

**PALM BAY POLICE AND FIREFIGHTERS' PENSION PLAN  
BOARD OF TRUSTEES  
Regular Board Meeting 07-01**

Held on the 11<sup>TH</sup> of January 2007 at Robert J. Conlan Professional Center, 1501 R. J. Conlan Blvd., NE, Suite 260, Palm Bay, Florida.

This meeting was properly noticed pursuant to law; the minutes are on file in the Office of the City Clerk, City Hall, Palm Bay, Florida.

Richard B. Adams, Chairperson, called the meeting to order at the hour of 9:02 a.m.

**ROLL CALL:**

**PRESENT**

Richard B. Adams, Chairperson, Brd Appt  
William A. Yonce, Sr., Vice Chairman, City Council Appt  
James M. Havener, Secretary, Fire Elected  
Timothy W. Lancaster, Trustee, Police Elected  
Benjamin J. Kiszkiel, Trustee, City Council Appt

**EXCUSED**

Also in attendance was Kathy Adams, Board Administrator. Ms. Joyce Dias, Human Resource Officer II and Mr. George Hunt, Human Resources Director, City of Palm Bay. Ms. Alice Passmore, City Clerk, City of Palm Bay arrived at 9:15 a.m.

**ADOPTION OF MINUTES:**

Motion by Mr. Yonce, seconded by Mr. Kiszkiel to table adoption of previous board minutes until the next meeting and to make the following additions to today's agenda: Add under Old Business, Item No. 7. JP Morgan Strategic Property Fund and Item No. 8. Pension Protection Act; and under New Business Item No. 7. Termination Refund/Rollover on Firefighter Dustin Hunt and Item No. 9. City Ordinance 55.16- Maximum Limitation. Motion carried with members voting as follows: Mr. Yonce, Yea; Mr. Havener, Yea; Mr. Kiszkiel, Yea; Mr. Lancaster, Yea; and Mr. Adams, Yea.

**OATH OF OFFICE: Administered to Richard B. Adams, Board Appointee, by Ms. Alice Passmore, Palm Bay City Clerk-**Ms. Passmore administered the Oath of Office to Mr. Adams and presented him with a City plaque honoring his years of service to the pension board.

**OLD BUSINESS:**

1. **Actuarial Services & Projects: Foster & Foster, Inc.-**The board discussed what actuarial projects Foster & Foster would need to work on. One was the Impact Statement for the DROP Ordinance. Mr. Havener said the Firefighter Impact Study. Mr. Lancaster said the FOP had three items; the supplemental benefit; state funding for overtime and the city cost for the buy back. Motion by Mr. Havener, seconded by Mr. Lancaster to approve the actuarial calculations for the three retired police officers and for

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their benefits to include the calculation for the supplemental benefit. Motion carried with members voting as follows: Mr. Yonce, Yea; Mr. Havener, Yea; Mr. Kiszkiel, Yea; Mr. Lancaster, Yea; and Mr. Adams, Yea. Mr. Adams expressed concern in accepting the calculations without having the documents in front of the board. Ms. Adams said she was notified by the city that Ms. Nungesser has been reinstated for an effective date of November 30, 2006. Ms. Adams said she would work with Mr. Heinrichs to come up with a project list and would send it to the board for review. The board said it was now OK to send the DROP applications to the actuary; however, they would not be the priority projects. Mr. Havener said he wanted the dollar amount available from the state funding and that Mr. Heinrichs would have to breakdown the used and unused amounts. He wanted that item as a priority.

**2. Website Development**-Mr. Havener said new photos would be needed because his camera did not work properly. He asked trustees to bring their shirts to the next meeting. Mr. Adams said each board member would have to set up an Outlook Account, then Levi, Ray & Shoup would send a password for board e-mail set-up on the website. Mr. Adams said he would have LRS send it by e-mail. In looking over the site, it was recommended that documents be changed from Word to a PDF format and Mr. Adams would contact LRS about that. There was discussion about obtaining VeriSign so members could sign documents electronically, but Mr. Kiszkiel stated he wanted the original documents for now. Members can download beneficiary and change of address forms and mail them to the pension office. Ms. Adams said she will have SunTrust put a notice on the upcoming retiree checks announcing the website address. Ms. Dias said the city could add the site as a link on their site.

**3. Audit for 10/01/2005-9/30/2006**-Ms. Adams said she is still working on it as the city has not met with her about the adjustments.

**4. Employee Benefit Statements**-Ms. Adams said they were all mailed. About 12 were returned as no forwarding addresses. Mr. Lancaster and Mr. Kiszkiel said to mail them to the departments.

**5. Application for Retirement, Buy Back of Prior Service & DROP-Police Officer Don Bauman**-Mr. Lancaster said since it was already approved to put it in with the other batch for processing.

**6. Application for Retirement, Buy Back of Prior Service & DROP-Police Officer Don W. Smith**-Motion by Mr. Lancaster, seconded by Mr. Yonce to have Foster & Foster calculate the employee buy back calculation on Police Officer Don W. Smith for immediate purchase and to conduct the calculation for the city's cost as soon as feasible. Motion carried with members voting as follows: Mr. Yonce, Yea; Mr. Havener, Yea; Mr. Kiszkiel, Yea; Mr. Lancaster, Yea; and Mr. Adams, Yea. Motion by Mr. Yonce, seconded by Mr. Lancaster to accept Police Officer Don Smith's application for Retirement and DROP contingent on the buy back funds being paid by his requested retirement date. Motion carried with members voting as follows: Mr. Yonce, Yea; Mr. Havener, Yea; Mr. Kiszkiel, Yea; Mr. Lancaster, Yea; and Mr. Adams, Yea.

**7. JP Morgan Strategic Property Fund**-Ms. Adams said JP Morgan called for the \$1.5 Million to be delivered by February 5, 2007. Motion by Mr. Yonce, seconded by Mr. Lancaster to authorize the withdraw by SunTrust from the Payout Expense Account as a 50/50 withdraw from the Police & Fire Funds and if there is insufficient funds in the Payout Expense Account to contact Mr. Myton, Trusco Investment Manager for the appropriate liquidation to make up the difference. Motion carried with members voting as follows: Mr. Yonce, Yea; Mr. Havener, Yea; Mr. Kiszkiel, Yea; Mr. Lancaster, Yea; and Mr. Adams, Yea. Ms. Adams telephoned Ms. Janes, Board Accountant and asked her to return her call to determine if sufficient

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Funds were in the Payout Expense Account.

**8. Pension Protection Act-**Ms. Adams said the IRS provided guidance, according the Mr. Cypen and that he would be coming out with a special newsletter addressing it. She gave the board the IRS site to refer to and to give to employees. Mr. Adams said he could add it to the website. The board recessed at 10:15 a.m. and reconvened at 10:39 a.m. Mr. Havener said he called Mr. Myton and he stated there was \$2.4 Million in the Payout Expense Account and if funds had to be liquidated, he recommended it come from the Small Cap Growth Fund. Ms. Janes returned the previous call and said there was \$2.4 Million in the account in December; with \$1.3 Million for Fire and \$1.1 for Police. She said there should be sufficient funding to pay \$750,000 for both the Fire and Police Funds, leaving \$562,000 in Fire and \$366,000 in Police. Mr. Havener said to put the Payout Expense Account on the agenda for the next meeting for discussion and review.

#### **NEW BUSINESS:**

All items of business marked with an asterisk were considered under Consent Agenda and enacted by the following motion: Motion by Mr. Kiszkiel, seconded by Mr. Yonce to approve the Consent Agenda. Motion carried with members voting as follows: Mr. Yonce, Yea; Mr. Havener, Yea; Mr. Lancaster, Yea; Mr. Kiszkiel, Yea; and Mr. Adams, Yea.

#### **\*1. Consideration of Warrants for Payment**

- \*a) Office Depot-\$299.36-Office Supplies-Approved.**
- \*b) City of Palm Bay-\$46.00-Supplement No. 16 to the City of Palm Bay Code of Ordinances-Approved.**
- \*c) American Legal Publishing Corporation-\$18.00-New Code Book Binder for Ordinance-Approved.**
- \*d) Frank J. Ciccone-\$3,496.50-Interim Retirement Proceeds due 2/1/07-Approved.**
- \*e) Lynne Nungesser-\$5,891.40-Interim Retirement Proceeds due 2/1/07-Approved.**
- \*f) David Miller-\$3,652.17-Interim Retirement Proceeds due 2/1/07-Approved.**
- \*g) James E. Davis-\$669.81-Termination Refund (Resigned 9/13/05)-Approved.**

**\*2. New Plan Member Application, Member Beneficiary Changes, Pre-Retirement Death Benefit Option Selection and Retirement Beneficiary Forms-**New plan member application and beneficiary forms were approved and accepted on Police Officers Ken Shedrick and Judith Lindsay; and Firefighters Angelo Bernard and James J. Turner; a member beneficiary change was approved and accepted on Police Officer Antoinette Magee (due to marriage).

**3. Board Business-**The board discussed the old computer equipment and wants it bid out. Mr. Adams said he could list it on the website. Ms. Adams said there is a credit on Mr. Yonce's VISA of \$3.02. Motion by Mr. Yonce, seconded by Mr. Lancaster to order 1G ISM for the office on Mr. Yonce's corporate VISA. Motion carried with members voting as follows: Mr. Yonce, Yea; Mr. Havener, Yea; Mr. Lancaster, Yea; Mr. Kiszkiel, Yea; and Mr. Adams, Yea. There was discussion about a part-time position. Mr. Yonce asked Mr. Hunt about the benefits package through the city and Mr. Hunt said he had not checked into it yet. Mr. Adams asked about hiring from within the City. Ms. Dias said there are limited benefits for part-

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time employees. The board said they wanted to keep the budgeted position as a part-time position. Mr. Kiszkiel said the \$80.00 printer rebate arrived and turned it into Ms. Adams for deposit. Mr. Adams commented on a mailing from Naples Asset Management. He said he called them and they only invest in the Florida market. During the meeting Mr. Lancaster told the board he had just received an e-mail from the City's Attorney, Jim Stokes, and he could not bring the attachment up on his Blackberry. Ms. Adams printed the letter out for discussion and review by the board. The board reviewed it during the board business section of the meeting. The board discussed the letter and the ultimate goal or intention of the city. Since the letter was addressed to the Division of Retirement, not the board, no further action was needed. Mr. Yonce talked about the possibility of having a pension workshop with the city council.

**4. Upcoming Events-Educational Opportunities-**The FPPTA School is coming up this month. The JP Morgan Real Estate Conference is April 18-20, 2007 and the board wants that discussed at the next meeting. No one was interested in the IFEBP Conference. Motion by Mr. Havener, seconded by Mr. Yonce to approve sending five trustees to the Division of Retirement School in March with the normally approved expenses. Motion carried with members voting as follows: Mr. Yonce, Yea; Mr. Kiszkiel, Yea; Mr. Havener, Yea; Mr. Lancaster, Yea; and Mr. Adams, Yea.

**5. Review of Correspondence:**

- a) **Monthly Bank Statement-STI, 1/30/06-**The market value of the SunTrust/Trusco Funds at 11/30/06 was \$558,0007,867.14. The Grand Total of all the Funds, including International Funds & Real Estate at 11/30/06 was \$70,876,266.24.
- b) **Monthly Statement- American Euro Pacific, 11/30/06-**The market value of the International Funds at 11/30/06 were \$7,2212,494.10.
- c) **Monthly Statement-JPMorgan Strategic Property Fund, 11/30/06-**The market value of the JPMorgan Strategic Property Fund at 11/30/06 was \$5,646,905.00.

**6. Deceased Police Retiree Roy L. Dunning-**Mr. Dunning's wife predeceased him, so there are no survivor benefit payments due.

**7. Application for Insurance Renewal-Commercial, Fiduciary and Excess Liability-**Ms. Adams said she and Mr. Cypen had several conference calls with the insurance company due to the language the FOP and the city included in their letter of understanding. As a result, a statement had to be included in the board's insurance renewal application. The TRIA coverage was discussed and the board agreed to not include it and to go with option 2. Motion by Mr. Yonce, seconded by Mr. Lancaster to approve the insurance premium payment to Arthur J. Gallagher with option 2 on the Excess Liability for the total amount stated. Motion carried with members voting as follows: Mr. Yonce, Yea; Mr. Havener, Yea; Mr. Lancaster, Yea; Mr. Kiszkiel, Yea; and Mr. Adams, Yea.

**8. Termination Refund/Rollover on Firefighter Dustin Hunt-** Motion by Mr. Kiszkiel, seconded by Mr. Yonce to approve the termination refund/rollover on Firefighter Dustin Hunt pending receipt of the required documentation. Motion carried with members voting as follows: Mr. Yonce, Yea; Mr. Havener, Yea; Mr. Lancaster, Yea; Mr. Kiszkiel, Yea; and Mr. Adams, Yea.

**9. Ordinance 55.16-Maximum Limitation-**Mr. Lancaster and Mr. Havener discussed Ordinance Section 55.16 dealing with maximum pension limitations of \$90,000.00 with regard to the 415 limits. Motion by Mr. Havener, seconded by Mr. Lancaster to have Mr. Cypen determine if a change in the ordinance was needed to update the language regarding the 415 limitations and if changes were needed for a draft

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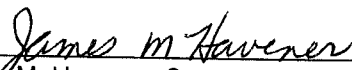
ordinance to be prepared. Motion carried with members voting as follows: Mr. Yonce, Yea; Mr. Havener, Yea; Mr. Lancaster, Yea; Mr. Kiszkiel, Yea; and Mr. Adams, Yea. Mr. Lancaster asked Mr. Adams to follow-up with Mr. Slavin, the State's Actuary, on the police buy back issue.

**ADJOURNMENT:**

There being no further business, the meeting was adjourned at 12:06 p.m.

  
Richard B. Adams, Chairperson

ATTEST:

  
James M. Havener, Secretary