

**THE CITY OF WEST PALM BEACH RESTATED EMPLOYEES' DEFINED
BENEFIT RETIREMENT SYSTEM**

MINUTES OF MEETING HELD

October 24, 2006

A regular meeting of the Board of Trustees was called to order at 1:35 P.M. in City Hall, Room 619, 200 Second Street, West Palm Beach, Florida.

Those Trustees present were:

Alfredo Lay, LeeAnna Claridge, Craig Kahle, Benny Rodgers and Patrick Cooney.
William Swisher advised the Administrator he would not be present at the meeting.

Also present were:

Denise Clougherty representing the Pension Resource Center

Secretary, Benny Rodgers, called the meeting to order at 1:35 p.m. in the absence of the Chairman.

MINUTES

The Board reviewed the minutes for the meeting held on September 26, 2006. **A motion was made by Alfredo Lay, to approve the minutes for September 26, 2006 as amended. The motion was seconded and carried 5-0.**

STATEMENT OF INCOME AND EXPENSE

The Trustees reviewed the Statement of Income and Expense ending September 30, 2006. The Trustees then reviewed the remainder of the financial statements, which they agreed to receive and file.

DISBURSEMENTS

The Board reviewed the disbursements for the month. **A motion was made by Alfredo Lay to approve the disbursements for the month of September 2006 with the exception of Klausner & Kaufman, which was approved for payment of \$370.00. The motion was seconded and carried 5-0.**

BENEFIT APPLICATIONS

The Board was provided with a list of benefit applications for review. A motion was made by Alfredo Lay to pre-approve the benefit for Carol Wilkins. The Board requested the Administrator check into Carol Wilkins' termination date, as they believe she is still actively working. The Administrator will look into this.

Board Counsel, Adam Levinson, joined the meeting via teleconference.

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ATTORNEY REPORT

Adam Levinson

Mr. Levinson reported that in the case of Adolia Blankinship, who passed away last month, and left her pension benefit to her nephew, a Pooled Special Needs Trust has been set up for William Madison and the benefit payments to him will be sent to that trust for his care. A copy of the Trust is on file with the Administrator. A motion was made by Alfredo Lay to approve benefit payments to the Trust for William Madison. The motion was seconded and carried 5-0.

Mr. Levinson further reported on the status of the disability retirement request for Mr. Ballentine. He reported that the letter from Dr. Green states that Mr. Ballentine is totally and permanently disabled and unable to perform his duties, but he does not say for sure if it is work-related. He does state that there is a relationship between exposure of certain chemicals and leukemia. The job description from the City of West Palm Beach clearly states that there are long hours of exposure to airborne pathogens. The Board has three options, 1) grant the disability retirement; 2) request and perform a more formal evidentiary hearing regarding the disability, or 3) get an Independent Medical Evaluation from a doctor of the Board's choosing, and then make a determination. Mr. Cooney inquired as to whether the city would be in a position to be brought into a law suit regarding workers' compensation and causation, if the Board grants a duty-disability. Mr. Levinson responded that it is very possible. And what can the City do to limit the exposure to their employees in the future? Mr. Kahle asked if the Board needs to say that if we grant a service disability based on the medical opinion of Dr. Green that the exposure "could have caused" leukemia, are we going too far since there is nothing concrete that says it is definitely caused by the job? A motion was made by Alfredo Lay to grant Clarence Ballentine a service disability based on the information we have at hand from the department and from Dr. Green.

Craig Kahle passed the gavel to Benny Rodgers for the vote.

The motion was seconded. The Trustees voted on the motion, and the vote was 2-3. Two for the motion, and 3 against the motion. The motion failed.

Mr. Cooney added that the Board would like to know for sure that Clarence Ballentine is due a duty disability, but the Board requires more data and help in identifying the problem in order to make that determination. The Board decided to delegate to Risk Management the duty of preparing an analysis of what kind of exposure is there in the field. Then use the information to make a determination. A motion was made by Patrick Cooney to delegate Risk Management of the City of West Palm Beach to determine the exposure to benzines from a job such as Clarence Ballentine and any possible profilactics and measures to be taken to limit the exposure. The motion was seconded and carried 5-0.

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Mr. Levinson advised he would write the letter to Risk Management. LeeAnna Claridge asked which pays first, the pension or the City through workers' compensation. According to Section 62-204 of the Plan Document discusses offsets. Any workers' compensation payment does get offset against any pension payments. It would seem logical, the City should determine workers' compensation first, then have Risk Management verify that the department is exposed to "organic solvents" including benzene.

Mr. Levinson reported that a former employee, who took a total refund of contributions from the plan upon leaving, has returned to city employment, and the question is whether or not to reinstate this employee back into the plan or into the other plan with the City. Mr. Levinson advised that there is no language for purchasing prior service. The Board will await Mr. Levinson's review of what the circumstances of termination were. Mr. Cooney will look into the city's reinstatement policies. A motion was made by Pat Cooney to send a letter to the employee advising her that the Board has approved her ability to buy back her prior service, including interest, to reinstate her into the plan, being sure to include a time certain of 30 days to make a decision and send that decision in writing to Pension Resource Center. The motion was seconded and carried 5-0. The Board will have the Actuary calculation the assumed rate of interest on her contributions.

ADMINISTRATIVE REPORT

Ms. Clougherty provided the Board with a revised copy of the Investment Policy Statement, advising the Board that all of the changes and recommendations from the last meeting have been included. The Board discussed the revised IPS and had other changes and questions for the Administrator. The Board would like some terms more clearly defined in the IPS including the "Mobius Universe" and others.

Ms. Clougherty also presented the plan's Revised Forms. The Board reviewed the forms and had some minor changes, which the Administrator will make and return to the next meeting with revised copies for further review.

The Board had changes in the Summary Plan Description on page 11 and 12. The Administrator will make those changes and bring a clean copy to the next meeting.

The Board discussed the Trustee Vacancy and a motion was made by Patrick Cooney to accept the application for Trustee Seat from Mr. Burd. The motion was seconded and carried 5-0. The Administrator will invite Mr. Burd to the next meeting.

The Board also discussed that Benny Rodgers is up for re-election and the administrator will bring language to the next meeting regarding the petition required by nominees.

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OTHER BUSINESS

A motion was made by Alfredo Lay to begin a search for another investment manager to diversify the portfolio, by sending out an RFP. The motion had no second. The motion dies for lack of a second.

There being no other business, and the next meeting having been scheduled for November 28, 2006, the meeting was adjourned at 3:05 P.M.

Respectfully Submitted,
