

*CITY OF MIAMI BEACH, FLORIDA
FIREMEN'S RELIEF AND PENSION FUND
FEBRUARY 1995 MEETING OF THE BOARD OF TRUSTEES*

*FEBRUARY 15, 1995
2:00 P.M.
CITY MANAGER'S SMALL CONFERENCE ROOM*

MINUTES OF MEETING:

Call To Order

Meeting was called to order at 2:00 p.m. by Jack Richardson, Chairman.

Board Members present:

FIRE DEPARTMENT

Tom Sullivan
Jack Richardson

ADMINISTRATION

Joseph Piñon

ALSO PRESENT:

Stephen Cypen
Henry Renard

ABSENT:

T.C. Adderly
Dale Lockett

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Jack Richardson, Chairman, called meeting to order at 2:00 p.m. by referring to the agenda and addressed the minutes of the previous meeting. Jack Richardson made corrections in the minutes. Tom Sullivan made a motion to approve the minutes as corrected, seconded by Joseph Pinon, all in favor, motion carried.

Henry Renard refers to the last report issued on January 31, 1995 and explains the financial status of stocks, bonds, treasury bills, money market accounts and the economy.

Tom Sullivan inquires of Henry Renard if a physical inventory has ever been done. Henry Renard explained that the inventory is done by bookkeeping entry, electronic entry on a double set of books. Stephen Cypen inquired of Henry Renard if we have a custodian bank, Henry Renard replied yes, Nations Bank. Stephen Cypen suggested we ask for an independent audit from the Nations Bank Trust Department. Henry Renard suggested the board deal with Denise Sorrells at Nations Bank. Henry Renard provided contact information for Nations Bank. Stephen Cypen again suggested we ask Nations Bank to give us a copy of their latest independent audit to indicate the assets we should have. Stephen Cypen then suggested the board have Steven Gordon ask Nations Bank to provide a copy of their latest certifications and DTC. Jack Richardson inquires as to the acronym of DTC. Stephen Cypen replies "Depository Trust Company."

Jack Richardson discusses with Stephen Cypen his legal responsibilities to the board and what his contract covers. Stephen Cypen explained all legal issues would be handled as part of the retainer, whether a written opinion or an opinion at a board meeting. Rarely would an opinion be given over the telephone.

Tom Sullivan inquires of Stephen Cypen as to the method used to pay invoices and who develops the structure of paying invoices. Stephen Cypen advised the Board to go to the Police & Fire Pension Office and look at the system used by that pension fund and adopt same. Tom Sullivan inquires of Stephen Cypen about the warrant and checkbook system and if he agrees with the current arrangement. Stephen Cypen agrees with the three signature check system and this would also serve as a warrant. Stephen Cypen suggested that if bills are approved at the meeting and put in the minutes and if you have three signatures of board members on the check, warrants are not needed.

Jack Richardson presented "Applications for Participation Separation Benefits" form. Stephen Cypen suggested the board have a rule that requires this form and a rule stating this form must be submitted within 90 days prior to a scheduled board meeting in order to be placed on the agenda or a lump sum will be automatically paid out. No special meeting will be called for this particular issue.

Tom Sullivan inquired of Stephen Cypen on the method used to pay the Administrative Expenses. Stephen Cypen stated that the expenses comes off the top, with the exception of the custodianship, which if the City is the custodian, the City has to pay for the Custodial Fee.

Jack Richardson inquires about a policy on sending members of the fund to seminars or schools, as there is no vehicle in our fund that addresses attendance at educational seminars/schools. Stephen Cypen explains there is no vehicle because it is operational. The board should adopt a policy, as other funds have, on sending any member to any number of in-state conferences without prior permission and up to a maximum of two out-of-state conferences, without prior permission.

Tom Sullivan confirms the Trustee School in March. Board members who desire to attend the seminar will be responsible for making their own travel and lodging arrangements. Joseph Pinon makes a motion to adopt the policy as described by counsel so it becomes effective immediately. Tom Sullivan seconds motion, all in favor. Stephen Cypen goes over the procedure as; people will advance whatever expenses are appropriate, and assuming they have the proper documentation, follow the policies, will be approved for reimbursement at the next meeting.

Stephen Cypen asked that the accountant advise the board what should be done with the 1099 forms with regard to dispersement. Henry Renard suggests Steve Gordon be invited to the next meeting to be held in May, 1995 to discuss this matter. All members agreed.

There was discussion on the rules of the board regarding dispersement of funds, either a lump sum or over a five year period. Stephen Cypen suggests the board can make a policy to disburse the funds by either cash or payout over a five (5) year period. Tom Sullivan requests Jack Richardson to explain how dispersements of the fund have been distributed most recently and within the last three years. Jack Richardson explained that the fund was kept as retiree's kitty fund, to be drawn down upon the request of a retiree.

Tom Sullivan inquires as to the current policy regarding the amount of time each member is allowed from the time they sever services until obtaining their money from the fund. Stephen Cypen advised that unless, within the 90 days he/she tells the board how they want their funds, it will be assumed they want it in lump sum. Discussion and/or approval of dispersement of all cash funds will be at the next quarterly meeting. Joseph Pinon makes a motion to make this policy rule. Tom Sullivan seconds the motion, all in favor, motion carried.

Tom Sullivan inquires if Jack Richardson can be the Chairman, Trustee and Administrator. Stephen Cypen states that this is not a problem.

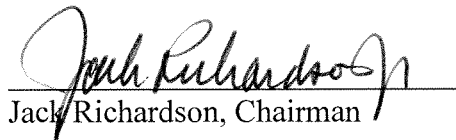
Jack Richardson presents a bill from Inverness Council for \$2,123.46 for the 1st Quarter of 1995, along with petitions from recently retired firefighters requesting dispersement of funds. There is discussion regarding Ashley Trop's hire date and re-hire dates as they apply to the fund. Ashley Trop's funds should be accumulated for the one (1) year rehire and should not be distributed for that year. Joseph Pinon verifies that this is based on City policy and personnel rules.

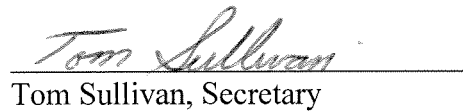
Jack Richardson inquires about the warrant system the board has been using. Stephen Cypen agrees that the warrant system is okay to maintain a numbering tracking system. If the board elects to keep the warrant system, then the check writing authorization system does not require any changes. Stephen Cypen clarifies that if there are three signatures on a warrant, then three signatures on a check are not required.

Jack Richardson asks for a motion for authorization of payment to retirees. Randolph Shelton requested a lump sum settlement of \$63,339.94. Dave Getz, Hoke Jenkins and Pat Pace requested a five(5) year payout. Stephen Cypen advises that the person who does take the payout is authorized to request a lump sum payout to the board within 90 days prior to the next quarterly meeting to ensure that we can maintain cash flow. Tom Sullivan makes a motion to pay all amounts due, seconded by Joseph Pinon, all in favor, motion carried.

Tom Sullivan inquires of Stephen Cypen about fiduciary insurance. Stephen Cypen advised for the board to meet with Risk Manager Ted Baldassarre to see if this fund can be included in the City's Fiduciary Insurance Plan. Stephen Cypen also suggests that the board meet with the Risk Manager to request from the City Manager permission to be included in the Self-Insurance Fund.

Joseph Pinon makes a motion to adjourn, Tom Sullivan seconds motion, **meeting adjourned at 4:10 p.m.**


Jack Richardson, Chairman


Tom Sullivan, Secretary

cc: Stephen Cypen, Attorney
All Board Members
All Fire Dept. Personnel Distribution