

WEST PALM BEACH FIREFIGHTERS' PENSION FUND
MINUTES OF MEETING HELD
JUNE 7, 2012

Chairman Rick Dorey called the meeting to order at 1:33 P.M. in the Third Floor Conference Room at Station 1; 500 N. Dixie Highway, West Palm Beach, Florida. Those persons present were:

TRUSTEES

Rick Dorey, Chair
Brian Walker, Secretary
Dave Merrell

OTHERS

Audrey Ross, Resource Centers
Scott Baur, Resource Centers
Bonni Jensen, The Law Offices of Perry & Jensen
Rick Roberts, City of WPB Firefighter (Retiree)

PUBLIC COMMENTS

N/A

APPROVAL OF MINUTES

The Board reviewed the minutes of the May 10, 2012 regular meeting.

A motion was made by Brian Walker to approve the minutes of the May 10, 2012 regular meeting as amended. The motion was seconded by Dave Merrell and carried 3-0.

DISBURSEMENTS

The Board reviewed the disbursements presented for approval by the Administrator.

A motion was made by Brian Walker to approve the disbursements that were presented by the Administrator. The motion was seconded by Dave Merrell and carried 3-0.

BENEFIT APPROVALS

The Board reviewed the application for retirement for Martin Palermo and the application for distribution of DROP account due to retirement for Kevin Green.

A motion was made by Dave Merrell to approve the application for retirement for Martin Palermo and the application for distribution of DROP account due to retirement for Kevin Green. The motion was seconded by Brian Walker and carried 3-0.

REPORTING OF PLAN FINANCIALS

The Administrator provided the Board with an unaudited financial statement and an income and expense report for review through the month of April 2012.

The Board received and filed the un-audited financial statements through the month of April 2012.

ATTORNEY'S REPORT: THE LAW OFFICES OF PERRY & JENSEN (PRESENTED BY: BONNI JENSEN)

Ms. Jensen notified the board that the class action settlement against Merrill Lynch has been settled for a total of \$8.5M. This board will receive an adjusted claim amount of \$536,002. Ms. Jensen explained that the Attorneys involved in the case will receive 25% of the total settlement and today the board can either, accept the

WEST PALM BEACH FIREFIGHTERS' PENSION FUND
MEETING OF JUNE 7, 2012

settlement and authorize someone on behalf of the board to file the claim and release forms, or they can challenge the settlement amount. The Trustees had a lengthy discussion on the settlement amount and their options regarding filing the claim.

A motion was made by Dave Merrell to approve and accept the Merrill Lynch class action settlement offer in the amount of \$536,002 (the adjusted claim amount) as stated forth in the claim and release forms, and to also authorize the Plans Chairman Rick Dorey and Secretary Brian Walker to sign and file the Merrill Lynch claim and release forms on behalf of the Board. The motion was seconded by Brian Walker and carried 3-0.

Ms. Jensen reviewed the memo from the Division of Retirement regarding local retirement plans minimum funding basis: percentage of payroll versus fixed-dollar contribution. She explained the history behind their decision in changing the funding basis in the first place from the fixed-dollar amount to percentage of payroll. Now the Division is changing it once again to allow each City to individually choose how they want to contribute; by percentage of payroll or fixed-dollar amount. Ms. Jensen noted that this City and the Plan are not really affected by this change because the City contributes their contributions on a whole dollar amount basis once a year in the beginning of the fiscal year.

Ms. Jensen stated that she sent out the Administrator RFQ's after the last meeting and so far she has received back 1 response for \$8K per month and 3 other responses stating that they are not going to respond to the RFQ. She noted that the deadline is not until next week; therefore she will have all the responses and results at the July meeting.

Ms. Jensen notified the board that Trustee Peter Bozetarnik resigned his position from the board after last months meeting. Mr. Dorey made a recommendation to have a letter sent on behalf of the Board to the Mayor/City explaining the quorum situation so that they can designate a replacement as soon as possible as they are now back to 3 Trustees on the Board. Ms. Jensen stated that she will put together a letter and send it to the City regarding the quorum issue.

ADMINISTRATOR REPORT: RESOURCE CENTERS (PRESENTED BY: AUDREY ROSS & SCOTT BAUR)

Ms. Ross presented the board an endorsement letter from BNP in which they need the board to execute. Both Ms. Jensen and Mr. Brown have reviewed the letter and are comfortable with it. BNP needs this endorsement letter for reporting purposes stating that we are Institutional investors.

The board had a very lengthy and in depth conversation regarding the changes to the Special Act. The Trustees reviewed the entire revised document to get clarification on the implementation of each benefit that is being changed and also who it is affecting and who it is not. The board clarified most benefits and eligibilities. Ms. Jensen noted that she will draft the Special Act Implementation policy and Mr. Baur will prepare a list of members that are grandfathered into the old Plan by either having a calculated backdrop as of 10/1/11, or are eligible for normal retirement as of 5/13/2012. Also Mr. Baur will create a spreadsheet of members that are currently vested in the Plan and their Share account is on the fixed rate of 8.25%, and are now affected by the new rate of 4%. These members will need to fill out a revised application to elect earnings method form that reflects the revised rate

WEST PALM BEACH FIREFIGHTERS' PENSION FUND
MEETING OF JUNE 7, 2012

of 4%. Ms. Ross stated that she will email the revised form to all the members this will affect before 7/1/12.

OTHER BUSINESS

Ms. Jensen notified the Board that the Union filed a grievance letter against the City because they did not make the change to the employee contribution rate by their deadline date. She noted that she has since contacted the City and they are in the process of making the changes and corrections as needed.

There being no further business and the next Pension Board meeting having been rescheduled for Thursday July 12, 2012 @ 1:30PM, the meeting adjourned at 4:56PM.

Brian Walker, Secretary