

MEMORANDUM

October 4, 2003

TO: Honorable Mayor and Members of the Village Council

FROM: Conchita H. Alvarez, CMC, Village Clerk

RE: Police Officers and Firefighters' Pension Plan
Board of Trustee Appointments

Ordinance 97-21 adopted on September 9, 1997 established the Police Officers and Firefighters Pension Plan. The plan is administered by a five member Board of Trustees. Please see **Section 3. Board of Trustees** of Ordinance 97-21 which is attached to this memorandum that describes the Board's composition, duties, and responsibilities. The two (2) members appointed by the Village Council are:

- C Barclay E. Cale, Jr
- C Sandra L. Winters

Both members were appointed for a two (2) year term. Mr. Cale was first appointed on September 9, 1997, re-appointed on July 20, 1999 and again on October 9, 2001. Ms. Winters was first appointed on July 20, 1999 and re-appointed on October 9, 2001. Both members have agreed to accept re-appointment. Appointment will be from September 10, 2003 to September 10, 2005.

Thank you.

(c) Change in Designation of Beneficiary.

A Member may from time to time change his designated Beneficiary by written notice to the Board upon forms provided by the Board. Upon such change, the rights of all previously designated Beneficiaries to receive any benefits under the System shall cease.

Sec. 3. BOARD OF TRUSTEES

(a) The sole and exclusive administration of and responsibility for the proper operation of the System and for making effective the provisions of this ordinance are hereby vested in a Board of Trustees. The Board of Trustees is hereby designated as the plan administrator. The Board of Trustees shall consist of five (5) Trustees, two of whom, unless otherwise prohibited by law, shall be legal residents of the municipality who shall be appointed by the Village Council, one of whom shall be a full-time Police Officer Member of the System who shall be elected by a majority of the Police Officers who are Members of the System, one of whom shall be a full-time Firefighter Member of the System who shall be elected by a majority of Firefighters who are Members of the System. The fifth Trustee shall be chosen by a majority of the previous four Trustees as provided for herein, and such person's name shall be submitted to the Village Council. Upon receipt of the fifth person's name, the Village Council shall, as a ministerial duty, appoint such person to the Board of Trustees as its fifth Trustee. The fifth Trustee shall have the same rights as each of the other four Trustees appointed or elected as herein provided and shall serve a two (2) year term unless he sooner vacates the office. Each resident Trustee shall serve as Trustee for a period of two (2) years, unless he sooner vacates the office or is sooner replaced by the Village Council at whose pleasure he shall serve. Each Police Officer or Firefighter Trustee shall serve as Trustee for a period of two (2) years, unless he sooner leaves the employment of the Village as a Police Officer or Firefighter or otherwise vacates his office as Trustee, whereupon a successor shall be chosen in the same manner as the departing Trustee. Each Trustee may succeed himself in office. The Board shall establish and administer the nominating and election procedures for each election. The Board of Trustees shall meet at least quarterly each year. The Board of Trustees shall be a legal entity with, in addition to other powers and responsibilities contained herein, the power to bring and defend lawsuits of every kind, nature, and description.

(b) The Trustees shall, by a majority vote, elect a Chairman and a Secretary. The Secretary of the Board shall keep a complete minute book of the actions, proceedings, or hearings of the Board. The Trustees shall not receive any compensation as such, but may receive expenses and per diem as provided by law.

(c) Each Trustee shall be entitled to one vote on the Board. Three (3) affirmative votes shall be necessary for any decision by the Trustees at any meeting of the Board. A Trustee shall have the right to abstain from voting as the result of a conflict of interest provided that Trustee complies with the provisions of Section 112.3143, Florida Statutes.

(d) The duties and responsibilities of the Board shall include, but not necessarily be limited to, the following:

- (1) To construe the provisions of the System and determine all questions arising thereunder.
- (2) To determine all questions relating to eligibility and membership.

- (3) To determine and certify the amount of all retirement allowances or other benefits hereunder.
- (4) To establish uniform rules and procedures to be followed for administrative purposes, benefit applications and all matters required to administer the System.
- (5) To distribute to Members, from time to time, information concerning the System.
- (6) To receive and process all applications for benefits.
- (7) To authorize all payments whatsoever from the Fund, and to notify the disbursing agent, in writing, of approved benefit payments and other expenditures arising through operation of the System and Fund.
- (8) To have performed actuarial studies and valuations at least as often as required by law, and make recommendations regarding any and all changes in the provisions of the System.
- (9) To retain the services of an administrator to assist the Board in the administration of the System.
- (10) To perform such other duties as are necessary or appropriate prudently to administer the System.

Sec. 4. FINANCES AND FUND MANAGEMENT.

Establishment and Operation of Fund.

(a) As part of the System, there is hereby established the Fund, into which shall be deposited all of the contributions and assets whatsoever attributable to the System.

(b) The actual custody and supervision of the Fund (and assets thereof) shall be vested in the Board. Payment of benefits and disbursements from the Fund shall be made by written authorization from the Board.

(c) All funds of the System may be deposited by the Board with the Finance Director of the municipality, acting in a ministerial capacity only, who shall be liable in the same manner and to the same extent as he is liable for the safekeeping of funds for the municipality. However, any funds so deposited with the Finance Director of the municipality shall be kept in a separate fund by the Finance Director or clearly identified as such funds of the System. In lieu thereof, the Board shall deposit the funds of the System in a qualified public depository as defined in §280.02, Florida Statutes, which depository with regard to such funds shall conform to and be bound by all of the provisions of Chapter 280, Florida Statutes. In order to fulfill its investment responsibilities as set forth herein, the Board may retain the services of a custodian bank, an investment advisor registered under the Investment Advisors Act of 1940 or otherwise exempt from such required registration, an insurance company licensed to do business in Florida, or a combination of these, for the purposes of investment decisions and management. Such investment manager shall have discretion, subject to any guidelines as prescribed by the Board, in the investment of all Fund assets.