

***West Palm Beach Firefighters Pension Fund***  
**MINUTES OF MEETING HELD**  
**March 3, 2005**

Chairman David Merrell called the meeting to order at 1:35 P.M. in the meeting room at Station 2, West Palm Beach, Florida. Those persons present were:

**TRUSTEES**

David Merrell, Chairman  
Tom Sheppard, Secretary  
Tom Harris  
Matt Young

**OTHERS**

Bonni Jensen, Hanson, Perry, & Jensen  
Scott Baur & Nick Schiess, Pension Resource Center

**MINUTES**

The Trustees reviewed the minutes for the meeting of February 3, 2005. A correction was noted and a motion was made, seconded, and passed 4-0 to approve the minutes for the meeting of February 3, 2005 as amended.

**STATEMENT OF INCOME AND EXPENSE**

Nick Schiess provided the Board with a Statement of Income and Expense through December 31, 2004. The Trustees received and filed the monthly financial statement.

**DISBURSEMENTS**

The Trustees reviewed a list of disbursements presented for approval by the Administrator. A motion was made, seconded, and passed 4-0 to approve the disbursements as presented.

**BENEFIT APPROVALS**

The Trustees reviewed the list of benefit approvals provided by the Administrator. A motion was made, seconded, and passed 4-0 to approve the benefits as presented.

**UPDATE ON PROPOSED SPECIAL ACT**

Bonnie Jensen reported that the proposed Special Act, HB 777, had been scheduled for review, however, it had not undergone staff review by the Division of Retirement and Charles Slavin had not issued the report necessary for the matter to proceed. A question arose regarding the maximum percentage permitted into foreign investments and Ms. Jensen advised that the Chapter 175 limitation was 10%, however, the Chapter 112 limitation was 20%.

**ATTORNEY REPORT (Bonni Jensen)**

Ms. Jensen reported the receipt of additional correspondence from Participant Al Ashby reiterating his request that the Plan honor a previously submitted QDRO. She reported that correspondence had been sent to Mr. Ashby reiterating the previous response that the Plan was not legally required to accept a QDRO. The Board discussed Mr. Ashby's multiple requests on the same matter and confirmed that the QDRO could not be honored. A motion was made, seconded, and passed 4-0 to direct the Attorney to ignore further correspondence from Al Ashby unless he presented new information regarding his request.

Ms. Jensen reported that Dr. Lamales did not issue correspondence for the pre-existing medical condition review on newly hired Participants. Dr. Lamales had stated that the medical records initially received from Coach Comp were incomplete and therefore the review was delayed. The Board noted that the process should be timely. Ms. Jensen noted that the City could not base employment decisions on the findings. Ms. Jensen discussed the medical review procedure. She explained that once the review was completed and the opinion issued by Dr. Lamales, the Attorney corresponds with the Participants and provides a statement of pre-existing medical conditions along with notification of their possible exclusion from a disability pension due to the pre-existing conditions. The Participant then returns a signed waiver. A motion was made, seconded, and passed 4-0 to direct Ms. Jensen to correspond with Patrick Cooney with the City to inform him of the details and urgency of the review process. Ms. Jensen reported that no additional responses had been received for the Request for Proposal for Medical Director. Ms. Jensen was questioned whether delays in the medical reviews were still being experienced with Mr. Lamales and she replied that the timeliness of the performance of the medical reviews had improved.

Ms. Jensen provided the Board copies of the executed revised Buy-Back policy and updated Buy-Back Agreement and Application.

Ms. Jensen discussed the Trustee travel expense policy noting that the IRS had raised the mileage reimbursement to \$.405 per mile effective January 1, 2005 and the City had adopted the revised mileage reimbursement rate. After further discussion, a motion was made, seconded, and passed 4-0 to execute the amended Trustee travel expense policy with the revised mileage rate of \$.405 per mile.

Ms. Jensen announced that the Summary Plan Description was being printed. The Board requested Ms. Jensen to provide the document to the Administrator for publication on the Plan's web page. A question arose whether publication on the web page sufficiently met the requirement of the distribution of the document to the Participants. Ms. Jensen advised that the document should be provided directly to the Participants. A discussion arose regarding the electronic distribution of the document via e-mail. Ms. Jensen advised that the current procedure requires Participants to sign for the document, which provided proof of delivery.

**ADMINISTRATIVE REPORT (Scott Baur)**

Scott Baur reported that interest earnings on DROP accounts had been posted, however, earnings on the share accounts had not been received by the Actuary and were therefore not posted.

Mr. Baur reported that the City did not remit the proper employee contributions for Participants Pruseki, Dyal, Lotts, Heller, and Abdo, which was attributable to the delayed commencement of employee contributions as required in the transition to the new Special Act. The Board questioned whether controls in place should have identified the error. Mr. Baur noted that contributions are reconciled at several points including the reconciliation on contributions to the Plan's checking account and also periodically for the proper percentage of payroll. A question arose regarding the party that was responsible for the errors and Ms. Jensen advised that the responsibility was ultimately upon the City to ensure that contributions were properly deducted and remitted to the Plan. Tom Sheppard noted that the City was already aware of the matter. A discussion arose regarding implementing additional controls to identify possible future discrepancies and it was noted that an exception report could be generated either by the City or the Administrator. Mr. Baur noted that the Administrator's systems would require modification at a modest pass through cost to the Plan. After further discussion, a motion was made, seconded, and passed 4-0 to direct the Administrator to resolve the matter with the City.

**OTHER BUSINESS**

Tom Sheppard announced that a retirement dinner had been scheduled for April 29, 2005 to honor retirees. He noted that according to the Special Act settlement in 1992, the Plan was responsible for the expenses associated with the retirement dinner. Bonnie Jensen confirmed that the cost of the retirement dinner was in fact an administrative expense of the Plan. A question arose as to the limit of expenses that could be borne by the Plan and Ms. Jensen advised that there was not a maximum, however the expenses must be reasonable. A lengthy discussion arose as to the various types of expenses to be considered and the amounts deemed to be reasonable for each type of expense. A motion was made, seconded, and passed 4-0 to authorize administrative expenses for the retirement dinner specifically defined as the rental of the Harriet Himmel facility at \$2,000, reasonable cost of a live band, meals for honorees, Trustees, and guests not to exceed 76 persons, commemorative awards of axes up to 33 units not to exceed \$300 per unit, and miscellaneous expenses including decorations not to exceed \$1,000. It was noted that non-honorees and their guests would purchase tickets for their meal expenses.

There being no further business and the next meeting having been scheduled for Thursday, April 7, 2005 at 1:30 PM, the meeting was adjourned at 2:55 PM.

Respectfully submitted,

Tom Sheppard, Secretary