

WEST PALM BEACH FIREFIGHTERS' PENSION FUND
MINUTES OF MEETING HELD
December 7, 2006

Chairperson Dorritt Miller called the meeting to order at 1:35 P.M. in the Third Floor Conference Room at Station 1, 500 N. Dixie Highway, West Palm Beach, Florida. Those persons present were:

TRUSTEES

Dorritt Miller
Rick Dorey
Tom Sheppard

OTHERS

Bonni Jensen, Hanson, Perry, & Jensen
Scott Baur, Denise Clougherty of Pension Resource Center
Retiree John "Bud" Smith
Daniel Jacobson, Active Member

APPROVAL OF MINUTES

The Trustees reviewed the minutes for the meeting of November 2, 2006. A few typos were pointed out to the Administrator. A motion was made by Tom Sheppard to approve the Minutes of November 2, 2006. The motion was seconded and carried 3-0.

PLAN FINANCIALS

The Administrator advised the Trustees that the unaudited Plan Financials were not available for review as the system is down, but will e-mail them to each Trustee as soon as they are available.

DISBURSEMENTS

The Administrator advised the Board that Coach Comp no longer has a contractual agreement with the city and the pension plan is subject to paying higher fees for the 14 new hire physicals that were recently done. Ms. Dorritt Miller advised she would contact the director of Human Resources and try to find out why the invoice for Coach Comp is such a drastic increase in fees and whether or not the city has contributed their share to the invoice. She will report her findings to the Administrator.

The Trustees questioned the invoice for Ellen Schaefer progress billing on computer programming. The Board expressed concern that they only approved fees up to a certain amount and would like to be sure the fund does not exceed that cap.

A motion was made by Tom Sheppard to approve the disbursements with the exception of the Coach Comp invoices, checks number 345 and 346. The motion was seconded and carried 3-0.

BENEFIT APPROVALS

The Board discussed receipt of the applications for disability benefits from Leonard Smith. The Board acknowledged receipt as no action was necessary.

WEST PALM BEACH FIREFIGHTERS' PENSION FUND
MEETING OF December 7, 2006

The Board received a copy of a letter from Ronald Hungerford regarding a hardship for an emergency withdrawal request. The Trustees read the letter and a motion was made by Tom Sheppard to deny the emergency withdrawal request by Ronald Hungerford as he does not meet the criteria for a hardship. The motion was seconded and carried 3-0.

The Board engaged in discussion with board counsel regarding the intent and the actual language in the plan that refers to lump sum withdrawals. The Trustees agreed that the plan needed to be updated to include the open enrollment periods and provisions for a partial lump sum distribution to match past practice.

A motion was made by Tom Sheppard to approve the benefit applications for David Pack and Jay French. The motion was seconded and carried 3-0.

ATTORNEY'S REPORT

Bonni Jensen: Hanson, Perry & Jensen

Ms. Jensen reported that the 14 new hires have already begun employment and Dr. Lamelas advised he would have the reports by next week.

Ms. Jensen also advised that we met the deadline for filing the Shell Bill with the local Legislative Delegation. She has spoken with them and will be making a presentation on December 13, 2006 to let them know the union and the city are still in negotiations. She will know by January 29, 2007 if we have a bill to file. Will have to advertise within 30 days of the Legislative Sessions in March 2007.

The Summary Plan Description is due to be updated as it was last updated in December 2004, and must be updated every two years. Gabriel, Roeder and Smith have been made aware.

Ms. Jensen is filing a response to Davidson, Jamieson & Cristini's letter of inquiry regarding the audit.

The audit has been completed and the auditors will be making a presentation to the Board at the January 2007 meeting.

ADMINISTRATOR'S REPORT

Scott Baur and Denise Clougherty: Pension Resource Center

Mr. Baur provided the Board with copies of the Internal Controls and Procedures of his firm. The Board agreed to add it to the Agenda for the next meeting for discussion.

Mr. Baur advised the Board that Battalion Chief Green is still missing pay periods but he has been credited with the same number of pay periods as everyone else and recalculated everyone else's account. He will have an update at the next meeting.

NEW HIRE APPEAL, DANIEL JACOBSON

Firefighter Daniel Jacobson appeared before the Board to present his views on the findings of his pre-employment physical. Mr. Jacobson stated that he objected to the findings that indicated some anomaly on his MRI and would like to convince the Board to overturn their decision to require an acknowledgement and waiver regarding those findings. Mr. Jacobson added that he has been to another doctor and that doctor's opinion was discussed with the Board. Mr. Jacobson further indicated that he had some misunderstandings with regard to duty disability and non-duty disability and how that could affect him in the future. The Board urged Mr. Jacobson to obtain actual copies of the MRI report and X-rays to be placed in his file and he replied that he would get them by the end of the following week.

After a lengthy discussion with the Board of Trustees, Mr. Jacobson agreed to sign the acknowledgement and waiver and Ms. Jensen agreed to put that in the mail to Mr. Jacobson.

Mr. Jacobson thanked the Board for their time and the opportunity to present his opinion. He further thanked them for their patience and explanations of the new hire process as it relates to the pension. A motion was made by Tom Sheppard to direct the Administrator to obtain copies of everything, including the films, from Coach Comp, on all new hire physicals, since inception of the contract agreement. The motion was seconded and carried 3-0.

Tom Sheppard noted that, again, Dr. Lamelas has been late in his response on the new hires, as they have already begun working, and there is no report available from him. He would like the Board to consider searching for another Medical Director. He will get the name of a doctor he knows is interested in putting in a proposal for the position and the Administrator will send out a Request for Proposal.

OTHER BUSINESS

The Trustees discussed the provisions in the Pension Protection Act 2006 and it was clarified that you cannot grow into the age limitation for lump sum withdrawals. If you retire prior to the age of 50, you must still pay penalties on lump sum withdrawals until you reach age 59 ½. All rules apply the same as when the age was 55.

PUBLIC COMMENTS

Retired Chief John "Bud" Smith appeared before the Board to further discuss the 36 retirees and widows that he represents and requested the Board's support in asking the Firefighters' union to negotiate better benefits for those people. Board counsel explained to Mr. Smith that the union can only represent active employees and that the City Commission would still be the avenue for negotiating benefits for retirees. Mr. Smith explained that the City Commission would like a letter from the Board of Trustees, stating they have no objection to increasing the benefit for these 36 people making less than \$1,000 per month. The Trustees explained that they have no authority or

WEST PALM BEACH FIREFIGHTERS' PENSION FUND
MEETING OF December 7, 2006

responsibility to do what he is asking. Mr. Smith thanked the Board for all of their support and time regarding his request, and departed the meeting.

There being no further business and the next meeting having been scheduled for January 4, 2006, the meeting was adjourned at 3:00 p.m.

Tom Sheppard, Secretary