

WEST PALM BEACH FIREFIGHTERS PENSION FUND
MINUTES OF MEETING HELD
June 5, 2003

David Allison called the meeting to order at 1:34 P.M. at Station 2, West Palm Beach, Florida. Those persons present were:

TRUSTEES

D. Allison
T. Sheppard
D. Miller
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 meeting held May 1, 2003. It was noted that there was a typographical error on the second page. A motion was made, seconded and carried 4-0 to approve minutes of the meeting held May 1, 2003 as corrected.

STATEMENT OF INCOME AND EXPENSE

Scott Baur presented a Statement of Income and Expense for the fiscal year through the end of April 2003. Mr. Baur noted that attached to the Statement was a printout of the investment manager fees that was requested by the Board at the last meeting. There was a question on what the miscellaneous expenses were. Mr. Baur stated that he would provide that information to the Board at the next meeting. The Trustees received and filed the Statement of Income and Expense for the fiscal year through the end of March 2003.

DISBURSEMENTS

Margie Adcock reviewed the disbursement list. A motion was made, seconded and approved 4-0 to pay all listed disbursements.

ADMINISTRATIVE REPORT

Ms. Adcock provided the Board with a letter dated May 20, 2003 from William Henderson requesting a distribution from his DROP account. A motion was made, seconded and approved 4-0 to approve the request from William Henderson for a distribution from his DROP account.

Mr. Baur advised that he requested some information from the Auditor for the Fund on some questions on certain tax issues. Mr. Baur reviewed the questions and the responses received from the Auditor. There was a lengthy discussion on the mustering out money and the VEBA. There was discussion on how the monies are transferred from the City to the Fund and to the VEBA. Bonni Jensen stated that she would look at the rules for the VEBA.

It was noted that meetings need to be scheduled for the Participants to provide them with the Benefit Statements, update for the Summary Plan Description, and to discuss the 13th check and the investment options available for the Share and DROP accounts. There was discussion on the DROP and Share account statements and the distribution of those accounts. Ms. Jensen advised that the Board can change the distribution for a fixed amount by policy. It was noted that the Board would like to see the ability to elect a fixed amount for distribution and withhold a straight 20% for federal tax withholding. Once a Participant reaches age 70 ½ then they would have to take a minimum distribution. Ms. Jensen advised that the Board could modify the monthly payment option by policy and would provide the Board with the proposed policy at the next meeting.

ATTORNEY REPORT

Bonni Jensen provided the Board with proposed letters to be sent to the Participants concerning the 13th check. The letter was to explain to the Participants that even if the Fund was to earn 7% or 8 ¼% this year, they may not receive a 13th check because of the prior bad investment experience.

Ms. Jensen advised that the revised pages for the Summary Plan Description are ready to be distributed.

Ms. Jensen provided the Board with a proposed Resolution 001 2003/2004 concerning the Escalator Clause. A motion was made, seconded and carried 4-0 to adopt Resolution 001 2003-2004.

Ms. Jensen provided the Board with copies of the Trustee Expense Policy for their Trustee Policy Book.

Ms. Jensen noted that the Board received a letter from Brad Armstrong on whether it is time to change the rate of return assumption.

OTHER BUSINESS

Margie Adcock advised that Tom Sheppard was reelected to the Board as his was the only name submitted.

There being no further business, the meeting was adjourned at 2:35 P.M.

Respectfully submitted,

Tom Sheppard, Secretary