

**PALM BAY POLICE AND FIREFIGHTERS' PENSION PLAN
BOARD OF TRUSTEES
Special Meeting 12-09**

Held on the 11TH day of May 2012 at Robert J. Conlan Professional Center, 1501 R. J. Conlan Blvd., NE, Suite 240, 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 11:15 a.m.

ROLL CALL:

PRESENT

Richard B. Adams, Chairperson, Board Appointee
Timothy W. Lancaster, Vice Chairman, Police Elected
James W. Brock, Trustee, City Council Appointee

EXCUSED

Guillermo William Capote, Sr., Trustee
City Councilmember Appointee
Douglas R. Smith, Secretary, Fire Elected

Also in attendance was Ms. Kathy Adams, Board Administrator and Ms. Laura Clawson, Human Resources Analyst II, City of Palm Bay. Mr. Brad Heinrichs, Board Actuary, Foster & Foster, Inc., was telephoned at 11:19 a.m.

Motion by Mr. Lancaster, seconded by Mr. Brock to excuse Mr. Capote's and Mr. Smith's absence. Motion carried with members voting as follows: Mr. Lancaster, Yea; Mr. Brock, Yea; and Mr. Adams, Yea.

AGENDA REVISIONS:

Motion by Mr. Lancaster, seconded by Mr. Brock to pull *Special Minutes 12-07 and *Quarterly Minutes 12-08 from Consent as they were not ready for approval and to add under Board Business Item *3. Palm Bay Self Storage-\$555.00-Reoccurring Warrant for Semi-Annual Payment at \$92.50 p/mo for Storage Unit 00208 Beginning 6/1/2012 Invoice No. 342128. Motion carried with members voting as follows: Mr. Lancaster, Yea; Mr. Brock, Yea; and Mr. Adams, Yea.

CONSENT AGENDA:

Motion by Mr. Lancaster, seconded by Mr. Brock to approve the Consent Agenda as revised. Motion carried with members voting as follows: Mr. Lancaster, Yea; Mr. Brock, Yea; and Mr. Adams, Yea.

ADOPTION OF MINUTES:

**Special Minutes 12-07
Quarterly Minutes 12-08**

The minutes were pulled from Consent under Agenda Revisions as they were not ready for approval.

BOARD BUSINESS:

1. Review of the Pension Fund's Assumed Rate of Return-Mr. Heinrichs was telephoned at 11:19 a.m. He said he and Mr. Adams discussed the options in a conference call with Mr. Beckendorf, State Actuary. He said he laid out where the Fund had been. He made the argument not to change quickly realizing the State is not going to allow an assumption over 8%. He said he knew Mr. Smith wanted to make the changes incrementally, but he would have to go back and revise the 2010 Actuarial Valuation Report. He said the payroll was at 6 1/2% for the current fiscal year and the City would not be happy with that. He asked Mr. Beckendorf to change to 8% for 2011 and he said OK. He said if he did that for 2011 there would be no surprises for the City and that was the best option provided. Mr. Heinrichs is recommending decreasing the assumption rate from 8.50% to 8.0% effective with the 2011 Actuarial Valuation Reports. He said it is fairly simple and is a less painful approach in reducing it for 2011. He said the State would most likely accept the Actuarial Valuations for 2009, 2010, and 2011 and the State funds would not be held. The contribution would be due Fiscal Year-End 2013. Motion by Mr. Lancaster, seconded by Mr. Brock to select Option 2 by reducing the Assumed Rate of Return from 8.50% to 8.0% for the 2012-2013 year reflected in the 2011 Valuation Reports. Motion carried with members voting as follows: Mr. Lancaster, Yea; Mr. Brock, Yea; and Mr. Adams, Yea.

2. Regions Trust-Consideration for Approval of the Contract for Custodial Services-Mr. Adams said the attorney refined everything. Regions needs to provide proof of insurance. Motion by Mr. Lancaster, seconded by Mr. Brock to approve the Custodial Contract with Regions Bank. Motion carried with members voting as follows: Mr. Lancaster, Yea; Mr. Brock, Yea; and Mr. Adams, Yea.

***3. Palm Bay Self Storage-\$555.00-Reoccurring Warrant for Semi-Annual Payment at \$92.50 p/mo for Storage Unit 00208 Beginning 6/1/2012 Invoice No. 342128**-This item was approved under Consent Agenda as revised.

Mr. Lancaster discussed his appointment to the National Council on Public Employees Retirement Systems (NCPERS) Committee for Florida.

INPUT FROM ACTIVE AND RETIRED PLAN MEMBERS:

There was no input from any active or retired plan members at this time.


INPUT FROM THE PUBLIC:

There was no input from the public at this time.

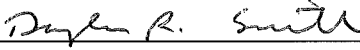
ADJOURNMENT:

There being no further business, the meeting adjourned at 11:50 a.m.

PBP&F Pension Fund
Special Meeting 12-09
May 11, 2012


Richard B. Adams, Chairperson

ATTEST:


Douglas R. Smith, Secretary