.

IV. CONSENT AGENDA:

A. Employees' Retirement Board:

1. Warrant for Accounts Payable

Ms. Martinez reported that last month First Southern Bank did not release the ACH file that was sent for the first of the month. The Bank's explanation was that no more than two ACH files can be released for that day because the Plan has only two ACH templates. We were not aware of this therefore we had released the ACH files for the first of the month and one ACH file overrode the other causing the monthly payments not be deposited on the first. Because retired member Charles Nichols had an overdraft fee of \$70.00. we refunded Mr. Nichols the \$70.00 and First Southern will refund the Plan the \$70.00. We have been advised that the Plan now has five ACH templates so that this will not happen again.

Ms. Hurley reported that a correction needs to be made on the April 27 minutes on pg. 6 under the motion needs to be added the vote.

Action: A motion was made by Mr. Carr and seconded by Mr. Lepa to approve the Consent Agenda, which included a Warrant for invoices and Minutes for Regular Meeting on April 27, 2011 as revised.

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

B. Police Retirement Board:

1. Warrant for Accounts Payable

Action: A motion was made by Mr. Carr and seconded by Lt. Moss to approve the Consent Agenda, which included a Warrant for invoices and Minutes for Regular Meeting on April 27, 2011 as revised.

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

C. Employees' and Police Retirement Boards:

1. Approval of Minutes: Meeting April 27, 2011

Mr. Harrison reported that it is his understanding that the proposed ordinance amendment that allows for DROP and retired members to sit on the Board will be included on the next City Commission Agenda but staff is recommending against it. The Board does not want to withdraw the ordinance amendment.

VI. ADJOURNMENT:

There being no other business and the next meeting having been previously scheduled for Wednesday, June 22 at 1:30 PM, the General Employees' and Police Board adjourned the meeting at 3:22 p.m.

MINUTES APPROVED: July 27, 2011

Valerie Hurley, Chair Employees' Retirement Board

Randy Collier, Chairman Police Retirement Board

Dixie Martinez, Administrator
Employees' & Police Retirement Boards

**MINUTES OF A JOINT EMPLOYEES' RETIREMENT BOARD
AND POLICE RETIREMENT BOARD MEETING
HELD IN THE CONFERENCE ROOM AT CITY HALL ON
WEDNESDAY, MAY 25, 2011 at 1:30 PM**

I. ROLL CALL: 1:47 PM

A. Employees' Retirement Board:

A meeting was called to order at 1:47 PM.

Those persons present included:

Trustees: Valerie Hurley, Chair
Robert Lepa (2:05 pm)
Robert Kahant (1:51 pm)
Steve Carr
Suzanne Mulvihill

Others: Ken Harrison, Sugarman & Susskind
Dixie Martinez, Resource Centers
Members of Public:

B. Police Retirement Board:

A meeting was called to order at 1:47 PM.

Those persons present included:

Trustees: Sgt. Randy Collier, Chair
Lt. David Moss
Steve Carr
Karri Casper
Suzanne Mulvihill

Others: Ken Harrison, Sugarman & Susskind
Dixie Martinez, Resource Centers
Members of Public:

II. ADDITIONS/ DELETIONS/ REORDERING:

A. Employees' Retirement Board:

Ms. Martinez added item IV.D.2. Election for Employee Representative to the Lake Worth General Employees Pension.

Action: Consensus of the Board to add the above mentioned items to the Agenda.

B. Police Retirement Board:

Lt. Moss added item IV.B.2. Inquiry as to possibilities on what would happen to active members of the Plan if the City were to do away with the current law enforcement service agreement.

Action: Consensus of the Board to add the above mentioned items to the Agenda.

III. UNFINISHED BUSINESS:

A. Employees' Retirement Board:

B. Police Retirement Board:

C. Employees' and Police Retirement Boards

1. Contributions owed by Mr. William Meloy (Police)

Ms. Martinez reported that Mr. Meloy had asked at the last Pension Board meeting to be allowed to come back into the Pension Plan due to FRS's refusal to allow him to join FRS because of his vested status in the Lake Worth Police Officers Pension Plan. She reported that the Palm Beach Sheriff's office started to deduct employee contributions out of his check on May 13, 2011. She reported that Mr. Meloy owes the Pension Plan \$3,792.49 in employee contributions from October 1, 2010 to May 13, 2011. She asked the Board for direction on how they want to proceed in collecting the employee contributions owed by Mr. Meloy. The Board had a lengthy discussion regarding this matter.

Action: A motion was made by Mr. Carr and seconded by Ms. Mulvhill to request the payment of employee contributions owed by Mr. Meloy to be repaid over 9 months which is equal to the time that he was not contributing to the Plan.

The Board had a lengthy discussion regarding Mr. Carr's motion. Ms. Kasper would prefer to request the repayment to be done over a period of 18 months.

Ms. Martinez reported that Mr. Meloy's wife is currently not working and he was hoping that the Board could allow him to repay the Plan over a longer period of time.

Action: Mr. Carr withdrew his motion.

Action: A motion was made by Ms. Kasper and seconded by Lt. Moss to request the re-payment of the employee contributions owed by Mr. Meloy to be repaid in installments over an 18 month period.

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

2. Contributions owed by Ms. Rosalia Santana-Farber (GE)

Ms. Martinez reported that Ms. Santana-Farber had asked at the last Pension Board meeting to be allowed to come back into the Pension Plan due to FRS's refusal to allow her to join FRS because of her vested status in the Lake Worth General Employees' Pension Plan. She reported that the Palm Beach Sheriff's (PBSO) office started to deduct the employee contributions out of her check on May 13, 2011. She reported that Ms. Santana-Farber owes \$1,711.54 in employee contributions from October 1, 2010 to May 13, 2011. Mr. Harrison stated that the member needs to repay the Pension Plan before she retires. The Board had a lengthy discussion regarding this matter. Ms. Hurley reported that she would be willing to allow Ms. Santana-Farber to make monthly installments until a month prior to her retirement date to repay the employee contributions that she owes to the

Plan.

Action: A motion was made by Mr. Carr and seconded by Mr. Lepa to request the re-payment of the employee contributions owed by Ms. Santana-Farber to be repaid in monthly installments until a month prior to her retirement date.

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

Ms. Martinez will confirm with the PBSO whether they will be able to deduct the employee contributions owed by the participants out of their bi-weekly payroll.

Mr. Carr stated that PBSO has not remitted the employer contributions for these participants. He reported that the City will request payment from PBSO.

IV. NEW BUSINESS:

A. Employees' Retirement Board:

1. Benefit Approval

Ms. Martinez presented to the General Employees' Pension Board the following benefit applications for approval: Application for Refund of Contributions for Kitty Pitman-Miller, Maria Khan, Robert Mackey, and Fedner Alcius; Application for Retirement for Michelle Miclea and Pamela Reeves; Application to Exit the DROP for Elizabeth Genia Baker.

Action: A motion was made by Mr. Lepa and seconded by Mr. Kahant to approve the Application for Refund of Contributions for Kitty Pitman-Miller, Maria Khan, Robert Mackey, and Fedner Alcius; Application for Retirement for Michelle Miclea and Pamela Reeves; Application to Exit the DROP for Elizabeth Genia Baker.

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

B. Police Retirement Board:

1. Benefit Approval

Ms. Martinez presented to the Police Officers' Pension Board the following benefit applications for approval: Application to Enter DROP for Michael Mendelsberg and Craig Long.

Action: A motion was made by Mr. Carr and seconded by Lt. Moss to approve the Application to Enter DROP for Michael Mendelsberg and Craig Long.

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

2. Inquiry as to possibilities on what would happen to active members of the Plan if the City were to do away with the current law enforcement service agreement:

Lt. Moss asked Mr. Harrison what would happen to active members of the Plan who are currently employed by PBSO and are covered under the law enforcement contract if the City decides to cancel the contract with PBSO. Mr. Harrison explained that he would have to look at what is being proposed. He noted that it could be that if the City cancels the contract with PBSO the employee would continue to be a PBSO employee but will no longer be with the City. Depending on what they may be trying to do, the participants may become vested members in the Plan and may have the option to continue in the Plan. Mr. Harrison reported that this Pension Plan will not go away until the last payment is made to the last retiree. Mr. Harrison asked that a copy of the proposal be sent to him so that he can review and comment.

C. Employees' and Police Retirement Boards

D. Board Attorney's Report:

1. Request from Merrill Lynch Attorneys for Documents:

Mr. Harrison reported that over 50 former Trustees and service providers have been served with subpoenas. He reported that his firm is offering to represent them at no cost. He explained that if the persons who have been subpoenaed wanted his firm to represent them they needed to complete and sign an "authority to represent." He reported that these subpoenas are to produce documents that in his opinion are documents that the Plan Administrator would have and not documents that these individuals would have.

Ms. Martinez reported that Merrill Lynch submitted a Public Records request in August of 2010. She explained that all of the records that Pension Resource Centers has on file, which were requested at that time have been submitted. She reported that a second public records request was received in February, 2011 asking for copies of e-mails. Mr. Baur is currently working with council on this second request to see exactly what it is that needs to be sent. She reported that on May 13, 2011 Pension Resource Centers received a letter asking questions regarding the documents that had been submitted in response to the August 2010 public records request. She explained that Mr. Baur is working on answering these questions. She reported that Mr. Baur has been subpoenaed as well. Mr. Harrison stated that the Board should make a motion to authorize the administrator to send copies of all e-mails that have the Boards names on them to Merrill Lynch as part of their public records request. Ms. Martinez reported that Mr. Baur has been working with Ivelisse from Sugarman and Susskind and Adam Levinson from Klausner and Kaufman regarding the request for e-mails to determine what needs to be sent. Mr. Harrison reported that he believes that if both Boards make a motion to allow the administrator to release the e-mails this will solve the issue.

Action: A motion was made by Mr. Carr and seconded by Mr. Lepa to authorize the administrator to respond to the public records request by releasing all e-mails.

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

Action: A motion was made by Mr. Carr and seconded by Lt. Moss to authorize the administrator to respond to the public records request by releasing all e-mails.

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

2. Acceptance of fiduciary responsibility by investment managers:

Mr. Harrison reported that he has been working on negotiating the agreements with Cornerstone. He reported that Cornerstone will accept a fiduciary liability for the fund but will not accept an individual fiduciary liability. He explained that normally the Plan has required investment managers to accept fiduciary liability not only for the Plan but individually. He reported that in the past some Boards have gone ahead and approved a contract where they only accept fiduciary responsibility for the Plan. The Board had a lengthy discussion regarding this matter. Ms. Martinez reported that Tim Nash the Plans investment consultant is scheduled to present at the next Pension Board meeting. The Board asked Ms. Martinez to ask Mr. Nash to bring the manager search so that they can see who their second option was at the time they elected Cornerstone.

Action: Consensus of the Board to defer this item to the next Pension Board meeting.

Mr. Harrison reviewed Senate Bill 1128. Mr. Carr asked Mr. Harrison for an update on the changes to the DROP Plan that the Board had discussed at the last Pension Board meeting. Mr. Harrison reported that he may have it ready for the next Pension Board meeting.

Ms. Hurley reported that when she was an active employee of the City she used to upload the Agenda and Minutes to the City's website. She noted that Pension Resource Centers does not have access to do this therefore she wants to make sure that this is still being done. Mr. Carr asked Ms. Martinez to send a request to the Clerk's office to post the Minutes as well as the Agenda next time the Agenda is sent to be posted. He also asked that he be copied on the e-mail.

E. ADMINISTRATORS REPORT:

1. Disability Review

Ms. Martinez reported that the disability review letters have been mailed via certified mail and the due date was May 13. All letters have been received with the exception of Mr. Shield's and Mr. Viera's. Ms. Martinez reported that so far there will be no disability needs to be offset. She asked Mr. Harrison if social security income needs to be considered when determining the disabilities offsets. Mr. Harrison reported that social security is not considered as active payment therefore it does not apply. Ms. Hurley stated that she believes the Disability Review needs to be done by March of every year. Mr. Harrison looked at the Ordinance and confirmed that the Disability Review needs to be done by the end of February of every year. Mr. Harrison reported that the Board has a Policy where they stop the monthly benefit payment until the member responds to the disability review letter.

Action: A motion was made by Mr. Lepa and seconded by Mr. Carr to accept the disability review letters.

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

Action: A motion was made by Lt. Moss and seconded by Mr. Carr to accept the disability review letters with the exception of Mr. Viera's and Mr. Shield's.

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

Action: A motion was made by Lt. Moss and seconded by Mr. Carr to stop Mr. Viera's and Mr. Shield's payment until they submit the Disability Review paperwork.

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

2. Election for Employee Representative to the Lake Worth General Employees Pension.

Ms. Martinez reported that Ms. Hurley's term expires August 1, 2011. She reported that the last time the Plan had an election the election notices had been sent to City Hall, to the Municipal Building and to Utilities to be posted. She explained that the nomination period is 30 days. The Board noted that the Plan can not accept nominations from the Utilities department. The Board will set the election date at the next Pension Board meeting.

Ms. Martinez reported that she is still working on Mr. Kahant's request. She explained that at the last Pension Board meeting Mr. Kahant had asked her to research to see if there were any members receiving a benefit of 100% of their final average salary. She will have an answer for next Pension Board meeting.

IV. CONSENT AGENDA:

A. Employees' Retirement Board:

1. Warrant for Accounts Payable

Ms. Martinez reported that last month First Southern Bank did not release the ACH file that was sent for the first of the month. The Bank's explanation was that no more than two ACH files can be released for that day because the Plan has only two ACH templates. We were not aware of this therefore we had released the ACH files for the first of the month and one ACH file overrode the other causing the monthly payments not be deposited on the first. Because retired member Charles Nichols had an overdraft fee of \$70.00. we refunded Mr. Nichols the \$70.00 and First Southern will refund the Plan the \$70.00. We have been advised that the Plan now has five ACH templates so that this will not happen again.

Ms. Hurley reported that a correction needs to be made on the April 27 minutes on pg. 6 under the motion needs to be added the vote.

Action: A motion was made by Mr. Carr and seconded by Mr. Lepa to approve the Consent Agenda, which included a Warrant for invoices and Minutes for Regular Meeting on April 27, 2011 as revised.

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

B. Police Retirement Board:

1. Warrant for Accounts Payable

Action: A motion was made by Mr. Carr and seconded by Lt. Moss to approve the Consent Agenda, which included a Warrant for invoices and Minutes for Regular Meeting on April 27, 2011 as revised.

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

C. Employees' and Police Retirement Boards:

1. Approval of Minutes: Meeting April 27, 2011

Mr. Harrison reported that it is his understanding that the proposed ordinance amendment that allows for DROP and retired members to sit on the Board will be included on the next City Commission Agenda but staff is recommending against it. The Board does not want to withdraw the ordinance amendment.

VI. ADJOURNMENT:

There being no other business and the next meeting having been previously scheduled for Wednesday, June 22 at 1:30 PM, the General Employees' and Police Board adjourned the meeting at 3:22 p.m.

MINUTES APPROVED: July 27, 2011

Valerie Hurley, Chair Employees' Retirement Board

Randy Collier, Chairman Police Retirement Board

Dixie Martinez, Administrator
Employees' & Police Retirement Boards

**MINUTES OF A JOINT EMPLOYEES' RETIREMENT BOARD
AND POLICE RETIREMENT BOARD MEETING
HELD IN THE CONFERENCE ROOM AT CITY HALL ON
WEDNESDAY, MAY 25, 2011 at 1:30 PM**

I. ROLL CALL: 1:47 PM

A. Employees' Retirement Board:

A meeting was called to order at 1:47 PM.

Those persons present included:

Trustees: Valerie Hurley, Chair
Robert Lepa (2:05 pm)
Robert Kahant (1:51 pm)
Steve Carr
Suzanne Mulvihill

Others: Ken Harrison, Sugarman & Susskind
Dixie Martinez, Resource Centers
Members of Public:

B. Police Retirement Board:

A meeting was called to order at 1:47 PM.

Those persons present included:

Trustees: Sgt. Randy Collier, Chair
Lt. David Moss
Steve Carr
Karri Casper
Suzanne Mulvihill

Others: Ken Harrison, Sugarman & Susskind
Dixie Martinez, Resource Centers
Members of Public:

II. ADDITIONS/ DELETIONS/ REORDERING:

A. Employees' Retirement Board:

Ms. Martinez added item IV.D.2. Election for Employee Representative to the Lake Worth General Employees Pension.

Action: Consensus of the Board to add the above mentioned items to the Agenda.

B. Police Retirement Board:

Lt. Moss added item IV.B.2. Inquiry as to possibilities on what would happen to active members of the Plan if the City were to do away with the current law enforcement service agreement.

Action: Consensus of the Board to add the above mentioned items to the Agenda.

III. UNFINISHED BUSINESS:

A. Employees' Retirement Board:

B. Police Retirement Board:

C. Employees' and Police Retirement Boards

1. Contributions owed by Mr. William Meloy (Police)

Ms. Martinez reported that Mr. Meloy had asked at the last Pension Board meeting to be allowed to come back into the Pension Plan due to FRS's refusal to allow him to join FRS because of his vested status in the Lake Worth Police Officers Pension Plan. She reported that the Palm Beach Sheriff's office started to deduct employee contributions out of his check on May 13, 2011. She reported that Mr. Meloy owes the Pension Plan \$3,792.49 in employee contributions from October 1, 2010 to May 13, 2011. She asked the Board for direction on how they want to proceed in collecting the employee contributions owed by Mr. Meloy. The Board had a lengthy discussion regarding this matter.

Action: A motion was made by Mr. Carr and seconded by Ms. Mulvhill to request the payment of employee contributions owed by Mr. Meloy to be repaid over 9 months which is equal to the time that he was not contributing to the Plan.

The Board had a lengthy discussion regarding Mr. Carr's motion. Ms. Kasper would prefer to request the repayment to be done over a period of 18 months.

Ms. Martinez reported that Mr. Meloy's wife is currently not working and he was hoping that the Board could allow him to repay the Plan over a longer period of time.

Action: Mr. Carr withdrew his motion.

Action: A motion was made by Ms. Kasper and seconded by Lt. Moss to request the re-payment of the employee contributions owed by Mr. Meloy to be repaid in installments over an 18 month period.

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

2. Contributions owed by Ms. Rosalia Santana-Farber (GE)

Ms. Martinez reported that Ms. Santana-Farber had asked at the last Pension Board meeting to be allowed to come back into the Pension Plan due to FRS's refusal to allow her to join FRS because of her vested status in the Lake Worth General Employees' Pension Plan. She reported that the Palm Beach Sheriff's (PBSO) office started to deduct the employee contributions out of her check on May 13, 2011. She reported that Ms. Santana-Farber owes \$1,711.54 in employee contributions from October 1, 2010 to May 13, 2011. Mr. Harrison stated that the member needs to repay the Pension Plan before she retires. The Board had a lengthy discussion regarding this matter. Ms. Hurley reported that she would be willing to allow Ms. Santana-Farber to make monthly installments until a month prior to her retirement date to repay the employee contributions that she owes to the

Plan.

Action: A motion was made by Mr. Carr and seconded by Mr. Lepa to request the re-payment of the employee contributions owed by Ms. Santana-Farber to be repaid in monthly installments until a month prior to her retirement date.

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

Ms. Martinez will confirm with the PBSO whether they will be able to deduct the employee contributions owed by the participants out of their bi-weekly payroll.

Mr. Carr stated that PBSO has not remitted the employer contributions for these participants. He reported that the City will request payment from PBSO.

IV. NEW BUSINESS:

A. Employees' Retirement Board:

1. Benefit Approval

Ms. Martinez presented to the General Employees' Pension Board the following benefit applications for approval: Application for Refund of Contributions for Kitty Pitman-Miller, Maria Khan, Robert Mackey, and Fedner Alcius; Application for Retirement for Michelle Miclea and Pamela Reeves; Application to Exit the DROP for Elizabeth Genia Baker.

Action: A motion was made by Mr. Lepa and seconded by Mr. Kahant to approve the Application for Refund of Contributions for Kitty Pitman-Miller, Maria Khan, Robert Mackey, and Fedner Alcius; Application for Retirement for Michelle Miclea and Pamela Reeves; Application to Exit the DROP for Elizabeth Genia Baker.

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

B. Police Retirement Board:

1. Benefit Approval

Ms. Martinez presented to the Police Officers' Pension Board the following benefit applications for approval: Application to Enter DROP for Michael Mendelsberg and Craig Long.

Action: A motion was made by Mr. Carr and seconded by Lt. Moss to approve the Application to Enter DROP for Michael Mendelsberg and Craig Long.

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

2. Inquiry as to possibilities on what would happen to active members of the Plan if the City were to do away with the current law enforcement service agreement:

Lt. Moss asked Mr. Harrison what would happen to active members of the Plan who are currently employed by PBSO and are covered under the law enforcement contract if the City decides to cancel the contract with PBSO. Mr. Harrison explained that he would have to look at what is being proposed. He noted that it could be that if the City cancels the contract with PBSO the employee would continue to be a PBSO employee but will no longer be with the City. Depending on what they may be trying to do, the participants may become vested members in the Plan and may have the option to continue in the Plan. Mr. Harrison reported that this Pension Plan will not go away until the last payment is made to the last retiree. Mr. Harrison asked that a copy of the proposal be sent to him so that he can review and comment.

C. Employees' and Police Retirement Boards

D. Board Attorney's Report:

1. Request from Merrill Lynch Attorneys for Documents:

Mr. Harrison reported that over 50 former Trustees and service providers have been served with subpoenas. He reported that his firm is offering to represent them at no cost. He explained that if the persons who have been subpoenaed wanted his firm to represent them they needed to complete and sign an "authority to represent." He reported that these subpoenas are to produce documents that in his opinion are documents that the Plan Administrator would have and not documents that these individuals would have.

Ms. Martinez reported that Merrill Lynch submitted a Public Records request in August of 2010. She explained that all of the records that Pension Resource Centers has on file, which were requested at that time have been submitted. She reported that a second public records request was received in February, 2011 asking for copies of e-mails. Mr. Baur is currently working with council on this second request to see exactly what it is that needs to be sent. She reported that on May 13, 2011 Pension Resource Centers received a letter asking questions regarding the documents that had been submitted in response to the August 2010 public records request. She explained that Mr. Baur is working on answering these questions. She reported that Mr. Baur has been subpoenaed as well. Mr. Harrison stated that the Board should make a motion to authorize the administrator to send copies of all e-mails that have the Boards names on them to Merrill Lynch as part of their public records request. Ms. Martinez reported that Mr. Baur has been working with Ivelisse from Sugarman and Susskind and Adam Levinson from Klausner and Kaufman regarding the request for e-mails to determine what needs to be sent. Mr. Harrison reported that he believes that if both Boards make a motion to allow the administrator to release the e-mails this will solve the issue.

Action: A motion was made by Mr. Carr and seconded by Mr. Lepa to authorize the administrator to respond to the public records request by releasing all e-mails.

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

Action: A motion was made by Mr. Carr and seconded by Lt. Moss to authorize the administrator to respond to the public records request by releasing all e-mails.

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

2. Acceptance of fiduciary responsibility by investment managers:

Mr. Harrison reported that he has been working on negotiating the agreements with Cornerstone. He reported that Cornerstone will accept a fiduciary liability for the fund but will not accept an individual fiduciary liability. He explained that normally the Plan has required investment managers to accept fiduciary liability not only for the Plan but individually. He reported that in the past some Boards have gone ahead and approved a contract where they only accept fiduciary responsibility for the Plan. The Board had a lengthy discussion regarding this matter. Ms. Martinez reported that Tim Nash the Plans investment consultant is scheduled to present at the next Pension Board meeting. The Board asked Ms. Martinez to ask Mr. Nash to bring the manager search so that they can see who their second option was at the time they elected Cornerstone.

Action: Consensus of the Board to defer this item to the next Pension Board meeting.

Mr. Harrison reviewed Senate Bill 1128. Mr. Carr asked Mr. Harrison for an update on the changes to the DROP Plan that the Board had discussed at the last Pension Board meeting. Mr. Harrison reported that he may have it ready for the next Pension Board meeting.

Ms. Hurley reported that when she was an active employee of the City she used to upload the Agenda and Minutes to the City's website. She noted that Pension Resource Centers does not have access to do this therefore she wants to make sure that this is still being done. Mr. Carr asked Ms. Martinez to send a request to the Clerk's office to post the Minutes as well as the Agenda next time the Agenda is sent to be posted. He also asked that he be copied on the e-mail.

E. ADMINISTRATORS REPORT:

1. Disability Review

Ms. Martinez reported that the disability review letters have been mailed via certified mail and the due date was May 13. All letters have been received with the exception of Mr. Shield's and Mr. Viera's. Ms. Martinez reported that so far there will be no disability needs to be offset. She asked Mr. Harrison if social security income needs to be considered when determining the disabilities offsets. Mr. Harrison reported that social security is not considered as active payment therefore it does not apply. Ms. Hurley stated that she believes the Disability Review needs to be done by March of every year. Mr. Harrison looked at the Ordinance and confirmed that the Disability Review needs to be done by the end of February of every year. Mr. Harrison reported that the Board has a Policy where they stop the monthly benefit payment until the member responds to the disability review letter.

Action: A motion was made by Mr. Lepa and seconded by Mr. Carr to accept the disability review letters.

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

Action: A motion was made by Lt. Moss and seconded by Mr. Carr to accept the disability review letters with the exception of Mr. Viera's and Mr. Shield's.

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

Action: A motion was made by Lt. Moss and seconded by Mr. Carr to stop Mr. Viera's and Mr. Shield's payment until they submit the Disability Review paperwork.

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

2. Election for Employee Representative to the Lake Worth General Employees Pension.

Ms. Martinez reported that Ms. Hurley's term expires August 1, 2011. She reported that the last time the Plan had an election the election notices had been sent to City Hall, to the Municipal Building and to Utilities to be posted. She explained that the nomination period is 30 days. The Board noted that the Plan can not accept nominations from the Utilities department. The Board will set the election date at the next Pension Board meeting.

Ms. Martinez reported that she is still working on Mr. Kahant's request. She explained that at the last Pension Board meeting Mr. Kahant had asked her to research to see if there were any members receiving a benefit of 100% of their final average salary. She will have an answer for next Pension Board meeting.

IV. CONSENT AGENDA:

A. Employees' Retirement Board:

1. Warrant for Accounts Payable

Ms. Martinez reported that last month First Southern Bank did not release the ACH file that was sent for the first of the month. The Bank's explanation was that no more than two ACH files can be released for that day because the Plan has only two ACH templates. We were not aware of this therefore we had released the ACH files for the first of the month and one ACH file overrode the other causing the monthly payments not be deposited on the first. Because retired member Charles Nichols had an overdraft fee of \$70.00. we refunded Mr. Nichols the \$70.00 and First Southern will refund the Plan the \$70.00. We have been advised that the Plan now has five ACH templates so that this will not happen again.

Ms. Hurley reported that a correction needs to be made on the April 27 minutes on pg. 6 under the motion needs to be added the vote.

Action: A motion was made by Mr. Carr and seconded by Mr. Lepa to approve the Consent Agenda, which included a Warrant for invoices and Minutes for Regular Meeting on April 27, 2011 as revised.

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

B. Police Retirement Board:

1. Warrant for Accounts Payable

Action: A motion was made by Mr. Carr and seconded by Lt. Moss to approve the Consent Agenda, which included a Warrant for invoices and Minutes for Regular Meeting on April 27, 2011 as revised.

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

C. Employees' and Police Retirement Boards:

1. Approval of Minutes: Meeting April 27, 2011

Mr. Harrison reported that it is his understanding that the proposed ordinance amendment that allows for DROP and retired members to sit on the Board will be included on the next City Commission Agenda but staff is recommending against it. The Board does not want to withdraw the ordinance amendment.

VI. ADJOURNMENT:

There being no other business and the next meeting having been previously scheduled for Wednesday, June 22 at 1:30 PM, the General Employees' and Police Board adjourned the meeting at 3:22 p.m.

MINUTES APPROVED: July 27, 2011

Valerie Hurley, Chair Employees' Retirement Board

Randy Collier, Chairman Police Retirement Board

Dixie Martinez, Administrator
Employees' & Police Retirement Boards

**MINUTES OF A JOINT EMPLOYEES' RETIREMENT BOARD
AND POLICE RETIREMENT BOARD MEETING
HELD IN THE CONFERENCE ROOM AT CITY HALL ON
WEDNESDAY, MAY 25, 2011 at 1:30 PM**

I. ROLL CALL: 1:47 PM

A. Employees' Retirement Board:

A meeting was called to order at 1:47 PM.

Those persons present included:

Trustees: Valerie Hurley, Chair
Robert Lepa (2:05 pm)
Robert Kahant (1:51 pm)
Steve Carr
Suzanne Mulvihill

Others: Ken Harrison, Sugarman & Susskind
Dixie Martinez, Resource Centers
Members of Public:

B. Police Retirement Board:

A meeting was called to order at 1:47 PM.

Those persons present included:

Trustees: Sgt. Randy Collier, Chair
Lt. David Moss
Steve Carr
Karri Casper
Suzanne Mulvihill

Others: Ken Harrison, Sugarman & Susskind
Dixie Martinez, Resource Centers
Members of Public:

II. ADDITIONS/ DELETIONS/ REORDERING:

A. Employees' Retirement Board:

Ms. Martinez added item IV.D.2. Election for Employee Representative to the Lake Worth General Employees Pension.

Action: Consensus of the Board to add the above mentioned items to the Agenda.

B. Police Retirement Board:

Lt. Moss added item IV.B.2. Inquiry as to possibilities on what would happen to active members of the Plan if the City were to do away with the current law enforcement service agreement.

Action: Consensus of the Board to add the above mentioned items to the Agenda.

III. UNFINISHED BUSINESS:

A. Employees' Retirement Board:

B. Police Retirement Board:

C. Employees' and Police Retirement Boards

1. Contributions owed by Mr. William Meloy (Police)

Ms. Martinez reported that Mr. Meloy had asked at the last Pension Board meeting to be allowed to come back into the Pension Plan due to FRS's refusal to allow him to join FRS because of his vested status in the Lake Worth Police Officers Pension Plan. She reported that the Palm Beach Sheriff's office started to deduct employee contributions out of his check on May 13, 2011. She reported that Mr. Meloy owes the Pension Plan \$3,792.49 in employee contributions from October 1, 2010 to May 13, 2011. She asked the Board for direction on how they want to proceed in collecting the employee contributions owed by Mr. Meloy. The Board had a lengthy discussion regarding this matter.

Action: A motion was made by Mr. Carr and seconded by Ms. Mulvhill to request the payment of employee contributions owed by Mr. Meloy to be repaid over 9 months which is equal to the time that he was not contributing to the Plan.

The Board had a lengthy discussion regarding Mr. Carr's motion. Ms. Kasper would prefer to request the repayment to be done over a period of 18 months.

Ms. Martinez reported that Mr. Meloy's wife is currently not working and he was hoping that the Board could allow him to repay the Plan over a longer period of time.

Action: Mr. Carr withdrew his motion.

Action: A motion was made by Ms. Kasper and seconded by Lt. Moss to request the re-payment of the employee contributions owed by Mr. Meloy to be repaid in installments over an 18 month period.

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

2. Contributions owed by Ms. Rosalia Santana-Farber (GE)

Ms. Martinez reported that Ms. Santana-Farber had asked at the last Pension Board meeting to be allowed to come back into the Pension Plan due to FRS's refusal to allow her to join FRS because of her vested status in the Lake Worth General Employees' Pension Plan. She reported that the Palm Beach Sheriff's (PBSO) office started to deduct the employee contributions out of her check on May 13, 2011. She reported that Ms. Santana-Farber owes \$1,711.54 in employee contributions from October 1, 2010 to May 13, 2011. Mr. Harrison stated that the member needs to repay the Pension Plan before she retires. The Board had a lengthy discussion regarding this matter. Ms. Hurley reported that she would be willing to allow Ms. Santana-Farber to make monthly installments until a month prior to her retirement date to repay the employee contributions that she owes to the

Plan.

Action: A motion was made by Mr. Carr and seconded by Mr. Lepa to request the re-payment of the employee contributions owed by Ms. Santana-Farber to be repaid in monthly installments until a month prior to her retirement date.

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

Ms. Martinez will confirm with the PBSO whether they will be able to deduct the employee contributions owed by the participants out of their bi-weekly payroll.

Mr. Carr stated that PBSO has not remitted the employer contributions for these participants. He reported that the City will request payment from PBSO.

IV. NEW BUSINESS:

A. Employees' Retirement Board:

1. Benefit Approval

Ms. Martinez presented to the General Employees' Pension Board the following benefit applications for approval: Application for Refund of Contributions for Kitty Pitman-Miller, Maria Khan, Robert Mackey, and Fedner Alcius; Application for Retirement for Michelle Miclea and Pamela Reeves; Application to Exit the DROP for Elizabeth Genia Baker.

Action: A motion was made by Mr. Lepa and seconded by Mr. Kahant to approve the Application for Refund of Contributions for Kitty Pitman-Miller, Maria Khan, Robert Mackey, and Fedner Alcius; Application for Retirement for Michelle Miclea and Pamela Reeves; Application to Exit the DROP for Elizabeth Genia Baker.

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

B. Police Retirement Board:

1. Benefit Approval

Ms. Martinez presented to the Police Officers' Pension Board the following benefit applications for approval: Application to Enter DROP for Michael Mendelsberg and Craig Long.

Action: A motion was made by Mr. Carr and seconded by Lt. Moss to approve the Application to Enter DROP for Michael Mendelsberg and Craig Long.

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

2. Inquiry as to possibilities on what would happen to active members of the Plan if the City were to do away with the current law enforcement service agreement:

Lt. Moss asked Mr. Harrison what would happen to active members of the Plan who are currently employed by PBSO and are covered under the law enforcement contract if the City decides to cancel the contract with PBSO. Mr. Harrison explained that he would have to look at what is being proposed. He noted that it could be that if the City cancels the contract with PBSO the employee would continue to be a PBSO employee but will no longer be with the City. Depending on what they may be trying to do, the participants may become vested members in the Plan and may have the option to continue in the Plan. Mr. Harrison reported that this Pension Plan will not go away until the last payment is made to the last retiree. Mr. Harrison asked that a copy of the proposal be sent to him so that he can review and comment.

C. Employees' and Police Retirement Boards

D. Board Attorney's Report:

1. Request from Merrill Lynch Attorneys for Documents:

Mr. Harrison reported that over 50 former Trustees and service providers have been served with subpoenas. He reported that his firm is offering to represent them at no cost. He explained that if the persons who have been subpoenaed wanted his firm to represent them they needed to complete and sign an "authority to represent." He reported that these subpoenas are to produce documents that in his opinion are documents that the Plan Administrator would have and not documents that these individuals would have.

Ms. Martinez reported that Merrill Lynch submitted a Public Records request in August of 2010. She explained that all of the records that Pension Resource Centers has on file, which were requested at that time have been submitted. She reported that a second public records request was received in February, 2011 asking for copies of e-mails. Mr. Baur is currently working with council on this second request to see exactly what it is that needs to be sent. She reported that on May 13, 2011 Pension Resource Centers received a letter asking questions regarding the documents that had been submitted in response to the August 2010 public records request. She explained that Mr. Baur is working on answering these questions. She reported that Mr. Baur has been subpoenaed as well. Mr. Harrison stated that the Board should make a motion to authorize the administrator to send copies of all e-mails that have the Boards names on them to Merrill Lynch as part of their public records request. Ms. Martinez reported that Mr. Baur has been working with Ivelisse from Sugarman and Susskind and Adam Levinson from Klausner and Kaufman regarding the request for e-mails to determine what needs to be sent. Mr. Harrison reported that he believes that if both Boards make a motion to allow the administrator to release the e-mails this will solve the issue.

Action: A motion was made by Mr. Carr and seconded by Mr. Lepa to authorize the administrator to respond to the public records request by releasing all e-mails.

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

Action: A motion was made by Mr. Carr and seconded by Lt. Moss to authorize the administrator to respond to the public records request by releasing all e-mails.

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

2. Acceptance of fiduciary responsibility by investment managers:

Mr. Harrison reported that he has been working on negotiating the agreements with Cornerstone. He reported that Cornerstone will accept a fiduciary liability for the fund but will not accept an individual fiduciary liability. He explained that normally the Plan has required investment managers to accept fiduciary liability not only for the Plan but individually. He reported that in the past some Boards have gone ahead and approved a contract where they only accept fiduciary responsibility for the Plan. The Board had a lengthy discussion regarding this matter. Ms. Martinez reported that Tim Nash the Plans investment consultant is scheduled to present at the next Pension Board meeting. The Board asked Ms. Martinez to ask Mr. Nash to bring the manager search so that they can see who their second option was at the time they elected Cornerstone.

Action: Consensus of the Board to defer this item to the next Pension Board meeting.

Mr. Harrison reviewed Senate Bill 1128. Mr. Carr asked Mr. Harrison for an update on the changes to the DROP Plan that the Board had discussed at the last Pension Board meeting. Mr. Harrison reported that he may have it ready for the next Pension Board meeting.

Ms. Hurley reported that when she was an active employee of the City she used to upload the Agenda and Minutes to the City's website. She noted that Pension Resource Centers does not have access to do this therefore she wants to make sure that this is still being done. Mr. Carr asked Ms. Martinez to send a request to the Clerk's office to post the Minutes as well as the Agenda next time the Agenda is sent to be posted. He also asked that he be copied on the e-mail.

E. ADMINISTRATORS REPORT:

1. Disability Review

Ms. Martinez reported that the disability review letters have been mailed via certified mail and the due date was May 13. All letters have been received with the exception of Mr. Shield's and Mr. Viera's. Ms. Martinez reported that so far there will be no disability needs to be offset. She asked Mr. Harrison if social security income needs to be considered when determining the disabilities offsets. Mr. Harrison reported that social security is not considered as active payment therefore it does not apply. Ms. Hurley stated that she believes the Disability Review needs to be done by March of every year. Mr. Harrison looked at the Ordinance and confirmed that the Disability Review needs to be done by the end of February of every year. Mr. Harrison reported that the Board has a Policy where they stop the monthly benefit payment until the member responds to the disability review letter.

Action: A motion was made by Mr. Lepa and seconded by Mr. Carr to accept the disability review letters.

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

Action: A motion was made by Lt. Moss and seconded by Mr. Carr to accept the disability review letters with the exception of Mr. Viera's and Mr. Shield's.

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

Action: A motion was made by Lt. Moss and seconded by Mr. Carr to stop Mr. Viera's and Mr. Shield's payment until they submit the Disability Review paperwork.

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

2. Election for Employee Representative to the Lake Worth General Employees Pension.

Ms. Martinez reported that Ms. Hurley's term expires August 1, 2011. She reported that the last time the Plan had an election the election notices had been sent to City Hall, to the Municipal Building and to Utilities to be posted. She explained that the nomination period is 30 days. The Board noted that the Plan can not accept nominations from the Utilities department. The Board will set the election date at the next Pension Board meeting.

Ms. Martinez reported that she is still working on Mr. Kahant's request. She explained that at the last Pension Board meeting Mr. Kahant had asked her to research to see if there were any members receiving a benefit of 100% of their final average salary. She will have an answer for next Pension Board meeting.

IV. CONSENT AGENDA:

A. Employees' Retirement Board:

1. Warrant for Accounts Payable

Ms. Martinez reported that last month First Southern Bank did not release the ACH file that was sent for the first of the month. The Bank's explanation was that no more than two ACH files can be released for that day because the Plan has only two ACH templates. We were not aware of this therefore we had released the ACH files for the first of the month and one ACH file overrode the other causing the monthly payments not be deposited on the first. Because retired member Charles Nichols had an overdraft fee of \$70.00. we refunded Mr. Nichols the \$70.00 and First Southern will refund the Plan the \$70.00. We have been advised that the Plan now has five ACH templates so that this will not happen again.

Ms. Hurley reported that a correction needs to be made on the April 27 minutes on pg. 6 under the motion needs to be added the vote.

Action: A motion was made by Mr. Carr and seconded by Mr. Lepa to approve the Consent Agenda, which included a Warrant for invoices and Minutes for Regular Meeting on April 27, 2011 as revised.

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

B. Police Retirement Board:

1. Warrant for Accounts Payable

Action: A motion was made by Mr. Carr and seconded by Lt. Moss to approve the Consent Agenda, which included a Warrant for invoices and Minutes for Regular Meeting on April 27, 2011 as revised.

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

C. Employees' and Police Retirement Boards:

1. Approval of Minutes: Meeting April 27, 2011

Mr. Harrison reported that it is his understanding that the proposed ordinance amendment that allows for DROP and retired members to sit on the Board will be included on the next City Commission Agenda but staff is recommending against it. The Board does not want to withdraw the ordinance amendment.

VI. ADJOURNMENT:

There being no other business and the next meeting having been previously scheduled for Wednesday, June 22 at 1:30 PM, the General Employees' and Police Board adjourned the meeting at 3:22 p.m.

MINUTES APPROVED: July 27, 2011

Valerie Hurley, Chair Employees' Retirement Board

Randy Collier, Chairman Police Retirement Board

Dixie Martinez, Administrator
Employees' & Police Retirement Boards

**MINUTES OF A JOINT EMPLOYEES' RETIREMENT BOARD
AND POLICE RETIREMENT BOARD MEETING
HELD IN THE CONFERENCE ROOM AT CITY HALL ON
WEDNESDAY, MAY 25, 2011 at 1:30 PM**

I. ROLL CALL: 1:47 PM

A. Employees' Retirement Board:

A meeting was called to order at 1:47 PM.

Those persons present included:

Trustees: Valerie Hurley, Chair
Robert Lepa (2:05 pm)
Robert Kahant (1:51 pm)
Steve Carr
Suzanne Mulvihill

Others: Ken Harrison, Sugarman & Susskind
Dixie Martinez, Resource Centers
Members of Public:

B. Police Retirement Board:

A meeting was called to order at 1:47 PM.

Those persons present included:

Trustees: Sgt. Randy Collier, Chair
Lt. David Moss
Steve Carr
Karri Casper
Suzanne Mulvihill

Others: Ken Harrison, Sugarman & Susskind
Dixie Martinez, Resource Centers
Members of Public:

II. ADDITIONS/ DELETIONS/ REORDERING:

A. Employees' Retirement Board:

Ms. Martinez added item IV.D.2. Election for Employee Representative to the Lake Worth General Employees Pension.

Action: Consensus of the Board to add the above mentioned items to the Agenda.

B. Police Retirement Board:

Lt. Moss added item IV.B.2. Inquiry as to possibilities on what would happen to active members of the Plan if the City were to do away with the current law enforcement service agreement.

Action: Consensus of the Board to add the above mentioned items to the Agenda.

III. UNFINISHED BUSINESS:

A. Employees' Retirement Board:

B. Police Retirement Board:

C. Employees' and Police Retirement Boards

1. Contributions owed by Mr. William Meloy (Police)

Ms. Martinez reported that Mr. Meloy had asked at the last Pension Board meeting to be allowed to come back into the Pension Plan due to FRS's refusal to allow him to join FRS because of his vested status in the Lake Worth Police Officers Pension Plan. She reported that the Palm Beach Sheriff's office started to deduct employee contributions out of his check on May 13, 2011. She reported that Mr. Meloy owes the Pension Plan \$3,792.49 in employee contributions from October 1, 2010 to May 13, 2011. She asked the Board for direction on how they want to proceed in collecting the employee contributions owed by Mr. Meloy. The Board had a lengthy discussion regarding this matter.

Action: A motion was made by Mr. Carr and seconded by Ms. Mulvhill to request the payment of employee contributions owed by Mr. Meloy to be repaid over 9 months which is equal to the time that he was not contributing to the Plan.

The Board had a lengthy discussion regarding Mr. Carr's motion. Ms. Kasper would prefer to request the repayment to be done over a period of 18 months.

Ms. Martinez reported that Mr. Meloy's wife is currently not working and he was hoping that the Board could allow him to repay the Plan over a longer period of time.

Action: Mr. Carr withdrew his motion.

Action: A motion was made by Ms. Kasper and seconded by Lt. Moss to request the re-payment of the employee contributions owed by Mr. Meloy to be repaid in installments over an 18 month period.

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

2. Contributions owed by Ms. Rosalia Santana-Farber (GE)

Ms. Martinez reported that Ms. Santana-Farber had asked at the last Pension Board meeting to be allowed to come back into the Pension Plan due to FRS's refusal to allow her to join FRS because of her vested status in the Lake Worth General Employees' Pension Plan. She reported that the Palm Beach Sheriff's (PBSO) office started to deduct the employee contributions out of her check on May 13, 2011. She reported that Ms. Santana-Farber owes \$1,711.54 in employee contributions from October 1, 2010 to May 13, 2011. Mr. Harrison stated that the member needs to repay the Pension Plan before she retires. The Board had a lengthy discussion regarding this matter. Ms. Hurley reported that she would be willing to allow Ms. Santana-Farber to make monthly installments until a month prior to her retirement date to repay the employee contributions that she owes to the

Plan.

Action: A motion was made by Mr. Carr and seconded by Mr. Lepa to request the re-payment of the employee contributions owed by Ms. Santana-Farber to be repaid in monthly installments until a month prior to her retirement date.

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

Ms. Martinez will confirm with the PBSO whether they will be able to deduct the employee contributions owed by the participants out of their bi-weekly payroll.

Mr. Carr stated that PBSO has not remitted the employer contributions for these participants. He reported that the City will request payment from PBSO.

IV. NEW BUSINESS:

A. Employees' Retirement Board:

1. Benefit Approval

Ms. Martinez presented to the General Employees' Pension Board the following benefit applications for approval: Application for Refund of Contributions for Kitty Pitman-Miller, Maria Khan, Robert Mackey, and Fedner Alcius; Application for Retirement for Michelle Miclea and Pamela Reeves; Application to Exit the DROP for Elizabeth Genia Baker.

Action: A motion was made by Mr. Lepa and seconded by Mr. Kahant to approve the Application for Refund of Contributions for Kitty Pitman-Miller, Maria Khan, Robert Mackey, and Fedner Alcius; Application for Retirement for Michelle Miclea and Pamela Reeves; Application to Exit the DROP for Elizabeth Genia Baker.

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

B. Police Retirement Board:

1. Benefit Approval

Ms. Martinez presented to the Police Officers' Pension Board the following benefit applications for approval: Application to Enter DROP for Michael Mendelsberg and Craig Long.

Action: A motion was made by Mr. Carr and seconded by Lt. Moss to approve the Application to Enter DROP for Michael Mendelsberg and Craig Long.

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

2. Inquiry as to possibilities on what would happen to active members of the Plan if the City were to do away with the current law enforcement service agreement:

Lt. Moss asked Mr. Harrison what would happen to active members of the Plan who are currently employed by PBSO and are covered under the law enforcement contract if the City decides to cancel the contract with PBSO. Mr. Harrison explained that he would have to look at what is being proposed. He noted that it could be that if the City cancels the contract with PBSO the employee would continue to be a PBSO employee but will no longer be with the City. Depending on what they may be trying to do, the participants may become vested members in the Plan and may have the option to continue in the Plan. Mr. Harrison reported that this Pension Plan will not go away until the last payment is made to the last retiree. Mr. Harrison asked that a copy of the proposal be sent to him so that he can review and comment.

C. Employees' and Police Retirement Boards

D. Board Attorney's Report:

1. Request from Merrill Lynch Attorneys for Documents:

Mr. Harrison reported that over 50 former Trustees and service providers have been served with subpoenas. He reported that his firm is offering to represent them at no cost. He explained that if the persons who have been subpoenaed wanted his firm to represent them they needed to complete and sign an "authority to represent." He reported that these subpoenas are to produce documents that in his opinion are documents that the Plan Administrator would have and not documents that these individuals would have.

Ms. Martinez reported that Merrill Lynch submitted a Public Records request in August of 2010. She explained that all of the records that Pension Resource Centers has on file, which were requested at that time have been submitted. She reported that a second public records request was received in February, 2011 asking for copies of e-mails. Mr. Baur is currently working with council on this second request to see exactly what it is that needs to be sent. She reported that on May 13, 2011 Pension Resource Centers received a letter asking questions regarding the documents that had been submitted in response to the August 2010 public records request. She explained that Mr. Baur is working on answering these questions. She reported that Mr. Baur has been subpoenaed as well. Mr. Harrison stated that the Board should make a motion to authorize the administrator to send copies of all e-mails that have the Boards names on them to Merrill Lynch as part of their public records request. Ms. Martinez reported that Mr. Baur has been working with Ivelisse from Sugarman and Susskind and Adam Levinson from Klausner and Kaufman regarding the request for e-mails to determine what needs to be sent. Mr. Harrison reported that he believes that if both Boards make a motion to allow the administrator to release the e-mails this will solve the issue.

Action: A motion was made by Mr. Carr and seconded by Mr. Lepa to authorize the administrator to respond to the public records request by releasing all e-mails.

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

Action: A motion was made by Mr. Carr and seconded by Lt. Moss to authorize the administrator to respond to the public records request by releasing all e-mails.

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

2. Acceptance of fiduciary responsibility by investment managers:

Mr. Harrison reported that he has been working on negotiating the agreements with Cornerstone. He reported that Cornerstone will accept a fiduciary liability for the fund but will not accept an individual fiduciary liability. He explained that normally the Plan has required investment managers to accept fiduciary liability not only for the Plan but individually. He reported that in the past some Boards have gone ahead and approved a contract where they only accept fiduciary responsibility for the Plan. The Board had a lengthy discussion regarding this matter. Ms. Martinez reported that Tim Nash the Plans investment consultant is scheduled to present at the next Pension Board meeting. The Board asked Ms. Martinez to ask Mr. Nash to bring the manager search so that they can see who their second option was at the time they elected Cornerstone.

Action: Consensus of the Board to defer this item to the next Pension Board meeting.

Mr. Harrison reviewed Senate Bill 1128. Mr. Carr asked Mr. Harrison for an update on the changes to the DROP Plan that the Board had discussed at the last Pension Board meeting. Mr. Harrison reported that he may have it ready for the next Pension Board meeting.

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E. ADMINISTRATORS REPORT:

1. Disability Review

Ms. Martinez reported that the disability review letters have been mailed via certified mail and the due date was May 13. All letters have been received with the exception of Mr. Shield's and Mr. Viera's. Ms. Martinez reported that so far there will be no disability needs to be offset. She asked Mr. Harrison if social security income needs to be considered when determining the disabilities offsets. Mr. Harrison reported that social security is not considered as active payment therefore it does not apply. Ms. Hurley stated that she believes the Disability Review needs to be done by March of every year. Mr. Harrison looked at the Ordinance and confirmed that the Disability Review needs to be done by the end of February of every year. Mr. Harrison reported that the Board has a Policy where they stop the monthly benefit payment until the member responds to the disability review letter.

Action: A motion was made by Mr. Lepa and seconded by Mr. Carr to accept the disability review letters.

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

Action: A motion was made by Lt. Moss and seconded by Mr. Carr to accept the disability review letters with the exception of Mr. Viera's and Mr. Shield's.

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

Action: A motion was made by Lt. Moss and seconded by Mr. Carr to stop Mr. Viera's and Mr. Shield's payment until they submit the Disability Review paperwork.

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

2. Election for Employee Representative to the Lake Worth General Employees Pension.

Ms. Martinez reported that Ms. Hurley's term expires August 1, 2011. She reported that the last time the Plan had an election the election notices had been sent to City Hall, to the Municipal Building and to Utilities to be posted. She explained that the nomination period is 30 days. The Board noted that the Plan can not accept nominations from the Utilities department. The Board will set the election date at the next Pension Board meeting.

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IV. CONSENT AGENDA:

A. Employees' Retirement Board:

1. Warrant for Accounts Payable

Ms. Martinez reported that last month First Southern Bank did not release the ACH file that was sent for the first of the month. The Bank's explanation was that no more than two ACH files can be released for that day because the Plan has only two ACH templates. We were not aware of this therefore we had released the ACH files for the first of the month and one ACH file overrode the other causing the monthly payments not be deposited on the first. Because retired member Charles Nichols had an overdraft fee of \$70.00. we refunded Mr. Nichols the \$70.00 and First Southern will refund the Plan the \$70.00. We have been advised that the Plan now has five ACH templates so that this will not happen again.

Ms. Hurley reported that a correction needs to be made on the April 27 minutes on pg. 6 under the motion needs to be added the vote.

Action: A motion was made by Mr. Carr and seconded by Mr. Lepa to approve the Consent Agenda, which included a Warrant for invoices and Minutes for Regular Meeting on April 27, 2011 as revised.

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

B. Police Retirement Board:

1. Warrant for Accounts Payable

Action: A motion was made by Mr. Carr and seconded by Lt. Moss to approve the Consent Agenda, which included a Warrant for invoices and Minutes for Regular Meeting on April 27, 2011 as revised.

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

C. Employees' and Police Retirement Boards:

1. Approval of Minutes: Meeting April 27, 2011

Mr. Harrison reported that it is his understanding that the proposed ordinance amendment that allows for DROP and retired members to sit on the Board will be included on the next City Commission Agenda but staff is recommending against it. The Board does not want to withdraw the ordinance amendment.

VI. ADJOURNMENT:

There being no other business and the next meeting having been previously scheduled for Wednesday, June 22 at 1:30 PM, the General Employees' and Police Board adjourned the meeting at 3:22 p.m.

MINUTES APPROVED: July 27, 2011

Valerie Hurley, Chair Employees' Retirement Board

Randy Collier, Chairman Police Retirement Board

Dixie Martinez, Administrator
Employees' & Police Retirement Boards

**MINUTES OF A JOINT EMPLOYEES' RETIREMENT BOARD
AND POLICE RETIREMENT BOARD MEETING
HELD IN THE CONFERENCE ROOM AT CITY HALL ON
WEDNESDAY, MAY 25, 2011 at 1:30 PM**

I. ROLL CALL: 1:47 PM

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Those persons present included:

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Robert Lepa (2:05 pm)
Robert Kahant (1:51 pm)
Steve Carr
Suzanne Mulvihill

Others: Ken Harrison, Sugarman & Susskind
Dixie Martinez, Resource Centers
Members of Public:

B. Police Retirement Board:

A meeting was called to order at 1:47 PM.

Those persons present included:

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Lt. David Moss
Steve Carr
Karri Casper
Suzanne Mulvihill

Others: Ken Harrison, Sugarman & Susskind
Dixie Martinez, Resource Centers
Members of Public:

II. ADDITIONS/ DELETIONS/ REORDERING:

A. Employees' Retirement Board:

Ms. Martinez added item IV.D.2. Election for Employee Representative to the Lake Worth General Employees Pension.

Action: Consensus of the Board to add the above mentioned items to the Agenda.

B. Police Retirement Board:

Lt. Moss added item IV.B.2. Inquiry as to possibilities on what would happen to active members of the Plan if the City were to do away with the current law enforcement service agreement.

Action: Consensus of the Board to add the above mentioned items to the Agenda.

III. UNFINISHED BUSINESS:

A. Employees' Retirement Board:

B. Police Retirement Board:

C. Employees' and Police Retirement Boards

1. Contributions owed by Mr. William Meloy (Police)

Ms. Martinez reported that Mr. Meloy had asked at the last Pension Board meeting to be allowed to come back into the Pension Plan due to FRS's refusal to allow him to join FRS because of his vested status in the Lake Worth Police Officers Pension Plan. She reported that the Palm Beach Sheriff's office started to deduct employee contributions out of his check on May 13, 2011. She reported that Mr. Meloy owes the Pension Plan \$3,792.49 in employee contributions from October 1, 2010 to May 13, 2011. She asked the Board for direction on how they want to proceed in collecting the employee contributions owed by Mr. Meloy. The Board had a lengthy discussion regarding this matter.

Action: A motion was made by Mr. Carr and seconded by Ms. Mulvhill to request the payment of employee contributions owed by Mr. Meloy to be repaid over 9 months which is equal to the time that he was not contributing to the Plan.

The Board had a lengthy discussion regarding Mr. Carr's motion. Ms. Kasper would prefer to request the repayment to be done over a period of 18 months.

Ms. Martinez reported that Mr. Meloy's wife is currently not working and he was hoping that the Board could allow him to repay the Plan over a longer period of time.

Action: Mr. Carr withdrew his motion.

Action: A motion was made by Ms. Kasper and seconded by Lt. Moss to request the re-payment of the employee contributions owed by Mr. Meloy to be repaid in installments over an 18 month period.

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

2. Contributions owed by Ms. Rosalia Santana-Farber (GE)

Ms. Martinez reported that Ms. Santana-Farber had asked at the last Pension Board meeting to be allowed to come back into the Pension Plan due to FRS's refusal to allow her to join FRS because of her vested status in the Lake Worth General Employees' Pension Plan. She reported that the Palm Beach Sheriff's (PBSO) office started to deduct the employee contributions out of her check on May 13, 2011. She reported that Ms. Santana-Farber owes \$1,711.54 in employee contributions from October 1, 2010 to May 13, 2011. Mr. Harrison stated that the member needs to repay the Pension Plan before she retires. The Board had a lengthy discussion regarding this matter. Ms. Hurley reported that she would be willing to allow Ms. Santana-Farber to make monthly installments until a month prior to her retirement date to repay the employee contributions that she owes to the

Plan.

Action: A motion was made by Mr. Carr and seconded by Mr. Lepa to request the re-payment of the employee contributions owed by Ms. Santana-Farber to be repaid in monthly installments until a month prior to her retirement date.

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

Ms. Martinez will confirm with the PBSO whether they will be able to deduct the employee contributions owed by the participants out of their bi-weekly payroll.

Mr. Carr stated that PBSO has not remitted the employer contributions for these participants. He reported that the City will request payment from PBSO.

IV. NEW BUSINESS:

A. Employees' Retirement Board:

1. Benefit Approval

Ms. Martinez presented to the General Employees' Pension Board the following benefit applications for approval: Application for Refund of Contributions for Kitty Pitman-Miller, Maria Khan, Robert Mackey, and Fedner Alcius; Application for Retirement for Michelle Miclea and Pamela Reeves; Application to Exit the DROP for Elizabeth Genia Baker.

Action: A motion was made by Mr. Lepa and seconded by Mr. Kahant to approve the Application for Refund of Contributions for Kitty Pitman-Miller, Maria Khan, Robert Mackey, and Fedner Alcius; Application for Retirement for Michelle Miclea and Pamela Reeves; Application to Exit the DROP for Elizabeth Genia Baker.

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

B. Police Retirement Board:

1. Benefit Approval

Ms. Martinez presented to the Police Officers' Pension Board the following benefit applications for approval: Application to Enter DROP for Michael Mendelsberg and Craig Long.

Action: A motion was made by Mr. Carr and seconded by Lt. Moss to approve the Application to Enter DROP for Michael Mendelsberg and Craig Long.

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

2. Inquiry as to possibilities on what would happen to active members of the Plan if the City were to do away with the current law enforcement service agreement:

Lt. Moss asked Mr. Harrison what would happen to active members of the Plan who are currently employed by PBSO and are covered under the law enforcement contract if the City decides to cancel the contract with PBSO. Mr. Harrison explained that he would have to look at what is being proposed. He noted that it could be that if the City cancels the contract with PBSO the employee would continue to be a PBSO employee but will no longer be with the City. Depending on what they may be trying to do, the participants may become vested members in the Plan and may have the option to continue in the Plan. Mr. Harrison reported that this Pension Plan will not go away until the last payment is made to the last retiree. Mr. Harrison asked that a copy of the proposal be sent to him so that he can review and comment.

C. Employees' and Police Retirement Boards

D. Board Attorney's Report:

1. Request from Merrill Lynch Attorneys for Documents:

Mr. Harrison reported that over 50 former Trustees and service providers have been served with subpoenas. He reported that his firm is offering to represent them at no cost. He explained that if the persons who have been subpoenaed wanted his firm to represent them they needed to complete and sign an "authority to represent." He reported that these subpoenas are to produce documents that in his opinion are documents that the Plan Administrator would have and not documents that these individuals would have.

Ms. Martinez reported that Merrill Lynch submitted a Public Records request in August of 2010. She explained that all of the records that Pension Resource Centers has on file, which were requested at that time have been submitted. She reported that a second public records request was received in February, 2011 asking for copies of e-mails. Mr. Baur is currently working with council on this second request to see exactly what it is that needs to be sent. She reported that on May 13, 2011 Pension Resource Centers received a letter asking questions regarding the documents that had been submitted in response to the August 2010 public records request. She explained that Mr. Baur is working on answering these questions. She reported that Mr. Baur has been subpoenaed as well. Mr. Harrison stated that the Board should make a motion to authorize the administrator to send copies of all e-mails that have the Boards names on them to Merrill Lynch as part of their public records request. Ms. Martinez reported that Mr. Baur has been working with Ivelisse from Sugarman and Susskind and Adam Levinson from Klausner and Kaufman regarding the request for e-mails to determine what needs to be sent. Mr. Harrison reported that he believes that if both Boards make a motion to allow the administrator to release the e-mails this will solve the issue.

Action: A motion was made by Mr. Carr and seconded by Mr. Lepa to authorize the administrator to respond to the public records request by releasing all e-mails.

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

Action: A motion was made by Mr. Carr and seconded by Lt. Moss to authorize the administrator to respond to the public records request by releasing all e-mails.

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

2. Acceptance of fiduciary responsibility by investment managers:

Mr. Harrison reported that he has been working on negotiating the agreements with Cornerstone. He reported that Cornerstone will accept a fiduciary liability for the fund but will not accept an individual fiduciary liability. He explained that normally the Plan has required investment managers to accept fiduciary liability not only for the Plan but individually. He reported that in the past some Boards have gone ahead and approved a contract where they only accept fiduciary responsibility for the Plan. The Board had a lengthy discussion regarding this matter. Ms. Martinez reported that Tim Nash the Plans investment consultant is scheduled to present at the next Pension Board meeting. The Board asked Ms. Martinez to ask Mr. Nash to bring the manager search so that they can see who their second option was at the time they elected Cornerstone.

Action: Consensus of the Board to defer this item to the next Pension Board meeting.

Mr. Harrison reviewed Senate Bill 1128. Mr. Carr asked Mr. Harrison for an update on the changes to the DROP Plan that the Board had discussed at the last Pension Board meeting. Mr. Harrison reported that he may have it ready for the next Pension Board meeting.

Ms. Hurley reported that when she was an active employee of the City she used to upload the Agenda and Minutes to the City's website. She noted that Pension Resource Centers does not have access to do this therefore she wants to make sure that this is still being done. Mr. Carr asked Ms. Martinez to send a request to the Clerk's office to post the Minutes as well as the Agenda next time the Agenda is sent to be posted. He also asked that he be copied on the e-mail.

E. ADMINISTRATORS REPORT:

1. Disability Review

Ms. Martinez reported that the disability review letters have been mailed via certified mail and the due date was May 13. All letters have been received with the exception of Mr. Shield's and Mr. Viera's. Ms. Martinez reported that so far there will be no disability needs to be offset. She asked Mr. Harrison if social security income needs to be considered when determining the disabilities offsets. Mr. Harrison reported that social security is not considered as active payment therefore it does not apply. Ms. Hurley stated that she believes the Disability Review needs to be done by March of every year. Mr. Harrison looked at the Ordinance and confirmed that the Disability Review needs to be done by the end of February of every year. Mr. Harrison reported that the Board has a Policy where they stop the monthly benefit payment until the member responds to the disability review letter.

Action: A motion was made by Mr. Lepa and seconded by Mr. Carr to accept the disability review letters.

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

Action: A motion was made by Lt. Moss and seconded by Mr. Carr to accept the disability review letters with the exception of Mr. Viera's and Mr. Shield's.

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

Action: A motion was made by Lt. Moss and seconded by Mr. Carr to stop Mr. Viera's and Mr. Shield's payment until they submit the Disability Review paperwork.

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

2. Election for Employee Representative to the Lake Worth General Employees Pension.

Ms. Martinez reported that Ms. Hurley's term expires August 1, 2011. She reported that the last time the Plan had an election the election notices had been sent to City Hall, to the Municipal Building and to Utilities to be posted. She explained that the nomination period is 30 days. The Board noted that the Plan can not accept nominations from the Utilities department. The Board will set the election date at the next Pension Board meeting.

Ms. Martinez reported that she is still working on Mr. Kahant's request. She explained that at the last Pension Board meeting Mr. Kahant had asked her to research to see if there were any members receiving a benefit of 100% of their final average salary. She will have an answer for next Pension Board meeting.

IV. CONSENT AGENDA:

A. Employees' Retirement Board:

1. Warrant for Accounts Payable

Ms. Martinez reported that last month First Southern Bank did not release the ACH file that was sent for the first of the month. The Bank's explanation was that no more than two ACH files can be released for that day because the Plan has only two ACH templates. We were not aware of this therefore we had released the ACH files for the first of the month and one ACH file overrode the other causing the monthly payments not be deposited on the first. Because retired member Charles Nichols had an overdraft fee of \$70.00. we refunded Mr. Nichols the \$70.00 and First Southern will refund the Plan the \$70.00. We have been advised that the Plan now has five ACH templates so that this will not happen again.

Ms. Hurley reported that a correction needs to be made on the April 27 minutes on pg. 6 under the motion needs to be added the vote.

Action: A motion was made by Mr. Carr and seconded by Mr. Lepa to approve the Consent Agenda, which included a Warrant for invoices and Minutes for Regular Meeting on April 27, 2011 as revised.

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

B. Police Retirement Board:

1. Warrant for Accounts Payable

Action: A motion was made by Mr. Carr and seconded by Lt. Moss to approve the Consent Agenda, which included a Warrant for invoices and Minutes for Regular Meeting on April 27, 2011 as revised.

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

C. Employees' and Police Retirement Boards:

1. Approval of Minutes: Meeting April 27, 2011

Mr. Harrison reported that it is his understanding that the proposed ordinance amendment that allows for DROP and retired members to sit on the Board will be included on the next City Commission Agenda but staff is recommending against it. The Board does not want to withdraw the ordinance amendment.

VI. ADJOURNMENT:

There being no other business and the next meeting having been previously scheduled for Wednesday, June 22 at 1:30 PM, the General Employees' and Police Board adjourned the meeting at 3:22 p.m.

MINUTES APPROVED: July 27, 2011

Valerie Hurley, Chair Employees' Retirement Board

Randy Collier, Chairman Police Retirement Board

Dixie Martinez, Administrator
Employees' & Police Retirement Boards