

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

David Allison called the meeting to order at 1:36 P.M. at Station 2, West Palm Beach, Florida. Those persons present were:

**TRUSTEES**

D. Allison  
D. Merrell  
D. Miller  
T. Sheppard (1:40 P.M.)

**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 June 5, 2003. A motion was made, seconded and carried 3-0 to approve minutes of the meeting held June 5, 2003.

Tom Sheppard entered the meeting.

**STATEMENT OF INCOME AND EXPENSE**

Scott Baur presented a Statement of Income and Expense for the fiscal year through the end of May 2003. Mr. Baur noted that attached to the Statement was a printout of the investment manager fees and the miscellaneous payments that was requested by the Board at the last meeting. There was a question on the miscellaneous payment to Glenn Chapman in the amount of \$116. 00. Mr. Baur advised that he would report back to the Board on that payment. The Trustees received and filed the Statement of Income and Expense for the fiscal year through the end of May 2003.

**DISBURSEMENTS**

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

**ATTORNEY REPORT**

Bonni Jensen provided the Board with a proposed Statement of Policy Regarding DROP and Share Accounts. Ms. Jensen reviewed the proposed Policy with the Board. She noted that distributions can be taken as a lump sum, 3 annual installments or on a monthly basis. The changes she has made are for the monthly installments. She has removed the annuity tables so a Participant could determine any amount that they wanted to receive. She noted that if a Participant is under 55 years of age, they might incur some additional tax penalties. The suggestion of the Fund's Accountant is that if a Participant is under age 55, they be allowed to select an amount but that amount must remain below the maximum which would then take it out of the requirement that it is an early

distribution. They would have to remain with such a payment until they turned age 59 ½. Ms. Jensen stated that the Accountant has suggested modifying the Policy to say that if a Participant is not age 55 and they select the monthly installments, then the amount they receive has to stay below the maximum amount and they can not change their selection until age 59 ½. There was a lengthy discussion on this matter and the various options available and tax consequences of such options. The Board determined that it did want to remove the hardship withdrawal option from the proposed Policy. A motion was made, seconded and carried 4-0 to table the matter and have Bonni Jensen get further information.

Ms. Jensen advised that membership meetings were conducted. It was noted that any Participant who did not attend one of the meetings would be sent a letter and their benefit statement.

Ms. Jensen noted that the Special Act was approved by the Governor on June 23, 2003 and is now law.

Ms. Jensen advised that a question came up on the earnings election for people attaining 10 years of vesting during the year. It was noted that it should not be applied until the first of the year after attaining 10 years of service. A motion was made, seconded and carried to apply the earnings for the fiscal year following the attainment of 10 years of service.

Ms. Jensen then provided the Board with an update on the Hubbard matter. She stated that nothing new has happened. Ms. Hubbard still wants to take the deposition of Brad Armstrong.

### **OTHER BUSINESS**

Margie Adcock provided the Board with a letter from Salem Trust responding to the auditor's request to correct the cost basis for the foreign equity investments. Ms. Adcock also provided the Board with another letter from Ann Thompson from Salem Trust advising that she would be taking on different responsibilities at Salem Trust and that Karen Russo would be the new contact.

There being no further business, the meeting was adjourned at 2:37 P.M.

Respectfully submitted,

Tom Sheppard, Secretary