

**VILLAGE OF PALM SPRINGS HAZARDOUS DUTY  
EMPLOYEES' PENSION FUND  
MINUTES OF MEETING HELD  
December 20, 2005**

Tim Conboy called the meeting to order at 4:30 P.M. at the Council Chambers in Palm Springs, Florida. Those persons present were:

**TRUSTEES**

Tim Conboy  
Ed Lewis  
Bob Becak

**OTHERS**

Ernie Mahler, Smith Barney  
Margie Adcock, Pension Resource Center  
Bonni Jensen, Attorney

**APPOINTMENT OF 5<sup>TH</sup> TRUSTEE**

It was noted that Bob Becak provided a letter of resignation effective January 1, 2006. He noted that he was moving to North Carolina and would no longer be able to serve on the Board. The Board thanked him for his service and all he has done for the Board. The Board discussed the need to appoint someone else as the 5<sup>th</sup> Trustee. The Board will discuss this further at the next meeting.

**MINUTES**

The Board reviewed the minutes of the meetings held August 2, 2005 and November 1, 2005. A motion was made, seconded and carried 3-0 to approve the minutes of the meetings held August 2, 2005 and November 1, 2005.

**ATTORNEY REPORT**

Bonni Jensen provided the Board with a final draft of the Summary Plan Description that was prepared by the Actuary. She advised that the document was ready for approval. She advised that her recommended changes have been included in the final draft. A motion was made, seconded and carried 3-0 to approve the Summary Plan Description.

Ms. Jensen provided the Board with a proposed retainer agreement. She advised that it was the exact retainer agreement that she has with the General Employees Board. A motion was made, seconded and carried 3-0 to approve the retainer agreement with Hanson, Perry and Jensen, P.A.

Ms. Jensen reported that the IRS increased the mileage rate from September 1, 2005 to December 31, 2005 to 48.5 cents. As of January 1, 2006, the mileage rate will be 44.5 cents.

Ms. Jensen stated that she was contacted by the Finance Director for the Village regarding the current Custodian, Salem Trust Company. The Custodian is not meeting the needs of the Finance Director. She discussed the various issues that have arisen such as the conversion of their computer system and the SAS 70. She advised that the

Village's auditor has to audit certain statements at Salem because Salem cannot produce a current SAS 70 that shows their numbers have been audited. The Finance Director has asked that the Board send out a Request for Proposal for Custodial Services to be brought back to the February meeting. Ms. Jensen advised that she was given direction to send out a similar Request for the General Employees Pension Fund. A motion was made, seconded and carried 3-0 to authorize Ms. Jensen to send out a Request for Proposal for Custodial Services.

### **ADMINISTRATIVE REPORT**

Margie Adcock presented the Beneficiary/Enrollment Forms received from the Village. A motion was made, seconded and carried 3-0 to approve the list of Enrollment Applications.

Ms. Adcock presented the Board with the benefit calculation and election approval for Randal Hoffer. A motion was made, seconded and carried 3-0 to approve the benefit election.

Ms. Adcock presented the disbursements. A motion was made, seconded and carried 3-0 to pay all listed disbursements.

Ms. Adcock advised that the Village reappointed Jorge Cabrera to the Board.

### **INVESTMENT MONITOR REPORT**

Ernie Mahler appeared before the Board. He stated that the Fund had nice outperformance for the fiscal year end quarter. He stated that since September 30, 2005 the Fund has continued to do well. The total Fund is up 3% for the two month period ending December 16, 2005.

Mr. Mahler stated that he is paid his fee with commissions. He noted that Ms. Jensen has suggested that a new contract be drafted and executed. He disclosed that the Fund is given credit toward the fee at 5 or 6 cents per share. When the fee per share drops to 2 or 3 cents per share, the Fund does not get credit toward his fee. He noted that ICC did not give him any sort of fee such as a finder's fee. He also noted that ICC does not direct business to him. Mr. Mahler stated that he wanted to make sure the Board understood how he was compensated. Mr. Mahler offered to answer any questions that the Board may have.

### **OTHER BUSINESS**

There being no further business, the meeting was adjourned at 5:10 P.M.

Respectfully submitted,

Tim Conboy, Chairman