

# WEST PALM BEACH POLICE

## PENSION NEWS



A West Palm Beach Police Pension Fund Publication

### Issue 2

Date of Issue:  
Second Quarter 2009

#### Inside this issue.....

|    |                   |
|----|-------------------|
| 2  | Board Comments    |
| 3  | Top Ten Stocks    |
| 3  | Long Term Results |
| 4  | Track The Fund    |
| 5  | Retiree Corner    |
| 6  | Manager Comments  |
| 7  | IRS Information   |
| 10 | Stock Highlights  |
| 12 | In Closing        |

### Death Notification

While this is not a topic we like to discuss, death is an inevitable reality. The Board of Trustees are charged with the duty to make certain that payments are being made to only those entitled to them. As such, upon the death of a retiree or beneficiary, the Board of Trustees should be notified as soon as possible. A benefit review will be undertaken & adjustments made based on the retiree's benefit selection.

## QUARTERLY PENSION FUND SUMMARY

*Each quarter, this section of the newsletter will outline investment details for the most recent time period. Please consider that this is a long term investment program when reviewing quarterly returns.*

On March 31, 2009 our fund had a total market value of \$136,384,334. For the quarter the fund experienced a return of -\$6,179,520. That equates to a total fund return of -3.9%, which outperformed our blended benchmark return which was -6.9%. In the previous quarter the fund return was -12.2%.

For the quarter the average allocation of our fund was 51.2% invested in stocks, 40.0% in bonds, 8.7% other investments, 5.2% hedge funds and the

balance in cash equivalents (i.e., short term liquid interest bearing investments similar to money market funds. Our ongoing target for investment in stocks is 65% of the total fund.

### Calendar Year to Date

As with the quarter return, for the calendar year the total fund return was -3.9%, while its benchmark return was -6.9%. The stock return was -8.1%, while the benchmark return was -11.3%. The bond return was 2.4%, while the benchmark return was 3.4%.

### Major Economic Indicators

For the first quarter of 2009 the best performing sector among S&P 500 stocks was Information Technology which increased 3.96% and the

worst sector was Financials which declined 29.49%.

Among the major economic indicators, the Consumer Price Index (CPI-Urban) decreased 0.4% for the twelve months ended in March. In the first quarter the seasonally adjusted annual CPI rose 2.2%. The Producer Price Index (PPI) for finished goods fell 1.2% for twelve-month period ended in March.

The seasonally adjusted unemployment rate is 8.5% in March compared to 7.2% in December. Real Gross Domestic Product (GDP) decreased at an annual rate of 6.3% for the fourth quarter of 2008, compared with an increase of 0.5% in the third quarter of 2008.

## From the Board of Trustees

Dear Pension Members:



**New Bank:** The Board of Trustees recently approved a request for quotes for a financial custodian. The custodian holds all the assets of the fund and processes retirement payments, etc. The search was undertaken in an effort to cut costs, while not sacrificing any service to our members. An experienced custodian was identified at a substantial savings. The Board has requested our legal counsel to finalize the agreement. Once finalized, retiree payroll will shift from the current custodian to the new custodian. This should be relatively seamless and you will be notified before this takes place. As retirees may recall, two 1099R's were issued in 2008. That will also be the case this year. One 1099R will be issued from the current custodian and one from the new custodian. We will keep you posted!

**Election of Earnings Notice:** As you know, Share Accounts are established and maintained for each participant in the Pension Fund including DROP participants. The accounts are funded by Florida Statutes Chapter 185 casualty insurance premium tax monies. Share Accounts are credited each quarter with a pro rata share of Pension Fund investment earnings are charged with a pro rata share of administrative and investment expenses. Upon vesting (attaining ten years of credited service), a participant may elect to change the investment option prior to each plan year (before October 1st). The election is between investment earnings as earned by the Pension Fund assets less administrative and investment expenses (the rate of return for the fund) or a fixed rate of 8.25% less administrative and investment expenses. DROP Participants have the option to select between two methods to credit investment earnings to their account. The method may be changed each year effective October 1; however, the method must be elected prior to October 1, for both DROP and Share Account participants. As noted prior, the methods are: Earnings using the rate of investment return earned (or lost) on Pension Fund assets or a fixed rate of 8.25% less administrative and investment expenses. Enclosed herein please find an elections of earnings form. If you are vested, or will be as of October 1, 2009, you may make your election now. If you have already made an election and do not wish to make a change, no action is required on your part. Your investment option is noted on your DROP and/or Share statement. It is also posted on your personal DROP/Share web page. If in doubt call the Office of Retirement for assistance.

**DROP & Share Distributions:** On an annual basis, Retired Share & DROP participants who are currently receiving a distribution, may change the amount received. The open enrollment periods are in August for an October 1st change, or the month of February for an April 1st change. If you have not ever taken a distribution, you may elect to take your first draw at any time. However once a distribution is selected, the change can only be made annually. If you would like to make a change, or begin a distribution, call the Office of Retirement for assistance.

**Meeting Update:** The July Pension Board meeting has been moved to July 17th. Remember all meeting dates are available on-line.

**Office Closure:** The Office of Retirement will be closed the week of June 29th to permit our staff to attend a pension training conference. If assistance is required simply call the office 561.471.0802. Messages will be checked daily.

**Announcements:** The Board of Trustees want to make certain you are kept up-to date. As it is impractical to do a mail-out for every announcement, a page has been created on our web site just for up to date information. As time permits, check out [www.wpbppf.com](http://www.wpbppf.com) and click on the announcement page. We are currently programming the web page so you can register for announcements. In the future when announcements are posted, you will be notified by e-mail about the update.

## Long Term Fund Summary

Since March 31, 2007, the total fund had an average rate of return of -11.0%, which outperformed our benchmark



which returned -14.8% during that same time period.

For the last three years the total fund had an average rate of return of -5.0% per year, which outperformed the overall combined stock and bond benchmark return of -7.2%.

Since March 31, 2007, stocks averaged -21.3% and bonds averaged 6.0%, while their benchmarks averaged -25.0% and 5.6%.

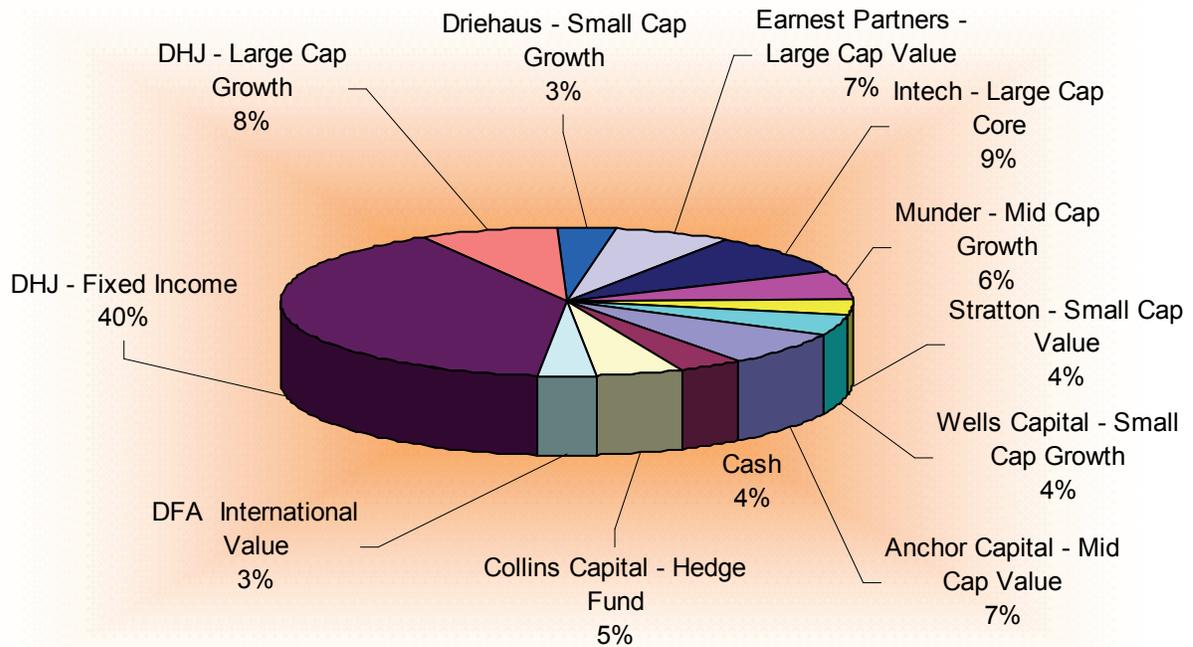
For the last three years stocks had an average return of -12.3%, while bonds averaged 6.1%. These returns also outperformed the benchmarks which returned -14.2% and 5.9% respectively.

TOP 10 STOCKS

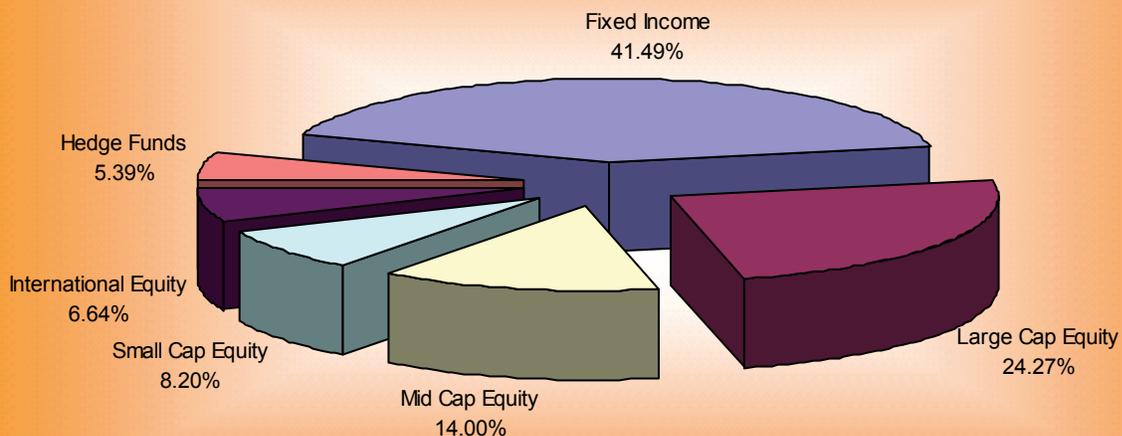
| <b>Intech</b><br><i>Large Cap Core</i> | <b>DAVIS, HAMILTON &amp; JACKSON</b><br><i>Large Cap Growth</i> | <b>Earnest Partners</b><br><i>Large Cap Value</i> | <b>Munder Capital</b><br><i>Mid Cap Growth</i> |
|--|---|---|--|
| <b>Exxon Mobil</b>                     | <b>Microsoft</b>  | <b>Occidental Petroleum</b>                       | <b>MidCap SPDR Trust Series 1</b>              |
| <b>AT&amp;T</b>                        | <b>IBM</b>  | <b>IBM</b>  | <b>O'Reilly Auto Inc.</b>                      |
| <b>General Electric</b>                | <b>Wal-Mart Stores</b>  | <b>Yum! Brand</b>                                 | <b>Annaly Capital Mgt.</b>                     |
| <b>Johnson &amp; Johnson</b>           | <b>Cisco Systems</b>  | <b>Express Scripts</b>                            | <b>Airgas Inc.</b>                             |
| <b>Chevron Corp.</b>                   | <b>Danaher</b>  | <b>Apache Corp.</b>                               | <b>NorthEast Utilities</b>                     |
| <b>Proctor &amp; Gamble</b>            | <b>C.R. Bard</b>  | <b>Intel Corp</b>                                 | <b>LKQ Corp.</b>                               |
| <b>Wal-Mart Stores</b>                 | <b>Hewlett-Packard</b>  | <b>Exelon Corp.</b>                               | <b>McAfee Inc.</b>                             |
| <b>IBM</b>                             | <b>PepsiCo</b>  | <b>General Dynamics</b>                           | <b>EQT Corp.</b>                               |
| <b>Hewlett-Packard</b>                 | <b>Qualcom</b>  | <b>Darden Restaurants</b>                         | <b>FMC Corp.</b>                               |
| <b>Comcast Corp.</b>                   | <b>Oracle</b>   | <b>Travelers Insurance</b>                        | <b>TD Ameritrade</b>                           |

# Track the Fund

## Division of Assets by Manager as of March 31, 2009



## Plan Asset Allocation as of March 31, 2009



# Retiree Corner



***Congratulations to our latest DROP Members***

- |                                 |                          |
|---------------------------------|--------------------------|
| <b><i>Patrick Ross</i></b>      | <b><i>03-23-2009</i></b> |
| <b><i>Freddy Naranjo</i></b>    | <b><i>03-31-2009</i></b> |
| <b><i>Jeffrey Nathanson</i></b> | <b><i>03-31-2009</i></b> |
| <b><i>Michael Leas</i></b>      | <b><i>04-30-2009</i></b> |
| <b><i>Derrik Walker</i></b>     | <b><i>05-01-2009</i></b> |



## NASCAR SALUTED LAW ENFORCEMENT HEROES

America's law enforcement officers were saluted, and those killed in the line of duty remembered, on Sunday, May 31st, at Dover International Speedway during the Autism Speaks 400, NASCAR Sprint Cup Series race at the track widely known as the Monster Mile.

As part of its law enforcement appreciation day, Dover International Speedway teamed up with the National Law Enforcement Officers Memorial Fund to raise awareness of the service and sacrifice of our nation's law enforcement officers and raise money for the NLEOMF.

In addition, driver Jeff Gordon showed his support for law enforcement through a special message on his No. 24 DuPont Chevrolet, as well as public service announcements encouraging NASCAR fans to honor our men and women in blue.

### NY pension fund takes more than 26 percent hit

ALBANY, N.Y. (AP) — New York state Comptroller Thomas DiNapoli says the state's massive public pension fund lost more than 26 percent on its investments during a fiscal year marked by Wall Street's meltdown and the recession.

He says benefits to retirees are secure, but state and local governments will have to pay more into the fund soon to compensate for the diminished return on investments.

The fund was worth about \$109.9 billion when the fiscal year ended on March 31, down from roughly \$154 billion a year earlier. The comptroller is the sole trustee of the fund, which pays pension benefits to public workers. It is funded through payroll deductions that are then invested.

**Note to Reader: Our fund in contrast experienced a return of -12.8% for fiscal year ending September 30, 2008.**

## Davis Hamilton Jackson

### Market Recap:

Global economic data have been not only universally bad, but universally historically bad. As all market participants are now fully aware, this downturn is deeper and broader than any recession since the Great Depression. Stock prices fell 24.6% through the March 9th trough, reflecting this reality. Employment, auto sales, housing turnover, and confidence measures have subsequently indicated slower rates of decline, supporting a conclusion that the worst of the contraction might be over. Perhaps substantial government intervention has successfully broken the negatively-reinforcing cycles of the recession. For the full quarter ending March 31st, the S&P 500 Index decreased 11.0%.

Declines were quite broad-based as investors continued to shed risk wherever possible. Return differences between large cap and small cap stocks were relatively minor, with the Russell Top 200 Index falling 11.1% versus a 14.9% drop for the Russell 2000 Index. However, growth styles did hold up better than value styles, contrary to conventional investing theory that cheaper stocks experience less selling pressure in down markets.

The Russell 1000 Growth Index slipped just 4.1%, while the Russell 1000 Value Index posted a 16.8% loss.

While economic data will surely remain soft for several months, further deterioration seems unlikely at this point. If correct, stock market pullbacks are apt to be increasingly modest and short, establishing a pattern of higher lows. Investor confidence, and probably consumer confidence, will build. Corporate profits should stabilize, allowing for year-to-year increases by late 2009. Current valuations in this scenario suggest stock price increases at least in line with earnings growth.

Stocks of large, high quality companies appear well-positioned for this environment. Traditional growth stocks should match market returns over the near term as the economy recovers. Valuation premiums will then be afforded companies able to sustain above average earnings expansion. If the economy does deteriorate further, large cap and high quality growth stocks ought to hold up well, given their strong balance sheets, free cash flow, and diversified geographic reach.

### Freeport-McMoran Copper & Gold (Ticker = FCX)

Sector: Materials

Industry: Diversified Metals and Mining

Market Capitalization: \$16.6B

Copper & Gold Mining

Freeport-McMoran Copper & Gold is the world's largest publicly traded copper mining company and is also a significant producer of gold and molybdenum. Though copper demand has come down meaningfully as a result of the weak global economy, pricing has already begun to recover due to a combination of industry production volume cuts and China's announcement of a significant economic stimulus program. Freeport reacted swiftly to the changing demand environment for copper and is a favorable situation with regard to operational efficiency. The company has paid down the majority of debt related to the 2007 acquisition of Phelps Dodge and possesses the strongest balance sheet in the space. As copper demand and pricing recover, Freeport will be able to quickly ramp-up idled production capacity and stands to generate meaningful free cash flow while continuing to invest for future growth.

Average Cost in City of West Palm Beach Police Pension Fund: \$35.22 per share, currently trading at \$43.74

### *Ponder This*

"Shares are not mere pieces of paper. They represent part ownership of a business. So, when contemplating an investment, think like a prospective owner."

- Warren Buffett

**Warren Edward Buffett** (born August 30, 1930) is an American investor, businessman, and philanthropist. He is one of the world's most successful investors, the largest shareholder and CEO of Berkshire Hathaway and is currently ranked by *Forbes* as the second richest person in the world with an estimated net worth of approximately 37 billion dollars.

## IRS Information Related to the American Recovery and Reinvestment Act of 2009

The pension board does not provide tax advice. With that being said, the board did want to highlight material provided by the IRS that may affect you. Please consult with your professional tax advisor as you see fit.

According to the Internal Revenue Service, IRS, Congress has approved and the President has signed new economic recovery legislation, the American Recovery and Reinvestment Act of 2009. The IRS is implementing tax-related provisions of this new program as quickly as possible.

Here are some key highlights:

**Payroll Checks Increase.** The Making Work Pay Tax Credit will mean \$400 to \$800 for many Americans. The IRS has issued new withholding tables for employers. Taxpayers can check the IRS withholding calculator to make sure enough tax is withheld from their pay. **Pension recipients** are not eligible for the Making Work Pay credit unless they have earned income. However, because the new withholding tables reduce the taxes withheld from all taxpayers, pension recipients may not have enough tax withheld from their pension benefits to cover their tax liability on those payments. The IRS recommends that pension recipients evaluate their expected tax liability for the year and consider whether they need to make estimated tax payments or adjust their withholding on Form W-4P, Withholding Certificate for Pension or Annuity Payments.

**Municipal Bond Programs.** New ways to finance school construction, energy and other public projects.

**Money Back for New Vehicle Purchases.** Taxpayers who buy certain new vehicles in 2009 can deduct the state and local sales taxes they paid.

**Increased Transportation Subsidy.** Employer-provided benefits for transit and parking are up in 2009.

**Up to \$2,400 in Unemployment Benefits Tax Free in 2009.** Individuals should check their tax withholding.

**Net Operating Loss Carryback.** Small businesses can offset losses by getting refunds on taxes paid up to five years ago. Information on the carryback, an expanded section 179 deduction and other business-related provisions is now available.

**COBRA:** Health Insurance Continuation Subsidy. The IRS has extensive guidance for employers, including an updated Form 941, as well as information for qualifying individuals.

**First-Time Homebuyer Credit Expands.** Homebuyers who purchase in 2009 can get a credit of up to \$8,000 with no payback requirement.

**Enhanced Credits for Tax Years 2009, 2010.** Details available on the earned income tax credit, additional child tax credit and American Opportunity Credit, a new higher education benefit.

**\$250 for Social Security Recipients, Veterans and Railroad Retirees.** The Economic Recovery Payment will be paid by the Social Security Administration, Department of Veterans Affairs and the Railroad Retirement Board.

**Health Coverage Tax Credit.** Credit increases from 65 percent to 80 percent of qualified health insurance premiums, and more people are eligible.

# CREDIT CARD MUCH?

The following summary was prepared by Consumer Union, a non-profit publisher of Consumer Report. It relates to recent credit card protections signed into law.

## **Effective Date**

Most of the new law would go into effect 9 months after the date of enactment.

The 45 day notice requirement and the requirement that bills are sent 21 days before the due date go into effect 90 days after the date of enactment.

## **Restricts all interest rate increases during the first year**

Stops credit card issuers from raising interest rates in the first year after a credit card account is opened, except: When the increase is under a variable interest rate. At the end of the promised time period for a promotional rate. For example, the issuer can offer 3% for six months and then 12% after that. (The promotional period must be at least 6 months.) If the required minimum payment is not received within 60 days after the due date.

## **Restricts interest rate increases on *existing balances***

Credit card issuers cannot raise interest rates on existing balances unless: The increase is under a variable interest rate. It is the end of a promised time period for a promotional rate. The required minimum payment is not received within 60 days after the due date.

## **Increases notice for rate increase on *future purchases***

After the first year, the card issuer can raise the rate on *future purchases* with 45 days notice. No notice is required for increases due to one of the reasons state above.

## **Preserves the ability to pay off on the old terms**

Credit card issuers can't change the terms for repaying a balance, except that the issuer may give the cardholder either: Five years to pay off the outstanding balance at the old rate; or An increased minimum payment that has no more than twice as much of a contribution to paying down the balance as the old minimum payment.

## **Places limits on fees and penalty interest**

If the interest rate increases because the minimum payment is not received within 60 days after the due date, the rate must go back to the original lower rate if the consumer makes on time minimum payments for 6 months. No over-the-limit fees may be charged unless the consumer has asked for the account to be set up to allow transactions which will exceed the credit limit. An over-the-limit fee may be imposed only once per billing cycle if the balance is above the credit limit on the last day of the billing cycle. No fees to make a payment except for expedited payments arranged through a service representative. A card issuer who increases the interest rate must review the account every 6 months and to decrease the rate if indicated by the review. Penalty fees (late fee, over-the-limit fee, etc.) must be reasonable and proportional to the omission or violation. The Federal Reserve Board must issue rules to set standards to decide what fee levels are reasonable, and it may set up "safe harbors" for acceptable fee levels. Two-cycle billing is prohibited. An issuer cannot reach back to an earlier billing cycle when calculating the amount of interest charged in the current cycle.

## **Requires issuers to consider consumer's ability to pay**

Card issuers must consider the consumer's ability to make the required payments under the credit card's terms before raising limits or issuing a new card.

Please continue next page.....

**Requires fair application of payments**

Amounts in excess of the minimum payment must be applied to the highest interest rate, except in the last two months before a deferred interest balance is due.

**Provides sensible due dates and time to pay**

Prohibits credit card issuers from setting early deadlines for payments. Payments must be received by 5:00pm at a location set by the issuer. Due dates will be on the same day each month. The rule prohibits card issuers from treating a payment as late unless the bill is mailed or delivered at least 21 days before the due date.

**Provides sensible due dates and time to pay**

Prohibits credit card issuers from setting early deadlines for payments. Payments must be received by 5:00pm at a location set by the issuer. Due dates will be on the same day each month. The rule prohibits card issuers from treating a payment as late unless the bill is mailed or delivered at least 21 days before the due date.

**Protects young consumers**

- Before issuing a card to a person under the age of 21, the card issuer must obtain an application which contains either: Signature of a cosigner over the age of 21, or Information indicating an independent means of repaying any credit extended.
- Card issuers may not raise the credit limit on accounts held by a person under the age of 21 who has a cosigner without written permission from the cosigner.
- No prescreened credit card offers to people under the age of 21 unless the consumer has consented to receive prescreened offers.
- Restricts card issuers from providing tangible gifts to students on campus in exchange for filling out a credit card application.
- Requires colleges to publicly disclose any marketing contracts made with a card issuer.

**Prevents deceptive marketing of credit reports**

Advertisements for free credit reports must disclose that free credit reports are available under Federal law at: AnnualCreditReport.com.

**Restricts issuance fees on fee harvester cards**

Restricts issuers from financing fees and charges for opening a credit card where the fees and charges total more than 25% of the credit limit.

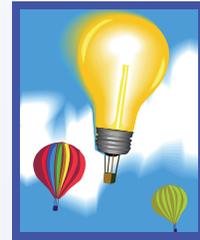
**Requires enhanced disclosures**

Requires issuers to disclose the period of time and total interest it will take to pay off the card balance if only minimum monthly payments are made. Requires 45 day written notice before the issuer can raise the APR or make any other significant change to the card agreement. Requires periodic statements to clearly state the required due date and late payment penalty. Credit card agreements will be posted online and the Federal Reserve Board must keep a public website providing them to the public.

**Establishes gift card protections**

Gift cards cannot expire less than five years from the date the card was purchased or money was last added to the card, whichever is later. No fees if the card has been used within the past 12 months. If a card remains unused for 12 months, then there can be one fee a month. Stronger state laws continue to apply, including for both expiration dates and fees. The bill covers both retailer gift cards and prepaid general use gift cards (the ones that often are branded as Visa, American Express, MasterCard, or Discover.) The law does not cover rewards, loyalty, telephone or promotional cards and does not cover paper gift cards or paper gift certificates.

# Stock Spotlight



## United Parcel Service (Ticker = UPS)

Sector: Industrials

Industry: Air Freight & Couriers

Market Capitalization: 34.1B

Package Delivery

United Parcel Service has emerged as the global leader in commercial and residential package delivery. With the recent departure of its low-priced domestic competitor, DHL, the company now has the largest domestic ground operation. Furthermore, uncertainty surrounding DHL's domestic exit has raised questions regarding its global business which is resulting in new wins for UPS. In early 2008, UPS management announced an increase of its share repurchase program to \$10B from \$2B. The Company has approximately \$6.5B remaining to purchase. With strong free cash flow and dividend yield, the balance sheet remains healthy amidst the challenging economy. The package delivery business is considered a coincidental indicator of the economy. UPS will improve as the economy begins to recover.

## Assurant Inc. (Ticker = AIZ)

Sector: Financial Services

Industry: Insurance – Multi-line

Market Capitalization: \$2.3 Billion

AIZ is a specialty property and casualty insurer focused on niches such as creditor-placed homeowner's insurance, extended service contracts for consumer products, individual health insurance, and small company benefits packages. The company operates as a leading player in its different business lines, which are designed to excel at varying points in the economic cycle. The stock has come under pressure on concerns over insurance industry investment portfolios as well as decelerating sales in its Property division, which tends to track with foreclosures. We believe that the investment portfolio is solid, foreclosure levels will remain high, and that continued international expansion should buoy earnings. Shares are trading at historic lows of 0.7x Price-to-Book and only 4x Forward Price-to-Earnings on over \$5.00 in earnings. This sizeable earnings power should keep AIZ financially strong during these turbulent times, with significant recovery expected once the markets stabilize.

## John Wiley & Sons (Ticker = JWA)

Sector: Consumer Discretionary

Industry: Publishing

Market Capitalization: \$2 Billion

John Wiley & Sons is a global publisher of print and electronic products. The company's products are addressed to three primary markets: 1) Professional / Trade; 2) Scientific, Technical, Medical and Scholarly; 3) Higher Education. With the 2007 acquisition of Blackwell Publishing, the company now produces over 1,400 professional and academic journals. As the company continues to integrate its recent acquisition of Blackwell Publishing, we expect it to increase its capital returns and organic growth rate. The resulting higher levels of free cash flow should enable the company to reduce its acquisition-related debt and increase the value of its equity.

## Actuarial Valuation Results

The Board of Trustees recently received and approved the September 30, 2008 Actuarial Valuation Report. The report presents the level of funding required by the City of West Palm Beach effective October 1, 2009.

**Costs:** The total contribution due to the fund is 29.34% of payroll. The member portion is set at 11.00%, the balance is paid by the city and is valued at 18.34%, or \$4,221,629. In comparison, the Florida Retirement System Special Risk contribution is valued at 22.11% of payroll as of July 1, 2008. The city contribution in this current fiscal year is valued at 16.99%.

**Funding Level:** Another fact of interest is the funding ratio of the fund. Our plan is 92% funded, the balance is amortized over a period of time and re-adjusted annually based on the rate of return of the fund. In comparison, the Florida Retirement System was 93.7% funded as of July 1, 2008.

**Share Accounts:** \$1,252,982 was received from the state for division into member Share Accounts for the fiscal year that ended September 30, 2008. As of that timeframe, there were 376 members with Share Account balances, totaling \$30,208,128.

**Losses:** The pension fund generated an experienced loss of \$8,914,445 during the plan year that ended September 30, 2008. The principal source of the loss was recognized investment return vs. the expected return of 8.25%.

**Average Pension:** As of September 30, 2008, there were 189 pensions being paid from the fund. This includes age and service pensions, disability pensions, death service pensions. The average amount was valued at 37,301.

**Other Averages:** Average age of active and vested terminated members was 37.5, and the average member had 10.5 years of service. The average pay was valued at \$77,797.

### RECONCILIATION OF MEMBERSHIP FOR THE PLAN YEAR ENDED SEPTEMBER 30, 2008

|                            | Active Members | Vested Terminated Members | Pension Recipients |                 |                    |                   |
|----------------------------|----------------|---------------------------|--------------------|-----------------|--------------------|-------------------|
|                            |                |                           | Active DROP        | Service Retired | Disability Retired | All Beneficiaries |
| No. at Start of Year       | 280            | 5                         | 30                 | 120             | 8                  | 29                |
| Increase (Decrease) From   |                |                           |                    |                 |                    |                   |
| Service Retirement         | (2)            |                           | (3)                | 5               |                    | 1                 |
| DROP Retirement            | (5)            |                           | 5                  |                 |                    |                   |
| Disability Retirement      | (2)            |                           |                    |                 | 2                  |                   |
| Deaths                     |                |                           |                    | (6)             |                    | (2)               |
| Other Pension Terminations | (19)           |                           |                    |                 |                    |                   |
| Vested Terminations        |                |                           |                    |                 |                    |                   |
| Non-Vested Terminations    |                |                           |                    |                 |                    |                   |
| New Entrants/Rehires       | 23             |                           |                    |                 |                    |                   |
| <b>No. at End of Year</b>  | <b>275</b>     | <b>5</b>                  | <b>32</b>          | <b>119</b>      | <b>10</b>          | <b>28</b>         |

## THE BOARD OF TRUSTEES

**Ed Mitchell, Chairperson**

**Jonathan Frost, Secretary**

**Chris Fragakis, Trustee**

**Chris Roaf, Trustee**

**Wilton White, Trustee**

Office & Mailing Address  
2100 North Florida Mango Road  
West Palm Beach, Florida 33409

Phone: 561.471.0802  
Fax: 561.471.5027

E-mail Comments and suggestions to:

Email: [info@wpbppf.com](mailto:info@wpbppf.com)

**Ask yourself one question.....**

**Are my loved ones protected?**

**If you have never completed a beneficiary form, or your beneficiary form is outdated due to a life change complete a new one TODAY!**

### Disclaimer

The information contained herein is provided for informational purposes only. The foregoing information/summary/prices/quotes/statistics have been obtained from sources we believe to be reliable, but cannot guarantee its accuracy or completeness. Neither the information nor any opinion expressed constitutes investment, tax and/or legal advice from the Board of Trustees and/or any and all entities thereof. Please consult your professional investment, tax and/or legal advisor for such guidance.

## In Closing....



### In Memory -

With great sadness, the Board of Trustees announce the loss of the following member:

Raymond Ertle, Age 74

Our thoughts go out to Mrs. Ertle & Family.

### Take Home Cars

The Trustees requested the Board Attorney to meet with the city representatives to resolve this matter. The Board voted that taxing the cars would be pensionable. The city representatives postponed meetings thus far as they believe it is matter between the city and the PBA to negotiate. We will keep you advised.

### Madoff Update

The Board of Trustees retained the professional services of Saxena White to pursue the Madoff matter. At the May Board meeting, the Trustees authorized representatives from Saxena White to begin litigation. We will keep you advised as the matter progresses.

### For those who wonder.....

#### Where is Bernie now?

#### Inmate: 61727-054

The Metropolitan Correctional Center (MCC) in New York City is an administrative facility housing male and female pre-trial and holdover inmates.

MCC New York is located in lower Manhattan, adjacent to Foley Square and across the street from the Federal courthouse.

**Judicial District:** Southern New York

### Woman keeps dead Mom's body to collect pension

A Florida woman has been indicted for keeping her dead mother's body in a bedroom for six years while collecting more than \$200,000 in pension benefits, Reuters reports. Police found the mother's decaying body on a bed in a spare bedroom at the mother's home, when they were called to investigate a report of nuisance cats. The woman said her mother had died in 2003. The woman collected over \$61,000 from Social Security and more than \$176,000 from a military pension. She could face up to 15 years in prison. Local media reported that the 61-year-old woman told police her mother died of old age, and she kept the remains because she could not afford burial expenses.

