

**MEETING OF THE TOWN OF
PALM BEACH RETIREMENT SYSTEM
FIREFIGHTER BOARD OF TRUSTEES
Meeting of March 25, 2009
c/o WILLIAM P. HANES CONSULTING, INC.
P.O. BOX 2112
PALM BEACH, FL. 33480**

I. Call to Order

Mr. French moved that Mr. Ross be able to participate in the meeting telephonically. Mr. Hays seconded. The trustees passed the motion unanimously.

In Attendance:

TRUSTEES:

Carol Rathborne, Chairman
Mike Hays, Chairman Pro Tem
Jayson French, Secretary
Wilbur Ross (telephonic)
Sergio de Araujo

ALSO PRESENT:

Bonni Jensen, Attorney
William Hanes, Administrator
Sean Higman and John Prime, Prime
Buchholz

II. Approval of Agenda

Mr. Ross made the motion and Mr. French seconded the motion to approve the agenda.

III. Public Comments

Ms. Rathborne discussed that Mr. Raymond Snow has brought to her attention space that is available at 249 Royal Palm, Palm Beach, and she recommends that the Board approve lease of the space. She discussed that finding space for the administrator was a recommendation made by the Auditor.

Mr. Ross moved and Mr. de Araujo seconded the motion to enter a lease with the monthly rental at \$1350 with additional \$75 for protected parking for the administrator.

The trustees discussed future meetings of the Board. The trustees agreed to a next meeting for April 14, 2009 and to set the quarterly meeting to be May 22, 2009.

IV. Chairman's Comments

Ms. Rathborne discussed in detail with trustees the prior directive by the trustees and the manner in which she reported to the Finance and Taxation committee on December 16, 2009. Mr. Hays and Mr. French discussed their concerns.

V. Actuarial Cost of proposed changes in benefits

Ms. Rathborne discussed that Brad Armstrong, the plan's actuary, has reviewed a proposal presented by Mr. Hays regarding several changes in plan design, and has estimated a cost for actuarial services at between \$5,000 and \$6,000.

Mr. Ross moved to request from the actuary to provide the study and paid for by the plan. Mr. French seconded. The trustees unanimously approved the motion.

VI. Ordinance amendment to include ICMA as investment option

Ms. Jensen presented a draft ordinance addressing a proposal to authorize members to participate with a self directed product, which could include ICMA, and provided for a process of accounting for Share and DROP participation with the plan.

Mr. French made the motion and Mr. de Araujo seconded the motion to adopt the ordinance as drafted and recommend to Town Council as amended to allow for semi-annual transfer of funds. The trustees unanimously adopted the motion.

VII. Investments

Mr. Higman and Mr. Prime provided a performance report for Prime Buchholz. The consultants discussed each class performance by time periods, and discussed the plan's asset allocation model. Mr. Hanes raised an issue that the model that was originally recommended to the trustees in May, 2008, included private equity. Ms. Rathborne discussed that secondary fund investors have experienced very good performance. Subsequent to a lengthy discussion, the members agreed that Prime Buchholz should bring one or two large private equity firms to the next meeting to discuss the issue.

VIII. Other Business

Meeting of the Town of Palm Beach
Firefighter's Retirement System
Board of Trustees
March 25, 2009

Ms. Rathborne discussed with Mr. Hanes matters of cash flow, and Mr. Hanes pointed out that the amount of monies that are made to the fund through employer and employee contributions are not sufficient to pay the retiree payroll. Mr. Higman and Mr. Hanes discussed that there is a need to create a cash management policy in order to have cash available to provide for payment of benefits without a forced distribution of assets.

IX. Adjournment

Mr. French made the motion and Mr. Hays seconded the motion to adjourn. The trustees unanimously approved the motion.


Attested by:


Jayson French, Secretary