

July 2007**POLICE & FIREFIGHTERS' PENSION BOARD REGULAR MEETING**

Pursuant to authority of Ordinance C-00-34, Article II, this regular meeting of the Police & Firefighters' Pension Board convened at 12:30 P.M., **Wednesday, July 11, 2007** in the Pension Board Conference Room, 888 S. Andrews Avenue, Suite 202, Ft. Lauderdale, Florida 33316.

PRESENT:

Allan Curry, Chairman
Michael Dew, Vice Chairman
Romney Rogers, Secretary
Ian Kemp, Trustee
Mark Burnam, Trustee
Richard Fortunato, Trustee
Dennis Hole, Trustee
Steve Cypen, Board Attorney
James G. Behrendt, City Controller
Lynn Wenguer, Administrator
Laurie DeZayas, Pension Aide
Renee Lipton, Recording Secretary

ABSENT:

Betty Burrell, Ex-officio

ALSO PRESENT:

Fuzzy Larkin, President, Retirees' Assoc.
Bill Paton, Vice President, Retirees' Assoc.
Linda Solomon-Duffey, Secretary, Retirees' Assoc.
Nancy Cohen, Treasurer, Retirees' Assoc.
Jack Lokeinsky, President F.O.P.
Jack Chew, Retirees' Assoc.
Alan Summersgill, Retirees' Assoc.
Ellie Peney, Beneficiary
Joel Peney, Beneficiary
Todd Peney, Police Dept.

Rick Schulze, Retirees' Assoc.

ASSET VALUE as of July 10, 2007: \$480,878,117.

Chairman Curry called the meeting to order at 12:30 P.M.

MINUTES: Regular Meeting, June 13, 2007. Mr. Rogers made a motion to approve the minutes as submitted with Mr. Hole seconding the motion. The motion was approved **UNANIMOUSLY** by the Board.

A suggestion was made, and will be followed, to agenda New Business, Old Business and Open Items on future agendas.

BENEFIT REVIEW: POLICE DEPARTMENT – Requests for Lump Sum Refunds: Keven M. Dupree, Police Officer. Date of separation June 23, 2007 with 1.25 years of creditable service. Lump sum payment due \$3,734.47.

Kenneth M. Manuel, Police Officer. Date of separation June 19, 2007 with 1.33 years of creditable service. Lump sum payment due \$4,065.46.

Luis G. Reyes, Police Officer. Last day worked June 29, 2007 with .65 years of creditable service. Lump sum due \$2,397.93.

FIRE DEPARTMENT: Beneficiaries (Retiree Death) Julia M. Doty dependent upon Earl V. Doty. Date of retirement April 1, 1985. Date of death June 24, 2007. Monthly pension benefit \$3,006.83 for one year; reduced to (60%) \$1,804.10 thereafter.

Jo-Ann Farrell dependent upon James G. Farrell. Date of retirement January 19, 1986. Retiree date of death July 4, 2007. Monthly pension benefit \$3,807.44 for one year; reduced to (60%) \$2,284.47 thereafter.

Marilyn Peterson dependent upon Jack E. Peterson. Date of retirement April 1, 1981. Monthly pension benefit \$1,776.47 for one year; reduced to (60%) \$1,065.89 thereafter.

Mr. Burnam made a motion to approve the Benefit Review with Mr. Fortunato seconding the motion. The motion was approved **UNANIMOUSLY** by the Board.

BILLS:

Systematic Financial Management submitted a bill for investment management fees for the period of 04/01/07 through 06/30/07 in the amount of \$56,252.58.

Asset Consulting Group submitted a bill for investment consulting fees for the period from 04/01/07 through 06/30/07 in the amount of \$10,625.00.

Koch Reiss submitted a bill for audit work for the period ended 12/31/06 in the amount of \$1,050.00.

Ellen Schaffer submitted a bill for the Software Support Contract fee for the DROP & Share Account Systems from 07/05/07 through 07/04/08 in the amount of \$646.00.

Atkinson, Diner, Stone, Mankuta & Ploucha, P.A. submitted a bill for activity through 05/15/07 in the amount of \$524.00. Mr. Burnam made a motion to approve payment of these bills with Mr. Hole seconding the motion.

Mr. Dew stated he was opposed to paying the Koch Reiss bill at this time due to the questions that have arisen regarding errors they had made and felt that Koch, Reiss should be put on written notice.

After further discussion, Mr. Burnam amended his motion to omit the payment of the Koch Reiss bill at this time and pay the other bills. Mr. Hole seconded the amended motion. The Board **UNANIMOUSLY** approved this motion.

After additional discussion, the trustees requested that the administrator discuss the Board's concerns with Koch Reiss and request a written response from them. She was also asked to request an itemized bill for hours and charges for the entire year. Ms. Wenguer will report back to the Board.

INPUT FROM ACTIVE & RETIRED

POLICE OFFICERS & FIREFIGHTERS: None.

ADMINISTRATOR'S REPORT: Me Too II. Mr. Cypen advised that the paperwork had been given to the Judge five weeks ago. To date, he has not put his decision in writing.

Pension Overpayments and Reimbursements: Ms. Wenguer advised that two beneficiaries were overpaid due to a glitch in the payroll system maintained by the Finance Department.

Theresa Arter was overpaid \$28,665.90 due to the fact that her benefit had not been reduced from 100% to 60% after the first year. Mrs. Arter has requested a repayment schedule of \$530.61 per month for 36 months and forgo the Academic Incentive Pay of \$9,564.06. Mr. Cypen requested that in the event she would remarry any amount due be paid in full and a letter be sent to Mrs. Arter with the terms of this agreement outlined.

Mr. Rogers made a motion to approve this payment plan of \$530.61 per month for 36 months with no interest, including a clause to repay in full in the event of remarriage or death. She is to forgo the Academic Incentive Pay of \$9,564.06 Mr. Dew seconded this motion. The motion was approved **UNANIMOUSLY** by the Board.

Joel Peney was overpaid \$89,742.44 because his payments were to cease on January 21, 2004 after an eight-year period and he continued to receive this monthly payment. His son, Todd Peney, discussed the repayment issue and requested more time to arrange for a repayment schedule, as they needed to discuss this issue with an accountant and/or an attorney.

Mr. Cypen noted that Mr. Peney's income tax reports would have to be amended in order to claim a tax refund.

Mrs. Wenguer advised Mr. Peney that the Academic Incentive Pay would be used to offset the amount due.

After further discussion, this issue was tabled for 30 days.

Pension Benefit Information Proposal: The administrator reviewed this proposal for an ongoing death audit service. The Board discussed the need for this service as well as the \$340 cost for an annual service or \$283 for a semi-annual service.

Mr. Rogers then made a motion approve hiring PBI for a semi-annual service at a cost of \$283. Mr. Dew seconded the motion. The motion was approved **UNANIMOUSLY** by the Board.

Survivors' Academic Incentive Pay – Ms. Wenguer advised the Board that the most of the checks have been mailed. We will mail the checks to those members who return the completed W4-P.

Firefighters' Share Plan Statement: After review and discussion of this statement, Mr. Kemp requested that the Administrator prepare a quarterly statement. The administrator agreed to do this.

Postage Scale: After discussion, the trustees agreed that Ms. Wenguer should make this decision when and if she decides it is necessary to purchase or rent a postage scale.

Assistant Pension Administrator: The job description has been revised to include benefits. Ms. Wenguer advised that the City has sent her some resumes and applications. Ms. Wenguer will review these within the next 30 days. The trustees discussed the Plan's cost for health insurance. Mr. Behrendt will bring this information back to the Board. The trustees also discussed hiring an agency, if necessary, to aid in this process.

Fiduciary Liability Insurance: Mr. Behrendt was asked to have the city's insurance company prepare a letter stating that we are covered under the city's self-insurance coverage.

2007 Budget: The trustees reviewed this 5-month budget prepared by the Administrator.

Northpointe Capital letter dated June 5, 2007: This letter was in reference to the Russell Indexes rebalancing and reconstitution. The trustees decided to discuss this matter with their consultant, Mr. Pulos, at next month's meeting. It was also noted, for informational purposes, that The Bank of New York now owns The Boston Co.

The trustees advised the administrator that they wanted to talk to Northpointe Capital, Boston Co. and Lee Munder at next month's meeting.

Open Issues:

How're We Doin' Survey: Mr. Hole provided the trustees the draft of this survey that will be mailed to our active and retired members. He requested all suggestions and changes be e-mailed to the administrator prior to the next meeting.

Heckman Lawsuit: Waiting for his tax refund.

Web Site: Still being worked on. The administrator to discuss Mr. Hole's suggestions with the Webmaster.

Saxena White Select Investor Monitoring Report First Quarter 2007: The administrator to call Northern Trust and the Bank of New York to find out if the paperwork was filed on our behalf for the listed Class Action lawsuits.

Assignment Pay for Firefighter Crew Chief: Mr. Behrendt stated that the Finance Dept. was waiting for a legal opinion on whether the assignment pay was pensionable. Ms. Wenguer stated that the Finance Dept. stopped taking out the 7% contribution in 2002 from two or three employees. Ms. Wenguer to recalculate the benefit for those employees in this category to include their assignment pay.

Policy & Procedures Manual: These manuals are completed and are available in the office.

Pension & Investment Age: Ms. Wenguer notified P&I to correct their error.

Cost of Living Adjustment Sunset Ordinance: The City Commissioners voted to approve this ordinance and reinstate the COLA.

FOR YOUR INFORMATION: No action.

There being no further business to be brought before the Board, Mr. Dew made a motion to adjourn at 2:00 P.M. with Mr. Kemp seconding the motion. The motion was UNANIMOUSLY approved.

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