

**PALM BAY POLICE AND FIREFIGHTERS' PENSION  
PLAN BOARD OF TRUSTEES  
Quarterly Meeting 25-13**

Held on the 5<sup>th</sup> of December 2025 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.

Timothy W. Lancaster, Chairperson, called the meeting to order at the time of 9:01 a.m.

**ROLL CALL:**

<b>CHAIRMAN:</b>	Timothy W. Lancaster	Present
<b>VICE CHAIRMAN:</b>	Jason Dorey	Present
<b>SECRETARY:</b>	James W. Brock	Present
<b>TRUSTEE, BRD APPT:</b>	Anthony T. Sacco	Present
<b>TRUSTEE, CITY COUNCIL:</b>	Benjamin J. Kiszkiel	Present

Also, in attendance was Ms. Katie Taglia-Polak, Executive Director, Palm Bay Police and Firefighters' Pension Fund arrived at 9:01 a.m.; Kristin Dale, Human Resources Generalist II, City of Palm Bay telephoned at 9:01 a.m.; Mr. Larry Cole, Consultant, Burgess Chambers and Associates arrived at 9:01 a.m.; Mr. Blake Myton, Director, Senior Client Strategist and Robert Weller, CFA, Executive Director, Co-Head of Factor Investing/Behavioral Finance, Sterling Capital Management, LLC.

**AGENDA REVISIONS:**

Motion by Mr. Brock, seconded by Mr. Kiszkiel to add under New Business, \*9. Application for Retirement and Entry into the DROP-Firefighter Michael Cheatham. Motion carried with members voting as follows: Mr. Dorey, Yea; Mr. Brock, Yea; Mr. Sacco, Yea; Mr. Kiszkiel, Yea; Mr. Lancaster, Yea.

**CONSENT AGENDA:**

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

Mr. Sacco, Yea; Mr. Kiszkiel, Yea; Mr. Lancaster, Yea. Discussion continued to Burgess Chambers and Associates, Inc.

#### **ADOPTION OF MINUTES:**

- \*1. November Regular Minutes 25-12-This item was approved under consent.

#### **STERLING CAPITAL MANAGEMENT, LLC AT 9:15 A.M.:--CONTINUANCE (the Board considered this item out of order at 9:15 a.m. as noticed for time certain):**

1. Mr. Blake Myton, Director, Senior Client Strategist and Robert Weller, CFA, Executive Director, Co-Head of Factor Investing/Behavioral Finance
  - a. Quarterly Report-Mr. Myton said fixed income had positive consistent returns; it was not the same for large cap. The Board can review the report, Mr. Myton wanted to save most the time for the presentation.
  - b. Presentation-Mr. Myton reviewed the Behavioral/Focused Factor Large Cap value with Mr. Cole in advance of the meeting. Mr. Myton was hired to manage Large Cap so he could make the decision for the investment but wanted to be transparent with the Board. Mr. Weller has been a portfolio manager for twelve (12) years. He built \$20,000,000.00 in assets with JP Morgan from 2003-2010. He uses a similar strategy with Sterling. Mr. Weller said there are three (3) main drivers, fear, greed, and ego. People assume if something is cheap that it is broken, that is not always true. Some people are bad at forecasting. He tries to sell once momentum breaks, not at the peak but soon after when a stock is on its way down. Sterling does not take big sector bets because if it turns it can be very detrimental. Mr. Cole asked if there was overlap in the portfolio. Mr. Weller said there was a small overlap, 5% to 15%. Mr. Myton will send overlap information to Mr. Cole after the meeting. The stock methodology is different. Mr. Lancaster asked why combine instead of switching fully? Mr. Myton thinks equity still has merit and will come back. Equity started great but the last year and a half have been bad. Mr. Sacco asked if it is possible the strategy does not work? The world is changing. Maybe holding on is not the right strategy. The Fund is at the bottom quartile. What are other in the top in? Mr. Cole has recommendations for 20% of the assets. What the Fund was invested in worked seventeen (17) to eighteen (18) years and needs to be updated. Mr. Lancaster expressed concern about taking too



much risk. 20% is significant change. Mr. Cole did a large cap value analysis. Mr. Myton is hoping to increase options. Mr. Cole reminded the Board they do not have to stay with Sterling. Sterling Equity and Sterling Behavioral Large Cap Value has the lowest correlation and there is no overlap in the top ten (10) names. Vanguard also looks good. Mr. Myton pointed out it is likely Sterling's expense is 45 basis points, which is likely 25 basis points lower in cost. Mr. Cole responded to Mr. Sacco's previous comment; he also wondered what others had been doing. Others took more risk. Mr. Cole has been reluctant to go passive. The Fund moved some money, other plans moved everything. The risk profile is too high. Mr. Cole said he is okay with Sterling or the Fund can choose to change managers. He does not think it is a suitable time to leave equity income entirely. Long term the fifty-fifty (50/50) strategy looks positive. Mr. Lancaster said there is \$30,000,000.00 in Sterling. Mr. Sacco said they can adjust later based off evaluation. Motion by Mr. Brock, seconded by Mr. Kiszkiel to split the \$30,000,000.00 that Sterling manages between the existing 50% to remain in Sterling Equity and 50% to be transferred to Behavioral Large Cap Value. Motion carried with members voting as follows: Mr. Dorey, Yea; Mr. Brock, Yea; Mr. Sacco, Yea; Mr. Kiszkiel, Yea; Mr. Lancaster, Yea. Motion by Mr. Brock seconded by Mr. Kiszkiel to approve the Desjardin consent letter. Motion carried with members voting as follows: Mr. Dorey, Yea; Mr. Brock, Yea; Mr. Sacco, Yea; Mr. Kiszkiel, Yea; Mr. Lancaster, Yea. Mr. Brock left at 9:55a.m. Mr. Myton and Mr. Weller left at 9:56a.m. Discussion continued to Burgess Chambers and Associates, Inc.

**BURGESS CHAMBERS AND ASSOCIATES, INC. AT 9:45 A.M.: -CONTINUANCE (the Board considered this item out of order at 9:15 a.m. as noticed for time certain):**

1. Mr. Larry Cole, Performance Manager

a. Quarterly Report-Mr. Cole reviewed Sterling would be presenting Large Cap value, however if the Board does not wish to use Sterling there are other Large Cap Value options. He believes Mr. Myton would propose a fifty-fifty split of the Sterling assets. Mr. Cole recommended terminating Polen, the Board has been patient with the investments. Mr. Sacco arrived at 9:05 a.m. Mr. Cole addressed the Foster and Foster report. Until three (3) years ago the investments had a great record. They did not have enough Artificial Intelligence exposure. They owned

some, but not enough. Mr. Cole was disappointed in Polen's recovery. Mr. Myton and Mr. Weller arrived at 9:07a.m. The main issue was the underperformance of two (2) managers. Mr. Sacco asked if Polen was looking to restructure. Mr. Cole replied no. NVIDIA and Microsoft have been delivering. Discussion continued to Sterling Capital Management; LLC then returned to Burgess Chambers and Associates after Sterling's discussion. Mr. Cole reviewed the Fed cut rates by 25 basis points. Mr. Brock returned at 9:59a.m. Mr. Cole recommended terminating Polen and putting that money in Fidelity 500 Index Fund (FXAIX). It will increase the exposure to Mag 7. Motion by Mr. Brock, seconded by Mr. Kiszkiel to terminate Polen and move the money to Fidelity 500 Index Fund (FXAIX). Motion carried with members voting as follows: Mr. Dorey, Yea; Mr. Brock, Yea; Mr. Sacco, Yea; Mr. Kiszkiel, Yea; Mr. Lancaster, Yea. Mr. Cole's next recommendation was to commit \$10,000,000.00 to Taurus who presented at the September meeting. He wanted to put Terra Cap on hold because he would like the Board to hear from Cohen and Steers about a product. Mr. Sacco asked if it is a new product for Cohen and Steers. Mr. Cole responded it is new. He reminded the Board Taurus will send capital calls and he will suggest where to pull the money from at the time the capital calls come through. Motion by Mr. Brock, seconded by Mr. Kiszkiel to invest \$10,000,000.00 in Taurus Private Equity. Motion carried with members voting as follows: Mr. Dorey, Yea; Mr. Brock, Yea; Mr. Sacco, Yea; Mr. Kiszkiel, Yea; Mr. Lancaster, Yea. Cohen and Steers will present at the next quarterly meeting in March 2026. Two (2) managers were down and that is what hurt this quarter. Sterling has 30% of assets, they were down 10%, this is 3% of the total assets. Polen did poorly. Frontier will need to be discussed at the next quarterly meeting. They are also not doing well. Mr. Lancaster confirmed the Board is moving \$37,000,000.00 based on the changes made today. \$15,000,000.00 in Sterling, \$12,000,000.00 to Fidelity and \$10,000,000.00 to Taurus. The Board will need to give it time to see results. Mr. Cole expects double-digit returns in commercial real estate. Must be careful not to lock up too much money. If the Fund had matched the benchmark it would have been in the top 12<sup>th</sup> percentile. Motion by Mr. Brock, seconded by Mr. Kiszkiel to accept and approve Sterling and Burgess Chambers Quarterly reports. Motion carried with members voting as follows: Mr. Dorey, Yea; Mr. Brock, Yea; Mr. Sacco, Yea; Mr. Kiszkiel, Yea; Mr. Lancaster, Yea.



b. 60T Disclosure-Motion by Mr. Brock, seconded by Mr. Kiszkiel to accept and approve the 60T Disclosure. Motion carried with members voting as follows: Mr. Dorey, Yea; Mr. Brock, Yea; Mr. Sacco, Yea; Mr. Kiszkiel, Yea; Mr. Lancaster, Yea.

#### **OLD BUSINESS:**

1. Job Posting-Mr. Sacco, Ms. Lindsay, and Ms. Taglia-Polak had a second interview with an applicant. When offered the job at the higher end of the pay range she declined due to the pay being too low. Mr. Sacco, Ms. Lindsay, and Ms. Taglia-Polak have another applicant to do a second interview on Tuesday, December 9, 2025. Ms. Taglia-Polak asked if any other trustees were available to meet the applicant. None were available. If this applicant does not work out, Ms. Taglia-Polak will pause the job until after the State Report is completed in March. Interviewing takes up too much time.

2. Audit-The auditors are scheduled to be in the office Tuesday, December 11, 2025. Ms. Trotter called Mr. Lancaster to ask him questions. Mr. Lancaster asked Ms. Trotter if there were issues or concerns and Ms. Trotter did not have any at that time. She did not expect to be at the office long.

3. Disability Applicant Amber Samuels-Ms. Samuels IME is scheduled for Thursday, December 11, 2025, with Timothy Larson, M.D.

4. Archive Management Record Disposal-Motion by Mr. Brock, seconded by Mr. Kiszkiel to have Archive Management destroy Fiscal Year End 2019 records, 24 boxes. Motion carried with members voting as follows: Mr. Dorey, Yea; Mr. Brock, Yea; Mr. Sacco, Yea; Mr. Kiszkiel, Yea; Mr. Lancaster, Yea. Ms. Bertolini completed the Records Management State Compliance form, last year 31.2 cubic feet was destroyed. Motion by Mr. Brock, seconded by Mr. Kiszkiel to accept and approve the Records Management State Compliance form. Motion carried with members voting as follows: Mr. Dorey, Yea; Mr. Brock, Yea; Mr. Sacco, Yea; Mr. Kiszkiel, Yea; Mr. Lancaster, Yea.

5. IRS Letter-Mr. Lancaster left at 10:24a.m. In September, the office received a letter from the IRS that said if a form 940 is filed the fund will receive a \$155.00 credit otherwise if nothing is done the Fund will not receive the credit. Mr. Lancaster returned at 10:26

a.m. Ms. Taglia-Polak sent it to Paychex in September, they responded with an email about Utah. Ms. Taglia-Polak replied that the Fund is in Florida and did not receive a response. Since then Paychex has reached out to file a form 940 and the Fund will need to pay \$1400, it was \$1500 but they took the \$155 credit away from the total owed. Mr. Sendra reviewed the email and form. He said since the Fund is a local law plan we are not required to file and give Paychex that information. Ms. Taglia-Polak provided that information to Paychex and asked if other times a form 940 had been filed, the representative, Kathryn Messenger said not that she could see. She saw a form 941 was filed for quarterly taxes. The trustees asked that other payroll option be brought to the next meeting.

#### **NEW BUSINESS:**

**\*1. Warrants for Payment**

\*a. Burgess Chambers and Associates, Inc.-\$25,694.55-Performance Monitoring and Advisory Fee for 9/30/2025, Invoice 25-597-This item was approved under consent.

b. Klausner, Kaufman, Jensen and Levinson, P.A.-\$422.50-Fees for work on Disability Applicant Amber Samuels-Invoice 39062 (Police Fund Only)-This item was approved under consent.

**\*2. New Plan Member Applications; Member Beneficiary Changes; Pre-Retirement\Death Benefit Option Selection Forms; Member Retirement Beneficiary Forms; and DROP Beneficiary Designations-A New Plan Member Application and Beneficiary Form was accepted and approved on Firefighter April Rattray; a Member Beneficiary Form was accepted and approved on Police Officer Philip Nungesser; a Retirement Beneficiary form was accepted and approved on Firefighter Michael Cheatham; a Member DROP Beneficiary Form was accepted and approved on Firefighter Michael Cheatham; Member Share Plan Beneficiary Forms were accepted and approved on Police Officer Philip Nungesser and Firefighters April Rattray and Michael Cheatham. This item was approved under consent.**

**3. Review K. Taglia-Polak-Mr. Lancaster reviewed Ms. Taglia-Polak. He spoke with Mr. Donlan and Mr. Cole. They were both positive. Ms. Trotter said the communication**



with staff has been good. Mr. Kiszkiel left at 10:30a.m. Mr. Sacco suggested swapping ceiling tiles that are seen more often, with those that are not in a different room that look better. Mr. Kiszkiel returned at 10:32 a.m.

4. Office Business

- a. Equipment Upgrades and Purchases-There were none.
- b. Employee VISA Invoice Review for September and October-There was FPPTA registration and the hotel for attendance for Ms. Taglia-Polak.
- c. Upcoming Events-Educational Opportunities-Ms. Taglia-Polak asked who would be attending NCPERS in May.
- d. 401a or 457-Ms. Taglia-Polak spoke with Mr. Sendra he noted possible contractual issues; he will contact Voya. He spoke with Mr. Cole and he agreed to review investment plan options for compliance. Mr. Sendra expects to be ready at the January meeting.
- e. Pitney Bowes Lease-Ms. Taglia-Polak said this was completed. The new 63-month lease has begun.
- f. Ricoh-Regarding the fraudulently cashed check the update from Ms. Garcia was she received that Bank of America is researching the claim. It could take up to ninety (90) business days. When she hears more she will notify Ms. Taglia-Polak.
- g. Procedures-Police and Fire New Hire orientation was updated to reflect the supplement increases. Motion by Mr. Brock, seconded by Mr. Kiszkiel to approve the updated Police and Fire New Hire Orientation procedures. Motion carried with members voting as follows: Mr. Dorey, Yea; Mr. Brock, Yea; Mr. Sacco, Yea; Mr. Kiszkiel, Yea; Mr. Lancaster, Yea.
- h. City Computer System Change-The office is behind four (4) payrolls since the City has changed to Workday. Ms. Taglia-Polak said if the office did not receive anything on Tuesday they will be five (5) payrolls, ten (10) weeks behind. It is preventing the DROP processing beyond September. It is preventing termination payouts to members. The office has done partial payouts to members who take the money and pay taxes, but for people rolling over their money that cannot be done due to the one rollover per year IRS rule. Those people are losing money in the market. Mr. Lancaster added he had Ms. Taglia-Polak email the City Manager, Finance, Payroll, IT and HR that the delay is causing DROP and termination

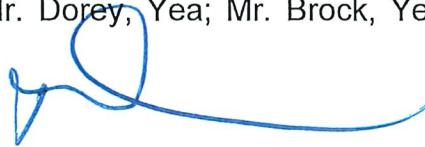
payout issues. Ms. Taglia-Polak drafted a letter to the pension fund members. If the office has not received a usable payroll by the January meeting then the letter is to be sent out to affected membership. Mr. Sacco said the City had a meeting regarding Work Day but he was unaware of the result. Ms. Dale said the City network is down today. She clarified what the letter in January was for. Mr. Lancaster said it is to notify the members their calculations or refunds will be delayed.

- \*5. DROP Returns-This item was approved under consent.
- 6. Division of Retirement Information Release-This was submitted November 12, 2025.
- 7. Police and Firefighter Board of Trustees' Elected Representative Nominations and Election-Police and Fire elections will be January 9, 2026-February 9, 2026. Ms. Taglia-Polak will have the memo and applications at the Jan. 9, 2026 meeting for Mr. Sacco and Mr. Dorey to post at the police and fire stations. The City will be posting the council representative positions January 15, 2026 through February 5, 2026. Ms. Dennis will email Ms. Taglia-Polak the council appointments after the March 6, 2026 council meeting. Ms. Taglia-Polak said previously Mr. Sacco asked about emailing the applications and nominations. It would show a date and time sent in an email. Mr. Lancaster included to email applications only to Ms. Taglia-Polak, not the other office staff. Motion by Mr. Brock, seconded by Mr. Kiszkiel to approve accepting email applications and nominations for police and fire representative positions. Motion carried with members voting as follows: Mr. Dorey, Yea; Mr. Brock, Yea; Mr. Sacco, Yea; Mr. Kiszkiel, Yea; Mr. Lancaster, Yea.
- \*8. Termination Refund/Rollover or Vested Termination if Eligible Police Officer Jacqueline Cano-This item was approved under consent.
- \*9. Application for Retirement and Entry into the DROP-Firefighter Michael Cheatham-This item was approved under consent.



ADJOURNMENT:

Motion by Mr. Brock, seconded by Mr. Kiszkiel to adjourn the meeting at 10:48 a.m.  
Motion carried with members voting as follows: Mr. Dorey, Yea; Mr. Brock, Yea; Mr.  
Sacco, Yea; Mr. Kiszkiel, Yea; Mr. Lancaster, Yea.



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Timothy W. Lancaster, Chairman

ATTEST:



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James W. Brock, Secretary.

ANTHONY T. SACCO - TRUSTEE