

Village of North Palm Beach Police and Fire Pension Fund

MINUTES OF MEETING HELD

March 31, 2010

Chairman Robert DiGloria called the meeting to order at 2:10 PM in the meeting room of the North Palm Beach Village Hall located at 501 US Highway One, North Palm Beach, FL. Those persons present were:

TRUSTEES PRESENT

Robert DiGloria
Steve Brandt
Michael Piotrowski
Henry Maki (2:33)

TRUSTEES ABSENT

Jacob Stone

OTHERS PRESENT

Bonni Jensen; Hanson, Perry & Jensen; Fund Counsel
Denise McNeill; Pension Resource Center
Jim Burdick; Cherry Bekaert & Holland
Samia Janjua and Mary Kay McGann; Village
William Manuel, Village Mayor
Robert Gebbia, Village Councilman

ITEMS FROM THE PUBLIC

The Chairman, Robert DiGloria, invited those present to address the Board with public comments. There were no public comments.

AUDIT PRESENTATION

Jim Burdick of Cherry Bekaert and Holland appeared before the Board to present the Audited Financial Statements for the plan year ending September 30, 2009. Mr. Burdick began by reviewing an audit communication letter with the Board, advising of the auditor's responsibility in the audit process. He noted changes to the auditing standards require several additional statements and reviews, some of which have been added to the report. Mr. Burdick noted that upon review of the Pension Fund's and the administrator's internal controls, no material defects or weaknesses were identified and the Plan was found to be in compliance with all standards.

Mr. Burdick went on to review the audited financial report in detail. He noted that the firm is providing a clean opinion that the information fairly and accurately reflects the Plan's financials and the report was issued with the highest standard the auditor is allowed to provide. Mr. Burdick noted that the decrease in assets of 0.7% from the prior year relates mainly to the loss of investments and benefits paid out of the Plan. He noted that total assets as of September 30, 2009 were \$9,971,825. Mr. Burdick reported the Plan's funded ratio was 88.5% which is up from the prior year and higher than many of the audits he is seeing for other clients. Discussion followed regarding employer contributions. Mrs. Jensen advised that going forward; the State will be reviewing the "percentage" of contributions made to the Plan whereas in the past it was tracked as the dollars paid. Mr. Burdick noted the Village had requested an overpayment for 2008 be recorded as a pre-payment for 2009 and with that overpayment recorded; the Village still had an overpayment as of the FYE 2009. Ms. Janjua advised that the 2010 budget had already been established therefore the village will use the overpayment as a "pre-payment" in the 2011 budget.

Mrs. McNeill inquired into the recent personnel change at the audit firm. She inquired if a new audit person has been established for future audits. Mr. Burdick advised that an employee named Christine Cleback will be assigned as the new pension auditor.

- Michael Piotrowski made a motion to accept the Audited Financial Report for the plan year ending September 30, 2009 as presented. The motion received a second from Steve Brandt and was approved by the Trustees 4-0.

Mr. Burdick inquired into the audit management letter that Cherry Bekaert and Holland require to be signed by the Board and the plan administrator. Mrs. Jensen explained that she had just received the audit management letter for review and will require a couple of changes. The Trustees inquired into the annual report and Mr. Burdick advised it should be available in the next couple of weeks or by the end of April at the very latest.

- Steve Brandt made a motion to execute the audit representation letter upon final approval by the attorney. The motion received a second from Michael Piotrowski and was approved by the Trustees 4-0.

Michael Piotrowski departed the meeting at 2:40 P.M.

ATTORNEY REPORT

Legal Updates: Bonni Jensen presented a memo reflecting several proposed changes with House Bill 1902. She explained there are several items she will be following on behalf of the Board during the current session. She reviewed thirteen items; advising if passed, they will have an affect on the public pension funds. Mrs. Jensen then presented information regarding proposed changes to the Florida Retirement System rates, noting the adjusted rate for special risk personnel may increase to 29.67%. Discussion followed regarding Chapter 175 and 185 funds. Mrs. Jensen explained the funds are collected by the Department of Revenue and are then allocated by the Department of Insurance accordingly.

DISBURSEMENTS

Mrs. McNeill reviewed the Plan's disbursements presented in the Trustee packets.

- Henry Maki made a motion to approve all disbursements as presented. The motion received a second from Steve Brandt and was approved by the Trustees 3-0.

There being no further business:

- Henry Maki made a motion to adjourn the meeting at 2:42 P.M. The motion received a second by Steve Brandt and was approved by the Trustees 3-0.

Respectfully submitted,

Henry Maki