

August 18, 2010
Regular Meeting Pension Plan B

The regular meeting of the Board of Trustees, Pension Plan B, was held on the above date.

Present: President Rosenberg, Treasurer Morley, Trustees Buck, Gaskin, Klein, Lee, Meszoros and Fire Chief Rooney

Absent: Vice President Herlihy and Trustee Garcia

President Rosenberg called the meeting to order at 6:32 p.m.

A motion was made and seconded to dispense with the reading of the minutes of the previous meeting.

Treasurer Report

Trustee Buck motioned to accept the Treasurer's Reports for June and July, 2010; Trustee Meszoros seconded and the Board passed it unanimously.

Old Business

1. None.

New Business

1. Trustee Klein motioned to grant a Widow's Pension Request to Marianne Velasquez, widow of Lieutenant Steven Velasquez who died in the line of duty on July 24, 2010, effective July 25, 2010; Trustee Meszoros seconded and the Board passed it unanimously.

Trustee Buck asked if this was the proper way of handling the Widow's Pension Requests.

President Rosenberg responded that it was his understanding that a Widow's Pension would equal what the Fire Fighter was receiving at the time of his death. She would receive 50% from the Pension Plan and from Workers' Comp she would receive the other 50% which would equate to 100% of his pension.

Deputy Chief Petrucelli stated that Treasurer Morley represented to him that Pension Plan B will pay the widow 50% and the difference is made up through Workers' Compensation. The widows will probably receive two separate checks each month, one from the Pension Plan and one from Workers' Comp.

President Rosenberg explained the motion that was made for the pensions and President Whitbread asked if it would be retroactive and Deputy Chief Petrucelli responded yes, back to July 25, 2010.

Union President Whitbread asked when they could expect a check and Treasurer Morley responded on the last business day of this month. The check would include the entire month of August and partial for July and it will take effect on the day after the passing of her husband, but it will not include the Workers' Compensation. It is 50% of the base pay.

Deputy Chief Petrucelli stated that Workers' Compensation is going to be a separate agency that has to go through their approval process, again that should also be retroactive back to July 25th as well, and the form has been submitted to Workers' Compensation.

Trustee Klein amended his previous motion that was passed by stating that they were granting a Widow's Pension notwithstanding the fact that the Administrators do not have the death certificate yet for Fire Fighter Velasquez, but there is no question that he was killed in the line of duty; Trustee Meszoros seconded and the Board passed it unanimously.

2. Trustee Klein motioned to grant a Widow's Pension Request to Laurie Baik, widow of Fire Fighter Michel Baik who died in the line of duty on July 24, 2010, effective July 25, 2010; Trustee Meszoros seconded and the Board passed it unanimously.

Treasurer Morley represented that he spoke with Money Manager David Reiser and there is slightly over 60 million dollars as of close of business yesterday. The Pension Fund is up about 3 1/2% for the year.

Treasurer Morley also represented that counsel that was recently hired and specializes in pensions and trustees, etc., to whom he sent various plan documents for her review, contacted him.

Counsel for the Plan reviewed the documents and advised Treasurer Morley that the IRS historically has left governmental plans alone, but now they are changing that based on some new laws that have been enacted and they would now have to deal with the IRS. They will have to obtain an approval letter from the IRS stating that they have adopted into the Pension Plan any covenants of the laws of the land. They have until January 30, 2011 to comply with this requirement. It is expected that the IRS will begin to audit governmental plans after that date and could disqualify plans on that basis. Pension Plan B must be amended to reflect the new laws and regulations adopted. The plan amendment will not affect the benefits paid by Pension Plan B or its contributions or funding. There will be some costs, i.e., legal costs and fees. Treasurer Morley stated that he didn't know what the costs would be on the legal side, but on the IRS side it would be

somewhere in the neighborhood of \$6,000.00. Counsel for the Plan will be handling this matter together with Treasurer Morley.

Trustee Buck motioned that they work with counsel to become fully compliant with the new IRS regulations and pay whatever fees are necessary; Trustee Klein seconded and the Board passed it unanimously.

Treasurer Morley requested now that he is retired that his yearly stipend, the same amount, be paid to him in two payments, semi-annually instead of annually.

Trustee Klein motioned to pay Treasurer Morley his stipend semi-annually; Trustee Lee seconded and the Board passed it unanimously.

3. There being nothing further to come before the Board, Trustee Meszoros motioned to adjourn the meeting; Trustee Buck seconded and the Board passed it unanimously.

The meeting ended at 6:50 p.m.