

WEST PALM BEACH FIREFIGHTERS PENSION FUND
MINUTES OF MEETING HELD
April 3, 2003

David Allison called the meeting to order at 1:37 P.M. at Station 2, West Palm Beach, Florida. Those persons present were:

TRUSTEES

D. Allison
D. Miller
T. Harris
D. Merrell

OTHERS

Bonni Jensen, Hanson, Perry & Jensen, Fund Counsel
Scott Baur and Margie Adcock, Pension Resource Center

MINUTES

The Board reviewed the minutes of the meetings held January 8, 2003 and February 5, 2003. A motion was made, seconded and carried 4-0 to approve minutes of the meetings held January 8, 2003 and February 5, 2003.

DISBURSEMENTS

Margie Adcock reviewed the disbursement list. The Board was provided with a letter from the Actuary regarding a fee increase. It was noted that the disbursement list included an invoice from the Actuary with the new rate. A motion was made, seconded and approved 4-0 to approve the increase in the fee of the Actuary. A motion was made, seconded and approved 4-0 to pay all listed disbursements.

ADMINISTRATIVE REPORT

Margie Adcock provided the Board with a letter from George May requesting the ability to select the fixed rate option at this time as he claimed he was not aware of the election done previously. Ms. Adcock also provided the Board with comments in an e-mail from Tom Sheppard on the matter as he would not be able to attend the meeting today. There was a lengthy discussion on the matter. It was noted that while the notice period was not a lengthy one, there was a notice sent to all Participants. In addition, the Actuary stated that there would be no impact on a fixed rate option provided that the Participants were required to make an election before the period began. A motion was made, seconded and carried 4-0 to deny the request of George May. Bonni Jensen was directed to send Mr. May a letter advising of the Board's decision.

Ms. Adcock then presented the Board with an authorization from Fidelity Federal concerning the checking account of the Fund. The authorization was to allow the Administrator to process monthly direct deposit pension payments on-line. A motion was made, seconded and carried 4-0 to authorize David Allison to execute the authorization from Fidelity Federal.

Ms. Adcock provided the Board with the 2002 Annual Report that was prepared by the Auditor. A motion was made, seconded and carried 4-0 to approve the Annual report and authorize two Trustees to sign the Report.

ATTORNEY REPORT

Bonni Jensen provided the Board with a Proxy Voting Statement from DePrince, Race & Zollo. She advised that the Board has the responsibility of voting proxies and the Board has delegated this authority to the managers to vote for the Board. However, the Board needs to accept the Voting Statement as it is an asset of the Fund. A motion was made, seconded and carried 4-0 to accept the Proxy Voting Statement from DePrince, Race & Zollo.

Ms. Jensen then provided the Board with 3 pages from the Actuary for the Summary Plan Description. These pages updated the salary example to be more reflective of the current salaries. She did advise that there needs to be some caution as the salaries are now a little more accurate and someone might claim that they relied on the example. The Board asked Ms. Jensen to add some disclaimer language that the example is for illustrative purposes only.

Ms. Jensen provided the Board with a proposal on creating the Trustee Policy Books that were requested at a prior meeting. She advised that she would bill on an hourly basis but provide a cap on the total amount to be billed. There was a discussion on the type of policy book the Board wanted Ms. Jensen to create. A motion was made, seconded and carried 4-0 to authorize the Attorney to create Administrative Rules for the Fund with a cap of \$7,500. Ms. Jensen advised that she would have a draft for the next meeting.

Ms. Jensen then reported on the matter involving Mildred Hubbard. She stated that the attorney for Ms. Hubbard has requested an extensive list of public records. She noted that she sent him the Board's Administrative Rule concerning extensive public records request and advised that the cost would be \$30 an hour with 15 cents per page. Ms. Jensen advised that the attorney objected to the \$30 an hour but agreed to the 15 cents per page. She asked the Board for direction. She stated that it is legal to have a policy on extensive public records. There was a lengthy discussion on the issue. A motion was made, seconded and carried 4-0 to comply with the Administrative Rule on extensive public records. Ms. Jensen noted that she did meet with the City on this matter and the City advised that it does not plan on making a change to the Plan to include Ms. Hubbard.

Ms. Jensen advised that she received a response from Dr. Lamelas on the disability review for Paul Polisena. She stated that Dr. Lamelas noted that the information provided by Paul Polisena's doctor indicates that Mr. Polisena is still disabled. Dr. Lamelas advised that the document provided meets the requirement of the Board. A motion was made, seconded and carried 4-0 to accept the report of Dr. Lamelas concerning Paul Polisena.

Ms. Jensen reported at the February workshop on the matter concerning extra benefits. She provided the Board with a summary of the impact of a rule for extra benefits. She noted that all the State money for this Fund goes towards extra benefits.

Ms. Jensen then provided an update on some pending legislation and discussed some legislation that is specific to the Fund. She advised the Board on legislation concerning a database for reporting the insurance excise tax premiums, expense reimbursements, and the presumption for cancer. There was further discussion on the matter concerning

expense reimbursements. Ms. Jensen advised that this Board has tied itself to the City's policy which is at a higher rate than Chapter 112. Ms. Jensen recommended that the Board follow the City's policy on expense reimbursements. A motion was made, seconded and carried 4-0 to amend the Trustee Expense Policy to reflect the City's reimbursement rates effective January 1, 2003.

STATEMENT OF INCOME AND EXPENSE

Scott Baur presented a Statement of Income and Expense for the fiscal year to date through February 28, 2003. The Trustees received and filed the Statement of Income and Expense.

OTHER BUSINESS

It was reported that Tom Ellis has provided the Board with an Application for Distribution of his DROP and Share Accounts. He entered the DROP on October 12, 2002, but has been injured and will be terminating employment. There was a discussion on the amount to pay as Mr. Ellis as he elected the fixed rate option which has not become law as of yet. There was a lengthy discussion on the matter. It was determined that 15% should be held back from the fixed amount.

Ms. Adcock reported that the term for Tom Sheppard is due to expire at the end of June. She advised that their office will begin the election process.

There was the discussion on for future meeting dates. David Merrell noted that Tom Sheppard originally requested that the meeting date be moved from Wednesday afternoons due to mandatory training. Mr. Allison advised that he would no longer be able to make the Wednesday afternoon meetings. It was noted that if the meetings are moved to Thursday afternoons, David Merrell and Tom Sheppard might be on duty at most 4 times a year and might not be able to get off for the meeting. The Board decided to have the meetings for the first Thursday of the month and discuss this further with Mike Callaway at the next meeting if necessary.

David Merrell reported on the conference he recently attended concerning controlling disability payments.

There being no further business, the meeting was adjourned at 3:00 P.M.

Respectfully submitted,

Tom Sheppard, Secretary