

***West Palm Beach Firefighters Pension Fund***  
**MINUTES OF MEETING HELD**  
**October 6, 2005**

Chairperson David Merrell called the meeting to order at 1:45 P.M. in the meeting room at Station 2, West Palm Beach, Florida. Those persons present were:

**TRUSTEES**

**OTHERS**

David Merrell, Chairperson	Bonni Jensen, Hanson, Perry, & Jensen
Matt Young	David Jakubiak and Scott Baur, Pension Resource Center
Dorritt Miller (arrived 1:50PM)	
Tom Harris	

**Minutes**

The Trustees reviewed the minutes for the meeting of August 4, 2005 and provided minor revisions. *A motion was made by Tom Harris, seconded by Matt Young, and passed 3-0 to approve the minutes for the meeting of August 4, 2005 as amended.*

**Informal Hearing (Re: New Hires) Samir Khan**

Ms. Bonni Jensen discussed the pre-employment process and the original request for a hearing by Samir Khan. Ms. Jensen advised the Board that we receive medical record documentation such as MRIs and abnormal MRIs. She mentioned that the new hire would receive a waiver that must be signed. Ms. Jensen also advised that in Samir Khan's situation, Dr. Khan, his father, was concerned about the language in the waiver and its future implications for disability applications either here or somewhere else.

Tom Harris asked "what is a waiver?" and Ms. Jensen responded "each new hire is asked to sign the waiver form relating to the medical records we receive". David Merrill asked "why do we want to eliminate the word abnormal?" He also said "I have concerns that we do not advise the new hire that we have an abnormal finding". Ms. Jensen responded "we are just documenting what the MRI shows". Tom Harris stated "we don't make a determination. What you're saying is that we shouldn't be doing anything but identify the medical finding". David Merrill asked "Can you put a disclosure at the bottom of the applicant's form which states that they have read the report and they understand what is in the report?" Bonni Jensen confirmed that this could be done.

Ms. Jensen further advised the Board that we keep medical information but we don't send a waiver for things what are normal. She also mentioned that these are all people who have been hired by the City. Matt Young stated "By documenting, you are describing the

finding better”. Tom Harris added “now is the time for them to contest it”. Ms. Jensen agreed.

*A motion was made by Tom Harris, seconded by Dorritt Miller, and passed 4-0 to remove the abnormal findings from Samir Khan and indicate in the cover letter that it is outside the normal limit. In addition, disclosure language will be included for all future cases”.*

### **Reporting On Plan Financials**

Scott Baur discussed the audit adjustment relative to the Income and Expense Report. After a brief discussion, Mr. Baur agreed to send an email to all Trustees regarding this matter. *The Trustees received and filed the financial statement.*

After considering both new disbursements and the hold-over disbursements that were intended for the previously cancelled September meeting, *A motion was made by Dave Merrell, seconded by Tom Harris, and passed 4-0 to approve the disbursements.*

### **Benefit Approvals**

After a brief discussion, *a motion was made by David Merrell, seconded, and passed 4-0 to approve the benefit approvals as presented by the Administrator.*

### **Attorney Report (Bonni Jensen)**

Bonni Jensen updated the Board about the consultant questionnaire as required for the industry as a whole and not just Merrill Lynch. Ms. Jensen explained that it is important that the Trustees are aware where the investment manager’s compensation is coming from. Otherwise, consulting groups may be slanted towards people they do business with. Mr. Merrell referred to conversations he had with attorneys at a recent conference, relative to this issue. Mr. Merrell related that the selection decision of companies should be from the universe.

Ms. Jensen addressed Julio Del Rio and his request to Buy-Back his time that he worked with the West Palm Beach Fire Department. Ms. Jensen explained that Mr. Del Rio previously worked for the City but quit and then returned as an employee of the City’s Fire Department. Ms. Jensen read from her letter dated October 6, 2005 to the Board of Trustees advising of the facts relating to Mr. Del Rio’s request. In addition to explaining the history of Mr. Del Rio’s situation, Ms. Jensen explained to the Board that this is the third time he is making such a request and while Section (24)(f) of the Pension Plan provides that a member may make a request to purchase prior service at any time of employment, such a request is only a one-time opportunity. Thus, Ms. Jensen recommended against Mr. Del Rio’s request.

The Board briefly discussed the facts relating to Mr. Del Rio's situation. Mr. Baur clarified to the Board that you cannot use your Share Account balance to Buy-Back and also advised that if you are not vested, you can't Buy-Back. ***A motion was made by Tom Harris, seconded by David Merrell, and passed 4-0 to deny Mr. Del Rio's request to Buy-Back his time.***

Bonni Jensen provided an update on the new hires and advised the Board that they will not be starting until October 24, 2005.

Ms. Jensen mentioned that she has spoke to Frank Spence, the Town Manager of Mangonia Park, advising him of the Board's action to seek Town 175 monies relative to HB1159. Ms. Jensen said she received a letter in the mail from Mr. Spence and that further action is pending.

In reference to her September memo, Ms. Jensen reminded the Board that the new federal standard mileage rate, effective from September 1 until December 31, 2005, is 48.5 cents. This rate is increased from 40.5 cents and will change again at that time.

#### **Administrative Report (Scott Baur)**

Scott Baur notified the Board that the contractual transition to TSW is complete and will commence on October 1, 2005.

The Board discussed the issue of 10-year certain benefit versus the election of a survivorship benefit. Connie Jensen asked when does the 10-year period begin. Scott Baur stated "it use to be the date of the DROP but now we don't have a DROP but we have a Back DROP". Bonni Jensen advised the Board that for a married person, the normal form of benefits is a pension plus survivorship benefits.

***A motion was made by Tom Harris, seconded by Dorrit Miller, and passed 4-0 that while the Plan does not address the question, the 10 year period should begin at the date of retirement, which is now the date the member separates from service.***

#### **OTHER BUSINESS**

The Board discussed the conference that they recently attended in St. Augustine. David Merrell mentioned that he spoke with an investment advisor from Denver who said "small cap values that pay dividends out perform small cap value". Mr. Merrell explained that this matter was discussed in our investment manager presentations. Matt Young stated that an unidentified case study discussed at one of the conference sessions ended up being the City's own case study.

David Merrell inquired if any of the Trustees had a problem with his flight being paid for to attend the Hawaii conference. After a brief discussion, the Board agreed that as long as its one person attending, there is no problem.

After a brief discussion from Bonni Jensen, *A motion was made by Tom Harris, seconded by Dorrit Miller, and passed 4-0 to have Bonni Jensen contact the Risk Manager, requesting the City to pay for the cost of recourse for all pension funds.*

There being no further business and the next meeting having been scheduled for November 3, 2005, the meeting was adjourned at 2:42 PM.

Respectfully submitted,

Tom Sheppard, Secretary