

**PALM BAY POLICE AND FIREFIGHTERS' PENSION PLAN
BOARD OF TRUSTEES
Quarterly Board Meeting 06-14**

Held on the 1st of November 2006 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 Resources Analyst II, and Mr. George Hunt, Human Resources Director, City of Palm Bay; and Mr. Ray Roberts, Jr. President, International Association of Fire Fighters, Local 2446. Trustee William A. Yonce, Sr. arrived at 9:12 a.m.; Mr. Blake Myton, Investment Manager, Trusco, arrived at 9:30 a.m.; Mr. David L. Scott, Jr., Applicant, arrived at 9:35 a.m.; Ms. Karla Engard, Vice President Retirement Services arrived at 9:55 a.m. and Mr. Jeff Swanson, Performance Manager, Merrill Lynch Consulting Services, arrived at 10:03 a.m. Mr. Stephen H. Cypen, Board Attorney, was telephoned twice during the meeting.

ADOPTION OF MINUTES:

Motion by Mr. Lancaster, seconded by Mr. Kiszkiel to excuse Mr. Yonce's tardiness. Motion carried with members voting as follows: Mr. Kiszkiel, Yea; Mr. Havener, Yea; Mr. Lancaster, Yea; and Mr. Adams, Yea. Motion by Mr. Lancaster, seconded by Mr. Kiszkiel to adopt the October regular minutes 06-12. Motion carried with members voting as follows: Mr. Kiszkiel, Yea; Mr. Havener, Yea; Mr. Lancaster, Yea; and Mr. Adams, Yea. Motion by Mr. Lancaster, seconded by Mr. Kiszkiel to adopt the October special minutes 06-13. Motion carried with members voting as follows: Mr. Kiszkiel, Yea; Mr. Havener, Yea; Mr. Lancaster, Yea; and Mr. Adams, Yea.

PRESENTATIONS OF APPLICANTS FOR THE FIFTH TRUSTEE POSITION AT 9:30 A.M. AND APPOINTMENT:

Mr. Adams filed a Form 8B with the board. Copies were provided to the board of trustees. Mr. Adams turned the gavel over to Mr. Yonce, Vice Chairman. Mr. Lancaster asked Ms. Adams if she heard from any of the applicants. She stated Ms. Burgin called and withdrew her application due to medical reasons and

*no action
page 2
#3, 1st para
next sentence
... based attorney
was telephoned
at 9:43 a.m.
to...*

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that she might be moving out of state. Ms. Adams said she asked Ms. Burgin to provide notification in writing. She had not heard from Mr. Scott. All applications were included in the board packets and all applicants were invited to submit a resume and be at the meeting to make a presentation. Mr. Adams submitted his resume and it was included in the board packets.

1. **Richard B. Adams**-Mr. Adams reviewed his pension experience and history with the pension board. He expressed his desire to continue to assist in the growth of the plan.
2. **Denise A. Burgin**-As noted above, Ms. Burgin withdrew her application.
3. **David L. Scott, Jr.**-Was not present at this time.

The board reviewed the applications of Mr. Adams and Mr. Scott. Mr. Yonce asked if there was any further discussion. Mr. Havener reviewed Mr. Scott's application stating he was a high school graduate and had attended some trade schools. He was a member of a couple of other city boards. Mr. Havener referred to the comment on Item 15 of the application stating that a council person said it would be beneficial for him to be on the board. He said there was no benefit to being on this board. Motion by Mr. Lancaster, seconded by Mr. Kiszkiel to approve Mr. Adams as the fifth trustee board appointment. Motion carried with members voting as follows in a roll call vote: Mr. Yonce, Yea; Mr. Kiszkiel, Yea; Mr. Havener, Yea; and Mr. Lancaster, Yea. The gavel was returned to Mr. Adams. Quarterly reports would be delayed until the arrival of the investment managers. At this time discussion was began on Old Business, Item 1. There were comments about the actuarial valuation report and actuarial services. Mr. Lancaster said he felt it was necessary to have a third actuary to review all the reports. Mr. Scott arrived at 9:35 a.m. Mr. Kiszkiel asked that presentations be reopened to give Mr. Scott the opportunity to make his presentation. Mr. Adams turned the gavel over to Mr. Yonce. Mr. Scott said he was born and raised here. Mr. Scott reviewed his employment history; starting pressure cleaning business at a young age, then a painting business. He worked at several Denny's restaurants dealing with various problems they had. When the construction industry came back he got back into it. He has gone from a \$60,000.00 a year business to anticipating \$1.2 Million this year. He has 15 employees and several commercial contracts. He said he's good at taking something and building it up. Mr. Havener asked if he researched the pension board. He said no. Mr. Havener asked if he was familiar with the city ordinance dealing with the pension fund. He said no. Mr. Yonce asked about his response to Item 15. Mr. Scott said it was because of his background. Mr. Havener asked how it would be beneficial to him. Mr. Scott said it would be another project or challenge. Motion by Mr. Lancaster, seconded by Mr. Kiszkiel to let the previous motion and selection for Mr. Adams stand. Motion carried with members voting as follows: Mr. Yonce, Yea; Mr. Kiszkiel, Yea; Mr. Havener, Yea; and Mr. Lancaster, Yea. Mr. Havener thanked Mr. Scott for his interest in serving on the pension board. Mr. Scott left the meeting at 9:40 a.m. Mr. Yonce returned the gavel to Mr. Adams. At this time Mr. Cyphen, Board Attorney, was telephoned at 9:34 a.m. to discuss Old Business, Item 1.

QUARTERLY REPORTS AT 10:30 A.M. & 11:00 A.M.:

1. **Merrill Lynch Consulting Services-Mr. Jeff Swanson, Performance Manager**-Mr. Swanson distributed a condensed report and said a full report would be provided within a couple of weeks. The fund

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had a significant rally this quarter. The market value at September 30th was \$65,898,850.00 with fiscal-year-to-date earnings at \$5,370,433.00. The asset allocation is Equities 49.2%; Bonds 29%; Real Estate 8.4%; and International at 10.4% with the balance in cash. The total fund return for the quarter was 4.2%. The FYTD Return is 9.1%, which is above the target of 8.50%. Bonds are up, but that is very unusual in today's market. The smoothing was discussed and the impact from down years in 2000-2001. Trusco's quarter return was 4.1% with a FYTD of 7.3%. They met their expectations. Mr. Swanson said he would rate the year's returns as an A+.

2. Trusco Capital Management-Mr. Blake Myton, Investment Manager & Ms. Karla Engard, VP Group Retirement Services-Mr. Myton said the Fed's have paused on interest rate changes and energy prices have moderated. The housing market is a concern and points to a softer landing. Some of the funds have been shifted between equities and bonds. The value style outperformed the growth style over the last year. There is a slight overweight to growth, but only by 1%. Trusco is not taking big risks; the goal is consistency. He said small and medium size companies are the worse performing sectors this quarter. Trusco's total market value is \$53,499,322.00. Mr. Myton said 50% of the earnings came from the real estate and international. Mr. Adams asked if Trusco was comfortable with the bond management. Mr. Myton said they are doing very well with a very conservative approach. Their numbers have been good. The asset allocation for the Trusco portfolio is 35.7% Bonds; 60.7% Equity; and 3.6% Cash. Ms. Engard said the cash side is just a snapshot for the day. There was discussion about the payout expense account and perhaps looking at that quarterly in anticipation of increasing retiree payments. Ms. Engard reviewed the Pension Protection Act saying the main two issues were on the 10% early penalty and the \$3,000.00 pre-tax health issue. No one has any answers and it is felt there will be a directive issued on this later in the year. She stated the \$3,000 may have to be adopted in the plan, but clarification is needed on this. Ms. Adams said the board would need a list of current retirees that have health insurance coverage with the city as it is limited to premiums paid to the employer. Ms. Engard said their bank system will track it. Ms. Engard said Georgia and other states are adopting payments made only to employers and not to all insurance companies. That limits administrative issues that may arise with retirees having different individual companies with no tax benefit. Motion by Mr. Yonce, seconded by Mr. Kiszkiel to recess for lunch and return at 12:30 p.m. Motion carried with members voting as follows: Mr. Yonce, Yea; Mr. Kiszkiel, Yea; Mr. Havener, Yea; Mr. Lancaster, Yea; and Mr. Adams, Yea. The board reconvened at 1:08 p.m. Ms. Engard and Mr. Myton did not return to the meeting. At this time discussion was reopened on Old Business Item 1.

OLD BUSINESS:

1. Actuarial Valuation Report-Reissuance-Mr. Cypen said the board has been working with Mr. Little under a contract with Public Pension Professionals, Inc. (P3). If an error has occurred, and obviously it has, Mr. Little, as well as P3 would be liable. Mr. Cypen said he talked to Mr. Ira Summer of P3 on Tuesday. Mr. Summer said his insurance expired in February, but he did not learn about it at the time. The board required \$3 Million worth of coverage and Mr. Summer stated he had \$5 Million. Mr. Summer said he was in the process of attempting to have his agent reinstate it. Mr. Cypen said P3 is without malpractice insurance and was trying to obtain some so he would be covered for the future. Mr. Cypen said he

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believed the city was going to use Mr. Palmquist from Gabriel, Roeder, Smith & Co. (GRS) although it was unknown if they had retained him. The board, as an alternative, could rely on GRS's information. Mr. Adams asked whether it was in the best interest of the city, because they have to make the fund whole and was concerned about rumors among plan members about benefits. Mr. Cypen said he has attempted to keep his conversations limited to the City's Attorney, Jim Linn. He said the city must make the required contributions to make the plan whole within the time specified or the state will come down on them. Mr. Cypen said the police union and the city need to determine what they want to do. Mr. Havener said he has no knowledge of any request from Mr. Palmquist or GRS. Mr. Cypen said Mr. Palmquist was on vacation and he may not know about the issue. Mr. Yonce asked about getting a third actuary to review the studies, since the board had terminated its relationship with Mr. Palmquist (GRS) before hiring P3. Mr. Cypen said two actuaries were enough. The board gave the reports to the city and it was their decision to check the figures. P3 and Mr. Little did not advise the board when they learned the policy had lapsed, but did so only when requested to provide copies of the current policy. Mr. Summer may have a case against the insurance agent as he states his agent left the brokerage company and he was not informed of the lapse until a month ago. Mr. Cypen said what is most important now is for the union and the city to sit down and discuss the real cost of the benefit. He said the board needs to get confirmation from P3 about their insurance coverage. However, the first issue is not to go finger pointing. The union and the city need to sit down and discuss this. The board discussed various actuarial projects pending; i.e. retiree calculations. Mr. Cypen said the board could see if the city agrees to let them use GRS for the pending projects. Mr. Yonce said there was a problem with that because one of the reasons Mr. Palmquist's contract was terminated by the board was they felt there was an issue as to his independence as the board's actuary. He said the board could notify the city they had a conflict in the use of Mr. Palmquist and could take a threshold position on his use. GRS is subject to ethical guidelines. Mr. Cypen asked the board if they were comfortable with Mr. Palmquist. Mr. Adams said his concern was to expedite the process. Mr. Cypen said the board's current actuarial vendor is P3 unless there is an assignment to Mr. Little's new firm. The speediest process would be to go through Mr. Palmquist. Mr. Lancaster confirmed P3 was not an option, but felt Mr. Little's firm was an option, unless P3 got insurance coverage today. Mr. Lancaster asked if the board retained Mr. Palmquist and Mr. Yonce asked if the board could defer to Mr. Palmquist pending the investigation of the P3 issue. Mr. Cypen said the ultimate cost depends on how many people are impacted by the benefit. Mr. Yonce asked if the board would then use Mr. Palmquist's numbers as the official report. Mr. Cypen said there are two parallel items going on, but the root of the problem is the supplemental benefit and it must be determined. Mr. Cypen's call ended at 10:07 a.m. Mr. Hunt said he believes Mr. Palmquist has been retained by the city and it could be confirmed today. Mr. Yonce said the requirement for insurance coverage with P3 was violated and he discussed possible breach of contract action. The board recessed at 10:15 a.m. and reconvened at 10:26 a.m. Upon return the quarterly reports were presented.

Upon return from lunch, the board discussed P3 and the pending retiree items. Mr. Summer, P3, was telephoned at 1:16 p.m. Mr. Adams asked Mr. Summer about the insurance issue. Mr. Summer said as part of the contract they are required to have insurance and errors & omissions coverage. He works

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through an insurance broker and in January they were in the process of renewing their coverage. He said he completed the application forms and told the company to renew his insurance. Between the time to renew and about a month ago, his broker left the company. He went on thinking it had been renewed. He said he was responding to a request for a copy of the policy and was advised the coverage had lapsed. Over the last few weeks he had been in the process of getting error and omissions coverage back again. He said within a few days he should be covered going forward. He is not sure about the lapsed period. Mr. Adams said the board asked for copies of the policies and had not received them. Mr. Summer said he had been working on getting data from Mr. Little. He said he can make a copy of the policy (about 50 pages) and can send that. There was general discussion about providing a schedule of insurance coverage. Mr. Summer said he will send it by e-mail for the general and errors and omission coverage. Mr. Adams asked Mr. Summer if any other boards he deals with were having issues with incorrect data. Mr. Summer said as far as he knew, no. Mr. Yonce asked about internal checks and balances on the data provided. He said all data is checked by two people. Normally the actuarial valuation reports pass by him; on other items other actuaries check them. He said that process did not occur with Palm Bay's report, but he thought it was because of the time deadline in getting the report to the board. He said one person does the report and the other person checks the data under a different methodology and the results should be the same. Ms. Summer said the one error listing administrative expenses as a negative number was a stupid mistake and it should not have gotten through. On the supplemental benefit, he is not sure if Mr. Little told the reviewer the incorrect method or benefit description. Mr. Havener asked how the data was sent and Mr. Summer said electronically. Mr. Summer said he is reviewing procedures and it was his mistake. He is reviewing the actuarial valuation report thoroughly to finalize the report within two weeks. Mr. Havener asked is he has offered up any remedies to the city. Mr. Summer said no, that he has been in the process of obtaining files from Mr. Little. He said he will contact the city to discuss the issue. He said the police and fire unions may also want to be involved. He said he wants to make sure the work they did doesn't negatively impact them. Mr. Summer said he will e-mail the previous insurance coverage to the pension board by the end of the week and will forward the new policy as well which he expects to receive in a week. Mr. Yonce asked when the data reports will be ready and he said hopefully by the end of next week. Mr. Lancaster asked him about the pending retiree calculations. Mr. Summer said he received those documents from Mr. Little on Monday. He said he is working on Mr. Ciccone and should have that out today and will begin Mr. Miller and Ms. Nungesser so those can be sent this week. He said he will be unavailable to attend the December 6th meeting due to a scheduling conflict. The board discussed the option of having a special board meeting on Tuesday, November 28th, contingent on receiving all the paperwork by the end of next week from Mr. Summer. Mr. Summer's call ended at 1:47 p.m. Mr. Adams said he had real concerns about the use of P3. He said one of the reasons Mr. Little was chosen was the board wanted an in-state actuary and now the board was dealing with a California company. The other issue was Mr. Summer's reluctance to provide his insurance documents as demanded. There was discussion about receiving any reports from him at this time without insurance coverage.

Mr. Lancaster said he was informed the city intends to send the FOP a letter giving five days to get back with them and suspending the supplemental benefit. The board called Mr. Cypen at 1:57 p.m. The board talked to Mr. Cypen about their conversation with Mr. Summer. Mr. Yonce asked if the board should

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continue to do business with P3 without P3 having insurance. Mr. Cypen said no. However, he said the board might be constrained to use the numbers provided for Officer Ciccone, as his first retirement check is due today. Mr. Yonce asked about the breach of contract on the insurance lapse. Mr. Cypen said that if the board continues to do business with P3 it would be without prejudice to any claim the board or the city has against P3. Mr. Cypen's telephone call ended at this time. Motion by Mr. Yonce, seconded by Mr. Kiszkiel to accept P3's retirement benefits option calculation for Officer Ciccone and if an adjustment needs to be made at a later date, upon knowledge of the correct amount(s), that it be made and Officer Ciccone be advised. Motion carried with members voting as follows: Mr. Yonce, Yea; Mr. Kiszkiel, Yea; Mr. Havener, Yea; Mr. Lancaster, Yea; and Mr. Adams, Yea. Ms. Adams suggested having Officer Ciccone sign an acknowledgement as to this issue when the calculation is presented to him.

The board discussed getting a list of available actuaries. Ms. Adams said she already e-mailed Ms. Shoemaker of the Division of Retirement with a request. Mr. Yonce said during the last search Foster & Foster was the second choice. Mr. Havener felt it was premature to take any action on a new actuary at this time. Mr. Havener said there should be no limitations within the state. Mr. Yonce said GRS had been retained by the city, but were using Mr. Rizzo, not Mr. Palmquist. Motion by Mr. Yonce, seconded by Mr. Lancaster to contact Foster & Foster to attend the December 6th meeting for a presentation. Motion carried with members voting as follows: Mr. Yonce, Yea; Mr. Kiszkiel, Yea; Mr. Havener, Yea; Mr. Lancaster, Yea; and Mr. Adams, Yea. Motion by Mr. Yonce, seconded by Mr. Kiszkiel to schedule a Special Board Meeting on Tuesday, November 28th at 9:00 a.m., if all requested data arrives from P3. Motion carried with members voting as follows: Mr. Yonce, Yea; Mr. Kiszkiel, Yea; Mr. Havener, Yea; Mr. Lancaster, Yea; and Mr. Adams, Yea.

- a. **Palm Bay Professional Fire Fighters, Local 2446 Negotiations-Impact Study**-See above.
- b. **State Funding for Firefighters**-A draft statement of available funds were received from Mr. Little, but it was determined the firefighters would be asking for a statement after negotiations were completed.
- c. **State Funding for Police Officers**-A draft statement of available overtime hours that could be purchased was received from Mr. Little, but it was determined police officers would be asking for a new statement after current actuarial issues were determined as the cost of existing benefits could change.
- d. **Ordinance 2006-29: Payment Method by the City of Palm Bay for Employer Buy Back Contributions for Police Officers**-Pending correspondence from the state.
- e. **Proposed Ordinance 2006-113: Codification of the Deferred Retirement Option Program**-Mr. Cypen left a telephone message for City Attorney Stokes yesterday about concerns he had, but had not received a call back. The ordinance was scheduled for second reading at the November 2nd council meeting. Statutes require any proposed ordinance, along with an impact statement, be submitted to the state prior to the second reading. The board requested a letter be sent to Mr. Feldman, City Manager, requesting Ordinance 2006-113 be pulled as the board was unwilling to accept any actuarial impact

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statement at this time without the actuary having insurance. Mr. Roberts left the meeting at 2:27 p.m. and did not return.

2. **Review FPPTA School**-Trustees Lancaster, Havener, and Kiszkiel passed the Basic CPPT Course. The teachers were good and they especially like Mr. Nash's (Trusco's) presentation.
3. **Review of Division of Retirement School**-The board felt it was good school. Mr. Lancaster said it was geared toward Florida 175 & 185 plans. Mr. Havener enjoyed Mr. Klausner's presentation on the Pension Protection Act.
4. **Website Development**-Mr. Adams said he is continuing to work on this item. He recommended the board review the web work-site. Mr. Havener asked all trustees to wear their PBPFPF shirts at the November meeting so he could take photos for the web-site.
5. **Application for Retirement & Buy Back of Prior Service-Police Officer Frank Ciccone**-This item is pending. See Page 6, first paragraph.
6. **Application for Retirement & DROP-Police Officer Douglas Dechenne**-This item is pending.
7. **Application for Retirement & DROP-Police Officer George Melius**-This item is pending.
8. **Application for Retirement-Police Officer Lynne Nungesser**-This item is pending.
9. **Application for Retirement and Buy Back of Prior Service-Police Officer David Miller**-This item is pending.
10. **Application for Retirement & DROP-Police Officer Dante Cristofaro**-This item is pending.
11. **Application for Retirement & DROP-Police Officer Douglas Muldoon**-This item is pending.
12. **Application for Retirement, Buy Back of Prior Service & DROP-Police Officer James E. Veltri**
13. **Application for Retirement, Buy Back of Prior Service & DROP-Police Officer Donald Hampton**-Ms. Adams advised Officer Hampton purchased his prior service; however it was after September 30th. This item is pending.
14. **Pending Buy Back of Prior Service on Various Police Officers**.-Ms. Adams said she has several individuals that have applied for buy back of prior service and are pending for a variety of reasons. Some of have submitted money orders made payable to P3. Mr. Yonce suggested returning the money orders with a letter that until the current issues are worked out, the buy backs are on hold and the board will contact them when to resubmit their money orders.
15. **Disability Application-Firefighter William Foley**-This item was pending follow-up from Mr. Foley and his attorney.
16. **Disability Application-Police Officer Johnnie C. Sampson**-Ms. Adams spoke to Ms. Kidd, City Risk Manager as she had not received the requested documents from the city. This file is in process.

NEW BUSINESS:

All items of business marked with an asterisk were considered under Consent Agenda and enacted by the following motion: Motion by Mr. Yonce, seconded by Mr. Lancaster 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.

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- *1. **Consideration of Warrants for Payment**
 - a) **Office Depot-\$98.46-Office Supplies**-Approved.
- *2. **New Plan Member Application, Member Beneficiary Changes, Pre-Retirement Death Benefit Option Selection and Retirement Beneficiary Forms**-Beneficiary Forms for Retirement were approved on Police Officers Dante Cristofaro; Douglas A. Dechenne; Donald Hampton; George Melius; David Miller; Douglas F. Muldoon; Lynne M. Nungesser; and James Veltri.
3. **Board Business**-Motion by Mr. Lancaster, seconded by Mr. Kiszkiel to approve Mr. Yonce's authorization for payment by his corporate credit card for the purchase of one blue shirt for Mr. Lancaster through Bass Pro as one shirt he received was the wrong size. Motion carried with members voting as follows: Mr. Yonce, Yea; Mr. Kiszkiel, Yea; Mr. Havener, Yea; Mr. Lancaster, Yea; and Mr. Adams, Yea. Motion by Mr. Lancaster, seconded by Mr. Kiszkiel to approve Mr. Adams' authorization for payment by his corporate credit card to have the fund's logo placed on Mr. Lancaster's new shirt upon arrival by the "Florida Boy" company. Motion carried with members voting as follows: Mr. Yonce, Yea; Mr. Kiszkiel, Yea; Mr. Havener, Yea; Mr. Lancaster, Yea; and Mr. Adams, Yea. Ms. Adams asked about any additional internet hook-ups and was advised there were none. Mr. Lancaster asked for copies of all contracts and insurance companies, as well as Mr. Kiszkiel and Mr. Havener. Mr. Yonce recommended all pending retirees be placed under the consent agenda to expedite the meeting.
4. **Upcoming Events-Educational Opportunities**-Motion by Mr. Lancaster, seconded by Mr. Yonce Kiszkiel to send two trustees (tentatively Mr. Lancaster and Mr. Kiszkiel) to the NAPO conference in Las Vegas, NV to include hotel expenses; conference registration fees; per diem; travel; car rental; parking; tolls; internet access and one phone call in the payment method normally used for out-of-state conferences. Motion carried with members voting as follows: Mr. Yonce, Yea; Mr. Kiszkiel, Yea; Mr. Havener, Yea; Mr. Lancaster, Yea; and Mr. Adams, Yea. Motion by Mr. Lancaster, seconded by Mr. Kiszkiel to send five trustees to the FPPTA School in January, 2007. This school will include the Intermediate CPPT Course to include hotel expenses; conference registration fees; CPPT course fees; per diem; travel; parking; tolls; internet access and one phone call. 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, 9/30/06**-The market value of the SunTrust/Trusco Funds at 9/30/06 was \$53,882,238.72. The Grand Total of all the Funds, including International Funds & Real Estate at 9/30/06 was \$66,248,468.52.
 - b) **Monthly Statement- American Euro Pacific, 9/30/06**-The market value of the International Funds at 9/30/06 were \$6,841,493.58.
 - c) **Monthly Statement-JPMorgan Strategic Property Fund, 9/30/06**-The market value of the JPMorgan Strategic Property Fund at 9/30/06 was \$5,524,736.22.
6. **DROP Returns for Quarter-ending September 30, 2006**-Ms. Adams said the gross returns submitted by Merrill Lynch was 4.19%; net of fees was 4.12%. The net of fee amount is used for the DROP account postings for quarter-ending 9/30/06.
7. **Termination Refund/Rollover-Firefighter Cloyce Wayne Lumpkin, Jr.**-Ms. Adams said she received a written request from Firefighter Lumpkin to hold his funds until a later date. He is in between

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employers. Motion by Mr. Kiszkiel, seconded by Mr. Yonce to approve the termination refund/rollover on Firefighter Cloyce Wayne Lumpkin upon receipt of the required documentation. Motion carried with members voting as follows: Mr. Yonce, Yea; Mr. Kiszkiel, Yea; Mr. Havener, Yea; Mr. Lancaster, Yea; and Mr. Adams, Yea.

8. Termination Refund/Rollover-Firefighter Timothy O. Dempsey-Mr. Yonce said Mr. Dempsey was told to call the pension office. Ms. Adams said he had not called her. Motion by Mr. Kiszkiel, seconded by Mr. Yonce to approve the termination refund/rollover on Firefighter Timothy O. Dempsey upon receipt of the required documentation. Motion carried with members voting as follows: Mr. Yonce, Yea; Mr. Kiszkiel, Yea; Mr. Havener, Yea; Mr. Lancaster, Yea; and Mr. Adams, Yea.

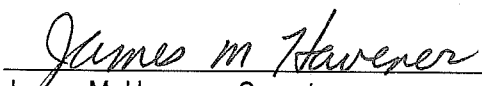
9. Termination Refund/Rollover-Police Officer Matthew T. Boorum-Ms. Adams said she sent a letter to Officer Boorum for a deadline date of November 3rd. Motion by Mr. Lancaster, seconded by Mr. Kiszkiel to approve the termination refund/rollover on Police Officer Matthew T. Boorum upon receipt of the required documentation. Motion carried with members voting as follows: Mr. Yonce, Yea; Mr. Kiszkiel, Yea; Mr. Havener, Yea; Mr. Lancaster, Yea; and Mr. Adams, Yea.

ADJOURNMENT:

There being no further business, the meeting was adjourned at 3:10 p.m.


Richard B. Adams, Chairperson

ATTEST:


James M. Havener, Secretary

***Form 8: Attached to Original Minutes on File with the City Clerk**

FORM 8B MEMORANDUM OF VOTING CONFLICT FOR COUNTY, MUNICIPAL, AND OTHER LOCAL PUBLIC OFFICERS

LAST NAME—FIRST NAME—MIDDLE NAME <i>Adams Richard Bennett</i>	NAME OF BOARD, COUNCIL, COMMISSION, AUTHORITY, OR COMMITTEE <i>Palm Bay Police & Fire Review Panel</i>
MAILING ADDRESS <i>797 ISAB Dr. N.W.</i>	THE BOARD, COUNCIL, COMMISSION, AUTHORITY OR COMMITTEE ON WHICH I SERVE IS A UNIT OF: <input checked="" type="checkbox"/> CITY <input type="checkbox"/> COUNTY <input type="checkbox"/> OTHER LOCAL AGENCY
CITY <i>Palm Bay</i>	NAME OF POLITICAL SUBDIVISION: <i>City of Palm Bay</i>
COUNTY <i>Brevard</i>	MY POSITION IS: <input checked="" type="checkbox"/> ELECTIVE <input type="checkbox"/> APPOINTIVE
DATE ON WHICH VOTE OCCURRED <i>11/01/06</i>	

WHO MUST FILE FORM 8B

This form is for use by any person serving at the county, city, or other local level of government on an appointed or elected board, council, commission, authority, or committee. It applies equally to members of advisory and non-advisory bodies who are presented with a voting conflict of interest under Section 112.3143, Florida Statutes.

Your responsibilities under the law when faced with voting on a measure in which you have a conflict of interest will vary greatly depending on whether you hold an elective or appointive position. For this reason, please pay close attention to the instructions on this form before completing the reverse side and filing the form.

INSTRUCTIONS FOR COMPLIANCE WITH SECTION 112.3143, FLORIDA STATUTES

A person holding elective or appointive county, municipal, or other local public office **MUST ABSTAIN** from voting on a measure which inures to his or her special private gain or loss. Each elected or appointed local officer also is prohibited from knowingly voting on a measure which inures to the special gain or loss of a principal (other than a government agency) by whom he or she is retained (including the parent organization or subsidiary of a corporate principal by which he or she is retained); to the special private gain or loss of a relative; or to the special private gain or loss of a business associate. Commissioners of community redevelopment agencies under Sec. 163.356 or 163.357, F.S., and officers of independent special tax districts elected on a one-acre, one-vote basis are not prohibited from voting in their capacity.

For purposes of this law, a "relative" includes only the officer's father, mother, son, daughter, husband, wife, brother, sister, father-in-law, mother-in-law, son-in-law, and daughter-in-law. A "business associate" means any person or entity engaged in or carrying on a business enterprise with the officer as a partner, joint venturer, coowner of property, or corporate shareholder (where the shares of the corporation are not listed on any national or regional stock exchange).

* * * * *

ELECTED OFFICERS:

In addition to abstaining from voting in the situations described above, you must disclose the conflict:

PRIOR TO THE VOTE BEING TAKEN by publicly stating to the assembly the nature of your interest in the measure on which you are abstaining from voting; *and*

WITHIN 15 DAYS AFTER THE VOTE OCCURS by completing and filing this form with the person responsible for recording the minutes of the meeting, who should incorporate the form in the minutes.

* * * * *

APPOINTED OFFICERS:

Although you must abstain from voting in the situations described above, you otherwise may participate in these matters. However, you must disclose the nature of the conflict before making any attempt to influence the decision, whether orally or in writing and whether made by you or at your direction.

IF YOU INTEND TO MAKE ANY ATTEMPT TO INFLUENCE THE DECISION PRIOR TO THE MEETING AT WHICH THE VOTE WILL BE TAKEN:

- You must complete and file this form (before making any attempt to influence the decision) with the person responsible for recording the minutes of the meeting, who will incorporate the form in the minutes. (Continued on other side)

APPOINTED OFFICERS (continued)

- A copy of the form must be provided immediately to the other members of the agency.
- The form must be read publicly at the next meeting after the form is filed.

IF YOU MAKE NO ATTEMPT TO INFLUENCE THE DECISION EXCEPT BY DISCUSSION AT THE MEETING:

- You must disclose orally the nature of your conflict in the measure before participating.
- You must complete the form and file it within 15 days after the vote occurs with the person responsible for recording the minutes of the meeting, who must incorporate the form in the minutes. A copy of the form must be provided immediately to the other members of the

DISCLOSURE OF LOCAL OFFICER'S INTEREST

I, Richard B Adams, hereby disclose that on 11/01, 20 06:

(a) A measure came or will come before my agency which (check one)

- inured to my special private gain or loss;
- inured to the special gain or loss of my business associate, _____;
- inured to the special gain or loss of my relative, _____;
- inured to the special gain or loss of _____, by whom I am retained; or
- inured to the special gain or loss of _____, which is the parent organization or subsidiary of a principal which has retained me.

(b) The measure before my agency and the nature of my conflicting interest in the measure is as follows:

Reappointment to the Public Fire Pension Board.

Date Filed

11/01/01

Signature

Richard B Adams

NOTICE: UNDER PROVISIONS OF FLORIDA STATUTES §112.317, A FAILURE TO MAKE ANY REQUIRED DISCLOSURE CONSTITUTES GROUNDS FOR AND MAY BE PUNISHED BY ONE OR MORE OF THE FOLLOWING: IMPEACHMENT, REMOVAL OR SUSPENSION FROM OFFICE OR EMPLOYMENT, DEMOTION, REDUCTION IN SALARY, REPRIMAND, OR A CIVIL PENALTY NOT TO EXCEED \$10,000.