

West Palm Beach Firefighters Pension Fund
MINUTES OF MEETING HELD
December 1, 2005

Chairperson David Merrell called the meeting to order at 1:45 P.M. in the Third Floor Conference Room at Station 1, 500 N. Dixie Highway, West Palm Beach, Florida. Those persons present were:

TRUSTEES

David Merrell, Chairperson
Matt Young
Tom Harris
Tom Sheppard

OTHERS

Bonni Jensen, Hanson, Perry, & Jensen
David Jakubiak and Scott Baur, Pension Resource Center

Minutes

The Trustees reviewed the minutes for the meeting of November 3, 2005. *A motion was made by Matt Young, seconded by Tom Harris, and passed 3-0 to approve the minutes for the meeting of November 3, 2005.*

Reporting On Plan Financials

Scott Baur advised that the financials would change because of the accruals. Mr. Baur also addressed account 4200 relating to Thompson, Segal and Walmsley, and stated that while the manager changed, the account title remained the same. *The Trustees received and filed the financial statement.*

After considering the disbursements and noting that Tom Sheppard has returned check #5200251, *a motion was made by Tom Harris, seconded by Matt Young, and passed 4-0 to approve the disbursements.*

Benefit Approvals

After a brief discussion, *a motion was made by Tom Sheppard, seconded by Matt Young, 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 new hire waivers and advised that all new hires have been processed. Tom Sheppard reported that there will be 30 additional new hires before September 30, 2006.

Ms. Jensen provided an update on the Mangonia Park issue relative to the payment of 175 monies. She stated that she spoke with Keith Davis in the Town Attorney's Office and

she was advised that the Commission needs to approve its ordinance. The Board asked Bonni to request to be on the next Town Agenda. Tom Sheppard agreed to attend with Ms. Jensen.

The Board discussed a letter written to Mayor Lois Frankel from Ed Hoffman, which was provided to the City by the Union and forwarded to the Pension Board. In the letter, Mr. Hoffman, a retiree, requested a COLA adjustment in addition to having the ability to rollover money in the Plan in order to ensure a fixed 8% interest rate. These benefits are currently not provided to participants who retired prior to the enactment of such benefits. Bonni Jensen advised the Board that someone would have to pay the cost of any additional benefits, however, she also advised the Board that they have the authority to determine how 175 monies are to be distributed. After considering and discussing this issue, the Trustees agreed that this is not an issue that should be addressed by the Pension Board but is rather a bargaining issue that should be negotiated between the labor union and the City.

Administrative Report (Scott Baur)

Scott Baur notified the Trustees that the auditor has completed his work and will be presenting his report to the Board. One issue of concern by the auditor was the way 175 monies are utilized for the annual retirement party. Mr. Baur mentioned to the Board that he discussed this matter with the auditor and advised him of the court settlement, which provides directive as to the expenditure associated with the retirement party.

The Board inquired as to the five-year review of all service providers acting on behalf of the Pension Board. Bonni Jensen advised of the following services providers who are currently engaged by the Board:

Dr. Lemelas, Medical Director,
Hanson Perry & Jensen, Attorney,
Salem Trust, Custodian,
Fidelity Federal Bank & Trust, Bank Services,
Gabriel Roeder and Smith, Actuary
Davidson, Jamieson & Cristini, Auditor
Merrill Lynch, Investment Monitor
Pension Resource Center, Administrator

OTHER BUSINESS

After a brief discussion from Bonni Jensen, *a motion was made by Tom Sheppard to have a Christmas dinner for the Board as part of the Pension Fund. The motion died for the lack of a second.*

Ms. Jensen advised the Board about the state ethic guidelines relative to donations and gifts. She explained that a public official could accept gifts up to \$100. Any item of higher value requires a financial disclosure.

David Merrell requested whether or not the Administrator could prepare a retirement package with a checklist to be distributed a year prior to an individual's anticipated retirement date. A discussion ensued and questions were raised about the availability of an employee receiving their proposed pension benefit numbers. Mr. Baur advised the Board that active employees can not only get their estimated projected pension benefit from the Resource Centers website but that they also receive these numbers every August from his firm. He also mentioned that each participant gets a Summary Plan Description. ***A motion was made by Tom Harris, seconded by Matt Young, and passed 4-0 to have the Administrator contact a new retiree one year in advance of their anticipated retirement date.***

Mr. Baur discussed the distribution of Share and Drop account monies and inquired whether or not the Board wants to adhere to its policy or make an exception as to electing a distribution on October 1st of each year. Mr. Baur and Ms. Bonni Jensen explained that the policy was written to ensure that the Pension Fund was not viewed as a bank and that the current policy allows for distribution decisions to be made once each year. Mr. Baur also explained that more frequent distributions would require additional administrative work and may result in increased fees to the Fund. In regards to a Board Member's question about loans, Mr. Baur advised that loans are not permitted from Share Accounts. Bonni Jensen advised that the three methods of distribution include: lump sum, three annual installments or monthly. After discussing this matter further, ***a motion was made by Matt Young, seconded by David Merrell, and passed 4-0 to table this matter until the next meeting.***

There being no further business and the next meeting having been scheduled for January 5, 2006, the meeting was adjourned at 3:00 PM.

Respectfully submitted,

Tom Sheppard, Secretary