

**VILLAGE OF PALM SPRINGS HAZARDOUS PENSION FUND
AND
VILLAGE OF PALM SPRINGS GENERAL EMPLOYEES' PENSION FUND
MINUTES OF JOINT MEETING HELD
April 25, 2006**

A joint meeting was called to order at 4:35 P.M. at the Council Chambers in Palm Springs, Florida. Those persons present were:

TRUSTEES

Tim Conboy
Ed Lewis
Jorge Cabrera
Phil Englert
Randy Hoffer

OTHERS

Bonni Jensen, Hanson, Perry & Jensen, Attorney
Margie Adcock, Pension Resource Center

Rebecca Morse
Virginia Walton
Phil Ralya
Patti Waller
Butch Cooper

PRESENTATIONS FOR CUSTODIAL SERVICES

COMERICA BANK INSTITUTIONAL TRUST

Ann Caner and Felecia Relief appeared before the Board. Ann Caner stated that she was the Director of Retirement Services and Ms. Relief was the Senior Relationship Manager. Ms. Caner stated that they have \$80 billion under management. They are headquartered in Detroit and have been around for over 150 years. They are the largest bank in Michigan and have a major presence in California, Texas and Florida. They have been in Florida for over 25 years. They process 240,000 pension payments a month for funds. She discussed their commitment to the Florida market. She stated that their Florida headquarters are located in Palm Beach County. She discussed their client list. Ms. Caner discussed the institutional trust arm of Comerica. They have a full staff with \$81 billion in custody assets. Their technology is state of art with on-line services. They have trust powers in all 50 states and are among the top 20 largest domestic custodians.

Ms. Relief discussed the specific services that they can provide. She handles only the municipal accounts. She stated that they do such things as the accounting, safekeeping of assets, reporting, cash sweep, and benefit payments. She discussed the cash sweep services further and noted that it was 17 basis points for their sweep vehicle. She discussed their on-line products further and advised that they could customize their reports.

Ms. Caner stated that they are a financially strong bank. The average account is \$9 million. The Village Pension Plans are the exact type of client that they excel with and stated that their service is exceptional. She discussed fees. She stated that they reduced the fee from the RFP from 5 basis points to 4 basis points. There is a three year guarantee and no trading costs. Ms. Caner and Ms. Relief responded to various questions from the Trustees. Ms. Caner advised that their SAS 70 is done through December 31, 2005 by Ernst and Young and is sent to their customers via e-mail.

Ann Caner and Felicia Relief departed the meeting.

FIDUCIARY TRUST INTERNATIONAL

Ann Orsek appeared before the Board. She stated that she is the Vice President of the Custody Division. She advised that they are a New York chartered state bank since 1931. They have provided custody services for over 60 years. They have over \$60 billion in assets in custody. They are headquartered in Miami. She discussed their services such as personalized servicing; safekeeping; delivery and receipt of assets; and reporting. She reviewed a sample statement. She stated that statements could be provided on a trade date or settlement date basis. They can customize any reports as necessary. Ms. Orsek stated that they have on-line access and overnight sweep and noted that it was 25 basis points for their sweep vehicle. She discussed security contracts. She provided the Board with a representative client list. She discussed fees. They would charge 6 basis points subject to a \$5,000 minimum. They have a three year guarantee. Ms. Orsek responded to various questions from the Trustees. She advised that they have a SAS 70 done every year and the latest one is done through December 31, 2005.

FIFTH THIRD BANK

Fred Johnston and Kimberly Kutlenios appeared before the Board. Mr. Johnston stated that he was in their institutional trust sales department. Ms. Kutlenios stated that she is their Florida based custody representative. Mr. Johnston provided an introduction. He stated that they are headquartered in Ohio and is the 10th largest bank in the U.S. They have \$7 billion in total banking assets in Florida. They are the 7th largest bank in the State of Florida and noted that they have only been in Florida a little over 4 years. They have clients in 38 states and internationally. They have over \$60 billion in custody for governmental organizations.

Ms. Kutlenios discussed their custody services capabilities. She stated that they would handle the safekeeping of the investments; trade settlements; on-line access; proxy processing and reporting. She discussed their relationship team. She discussed the conversion and transition.

Mr. Johnston discussed fees. He stated that they would charge 5 basis points with a \$4,000 annual minimum. This is an all inclusive fee. He discussed the value added services. They offer a directed brokerage/commission recapture program for institutional clients. They do not tell them where to place trades but make the program and process available to the managers. Mr. Johnston and Ms. Kutlenios responded to various questions from the Trustees. They advised that they have a SAS 70 done every year as of December 31. They noted that the December 31, 2005 SAS 70 was not completed as of yet. Ms. Kutlenios discussed the sweep vehicle and noted that they charge 46 basis points on the money held in the seep. They provided a portfolio composition and prospectus. They stated that if they do not do the pension payments they would reduce the minimum fee to \$3,500.

DISCUSSION ON PRESENTATIONS

The Boards discussed the presentations of the custodians. It was noted that there was a benefit if both Boards go with the same custodian. Ms. Morse stated that her biggest problem with Salem was in reporting. They were not tracking transactions. She stated that both she and her assistant reviewed all of the responses and in their opinion Comerica meets all of their needs. There was a lengthy discussion. A motion was made,

seconded and passed 5-0 for the Hazardous Duty Employees Plan to change custodians to Comerica Bank. A motion was made, seconded and passed 5-0 for the General Employees Plan to change custodians to Comerica Bank. Ms. Jensen stated that she would work on the contracts for both Boards.

OTHER BUSINESS

There being no further business, the joint meeting was adjourned at 5:35 P.M.

Respectfully submitted,

Phil Ralya, Secretary (General Employees)