

**PALM BAY POLICE AND FIREFIGHTERS' PENSION  
PLAN BOARD OF TRUSTEES  
Quarterly Meeting 23-06**

Held on the 5<sup>th</sup> of May, 2023 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 hour of 9:00 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. Kathy Adams, Board Administrator, Ms. Katie Taglia-Polak, Office Manager, Palm Bay Police and Firefighters' Pension Fund; and Mr. Sean Sendra, Board Attorney, Klausner, Kaufman, Jensen and Levinson, P.A., Ms. Sharon Gray, Generalist II, Human Resources Department, City of Palm Bay, telephoned at 9:00 a.m. Mr. Larry Cole, Performance Manager, Burgess Chambers and Associates, Inc., telephoned at 9:30 a.m. Mr. Blake Myton, Director, Senior Client Strategist, Sterling Capital arrived at 9:28 a.m. Mr. Joseph Moreno, Disability Applicant, arrived at 10:26 a.m. Mr. Jason Fox, Attorney, Oliver and Fox, P.A., representing Mr. Joseph Moreno, arrived at 10:26 a.m.; and Ms. Monica Goldman, Court Reporter, US Legal, arrived at 10:26 a.m.

**AGENDA REVISIONS:**

Motion by Mr. Brock, seconded by Mr. Sacco to add under Office Business f. Retiree Portal; under New Business Consent No. \*9. Reduction of Monthly Pension Due to Age 65 Supplement, Police Officer Harold Ballard; Under Consent \*1 Warrants for Payment add r. Foster and Foster, Inc.-\$24,399.00 Benefit Calculation Morgan, Darin; Preparation of the 10/1/22 Actuarial Valuation Report, Electronic filing of 10/1/22 Valuation Report to the Division of Retirement, Preparation for and attendance at 4/7/2023 Board meeting;

Review of proposed Ordinance and Letter of No Actuarial Cost Impact dated 4/25/23, Invoice 26855 (Police Fund Only); s. Foster and Foster, Inc.-\$24,199.00 Preparation of the 10/1/22 Actuarial Valuation Report, Electronic filing of 10/1/22 Valuation Report to the Division of Retirement, Preparation for and attendance at 4/7/2023 Board meeting; Review of proposed Ordinance and Letter of No Actuarial Cost Impact dated 4/25/23, Invoice 26856 (Fire Fund Only); t. Foster and Foster, Inc.-\$2,265.00 Preparation of the 10/1/22 Actuarial Valuation Report, Electronic filing of 10/1/22 Valuation Report to the Division of Retirement, Preparation for and attendance at 4/7/2023 Board meeting, Invoice 26854 (General Fund Only). Motion carried with members voting as follows: Mr. Dorey, Yea; Mr. Brock, Yea; Mr. Sacco, Yea; Mr. Kiszkiel, Yea; and Mr. Lancaster, Yea.

#### **CONSENT AGENDA:**

Motion by Mr. Brock, seconded by Mr. Sacco 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; and Mr. Lancaster, Yea. Discussion continued to Old Business.

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

Ms. Adams said Ms. Taglia-Polak will now be taking the minutes. Ms. Adams has asked Ms. Tabares to attend all future meetings to take over making sure the warrants are signed and to make copies as needed.

March Regular Minutes 23-04-March Minutes under Adoption of Minutes, Page 2, should have been listed as "February Quarterly Minutes 23-04"; the same minutes page 7, Item f. should say Ms. Tabares instead of Ms. Lindsay was working on updating termination files. Motion by Mr. Brock, seconded by Mr. Sacco to approve the changes in the March Minutes as revised. Motion carried with members voting as follows: Mr. Dorey, Yea; Mr. Brock, Yea; Mr. Sacco, Yea; Mr. Kiszkiel, Yea; and Mr. Lancaster, Yea.

April Regular Minutes 23-05-Under Klausner Presentation, Page 2, Levison should be Levinson. Motion by Mr. Brock, seconded by Mr. Sacco to approve the changes in the April Minutes as revised. Motion carried with members voting as follows: Mr. Dorey, Yea; Mr. Brock, Yea; Mr. Sacco, Yea; Mr. Kiszkiel, Yea; and Mr. Lancaster, Yea. Discussion continued to Old Business.

**STERLING CAPITAL MANAGEMENT, LLC AT 9:30 A.M.: -CONTINUANCE (the Board considered this item out of order at 9:30 a.m. as noticed for time certain):**

1. Mr. Blake Myton, Director, Senior Client Strategist

a. Quarterly Report-Mr. Myton discussed that the three banks that failed were small and mismanaged. A common theme with all three was they were uninsured or underinsured. Feds raised rates aggressively again. JPMorgan picked up what is left of First Republic. Growth did much better than value this quarter. The consolidated total with Sterling is \$73.6 million. The Fund did well on fixed income and were a little behind in equities. He would not have expected equities to do well during that time. Financials got beat up.

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

1. Mr. Larry Cole, Performance Manager

a. Quarterly Report-Mr. Cole said Ms. Engard is retired. A new person has been hired, Ms. Jill Price, and is in training. Additionally, BCA is using an outside compliance group. The market perspective discusses what happened with the banks. There are a lot of investigations and a lot of rumors. Regional banks are in good shape and not having a run on deposits. Assets were not matching liabilities. Feds raised rates from zero percent (0%) to five percent (5%) in a year. The quarter was decent. January and February started strong, then backed off some in March. The market value at 3/31/2023 was \$215,021,315. There are no policy violations. The quarter gained \$8.5 million. Four million dollars (\$4 million) is in the queue to leave real estate. Commercial real estate is starting to struggle. Banks are not lending as much. Post COVID has impacted office space and is showing a high vacancy rate. JP Morgan has reduced office space investments. Multi and single-family rentals are doing well. He expects commercial real estate will struggle for the next couple of years. The Plan is slightly above average, up almost ten percent (10%) for the year. A manager concern is Frontier mid cap growth. He may want to have them come give an update in August. Mr. Cole is researching small cap growth. There was a strong job report

this morning, which is surprising because of the layoffs in technology. Fiscal year to date is 9.75%. Frontier's rolling 5-year average is not doing well, falling below the benchmark and peer group. Mr. Cole recommends taking \$250,000 from Advent and \$250,000 from SSI and moving it, \$500,000, to Sterling fixed income. Motion by Mr. Brock, seconded by Mr. Sacco to move \$250,000 from Advent and \$250,000 from SSI and moving it, \$500,000, to Sterling fixed income. Motion carried with members voting as follows: Mr. Dorey, Yea; Mr. Brock, Yea; Mr. Sacco, Yea; Mr. Kiszkiel, Yea; and Mr. Lancaster, Yea. Motion by Mr. Brock, seconded by Mr. Sacco to approve the Quarterly Reports. Motion carried with members voting as follows: Mr. Dorey, Yea; Mr. Brock, Yea; Mr. Sacco, Yea; Mr. Kiszkiel, Yea; and Mr. Lancaster, Yea.

Mr. Myton said his investment manager would not accept the recapture letter signed by Ms. Taglia-Polak as it needed to be signed by an authorized signature, a trustee. Ms. Taglia-Polak said Mr. Lancaster signed a new letter. Mr. Cole and Mr. Myton left at 10:10am and did not return. The Board recessed at 10:10a.m. and reconvened at 10:20am.

**DISABILITY HEARING POLICE OFFICER JOSEPH MORENO AT 10:30 A.M.:  
CONTINUANCE (the Board considered this item out of order at 10:30 a.m. as  
noticed for time certain):**

1. Police Officer Joseph Moreno; Mr. Jason Fox, Attorney for Disability Applicant, Oliver and Fox, P.A.; and Mr. Sean Sendra, Attorney, Klausner, Kaufman, Jensen and Levinson, P.A.-Mr. Fox, Mr. Moreno, and Ms. Goldman arrived at 10:26 a.m. Ms. Goldman verified Mr. Moreno's identification and administered the oath. Mr. Sendra discussed this is the initial hearing for Mr. Moreno's Disability Application. He said Mr. Moreno is entitled to make a statement, or his representative. The Board will then deliberate. Mr. Sendra asked Mr. Moreno if he was let go by the City of Palm Bay due to his disability? Mr. Moreno said yes. Mr. Sendra said all the Board needs to do is determine if it is permanent. Mr. Fox felt there was evidence in the 2,000-page packet that he is disabled and that it stands for itself in showing the disability is total, permanent and occurred in the line-of-duty. He directed the Board to the Independent Medical Examination (IME) which found conclusion the Mr. Moreno tried a course of treatment, counseling, and after tests and results leads to the conclusion of PTSD and meets the criteria. Dr. Colet (the Board's Independent Medical Examiner) supports PTSD. He had

no counseling or treatment for PTSD before this incident. Dr. Colet's opinion indicated additional treatment and that he continued to be monitored. Dr. Burns treated Mr. Moreno for one year and on April 19, 2022 and indicated he was at Maximum Medical Improvement (MMI). Even if Mr. Moreno has shown improvement his symptoms can be triggered. He does not think any of the doctors indicate he should return to duty as a police officer. The Ordinance does provide for reevaluation in the future. When he reached his MMI, he feels he reached a plateau. Mr. Fox feels there is plenty of evidence to support Mr. Moreno's disability. Mr. Sendra said all that needs to be determined is if Mr. Moreno's PTSD is permanent. It is possible to approve now with stipulation of being reevaluated. Mr. Sacco asked if the Plan provides a requirement of treatment. Mr. Sendra stated you cannot force treatment. Ms. Adams stated all retirees receive an annual affidavit which asks for medical updates. Motion by Mr. Brock, seconded by Mr. Sacco to approve Mr. Moreno's Line of Duty Disability on all three criteria (total, permanent and line of duty). Motion carried with members voting as follows: Mr. Dorey, Yea; Mr. Brock, Yea; Mr. Sacco, Yea; Mr. Kiszkiel, Yea; and Mr. Lancaster, Yea. The date of the approval of the disability is today. A motion was made to adjourn the meeting (see below).

#### **OLD BUSINESS:**

\*1. DROP Returns for March 31, 2023-Gross returns for March 31, 2023 was 4.13 percent and 3.99 percent, net of fees. This item was approved under consent.

2. Draft Ordinance for 55.11(E) and Letter of No Impact-Motion by Mr. Brock, seconded by Mr. Sacco to approve and move forward with sending the Draft Ordinance 55.11(E) and Letter of No Impact to the City Attorney and City Clerk for Adoption. Motion carried with members voting as follows: Mr. Dorey, Yea; Mr. Brock, Yea; Mr. Sacco, Yea; Mr. Kiszkiel, Yea; and Mr. Lancaster, Yea.

3. Property Insurance Coverage-Ms. Taglia-Polak said we received AJG reimbursement commercial policy premium \$1,043.70. The interior AC was replaced and the exterior fire escape is in process. Mr. Kaufman, Mr. Lancaster, Ms. Adams and Ms. Taglia-Polak had a meeting by phone. There was discussion of self-insuring and of trying other brokers. Mr. Lancaster said the roof does not leak and the A/C is working, and we would be insuring the physical contents. Ms. Adams said the records are the liability.

She suggested Ms. Taglia-Polak determine where Ms. Bertolini was in the process of scanning the records. Ms. Taglia-Polak is gathering information on what it would cost to replace the computer equipment since those are the most expensive items. Ms. Adams said the recapture money could be earmarked for self-insurance. Previously it had been used for the move and buildout of the current office.

4. Member Requests for Board Attorney, Actuary, Accountant, Financial or Investment Company-This was brought up in the last meeting. There was discussion that if a member wants a question answered they pay for the any charges. This only applies if it is a member specific question, not something that applies to all members in the Plan. Mr. Klausner does not charge this as part of his retainer. Motion by Mr. Brock, seconded by Mr. Sacco to notify a member in advance if there is a fee for a question they would like answered, that they pay the fee. Motion carried with members voting as follows: Mr. Dorey, Yea; Mr. Brock, Yea; Mr. Sacco, Yea; Mr. Kiszkiel, Yea; and Mr. Lancaster, Yea.

5. Application for Buyback Firefighter Bryan Daspit-This was in the September minutes, the member decided not to move forward with a buyback.

**NEW BUSINESS:**

\*1. Warrants for Payment

\*a. Truist Commercial Checking Account-\$696.99-Reimbursement to the Truist Commercial Checking Account No. 1000196187347 for Auto Pay for Timothy W. Lancaster's VISA-This item was approved under Consent

\*b. Salem Trust-\$21,054.56-Account Management Fee for 1/1-3/31/2023, Fee A/C Number M69930-This item was approved under Consent

\*c. Burgess Chambers and Associates, Inc.-\$21,502.13-Performance Monitoring and Advisory Fee for 3/31/2023, Invoice 23-177-This item was approved under Consent

\*d. Allspring Global Investments-\$9,271.08-Management Fee for 1/01-3/31/2023, Invoice 4401002233 (Police Fund Only)-This item was approved under Consent

- \*e. Allspring Global Investments-\$4,639.45-Management Fee for 1/01-3/31/2023, Invoice 4401007131 (Fire Fund Only)-This item was approved under Consent
- \*f. DePrince, Race, and Zollo, Inc.-\$4,181.00-Management Fee for 1/1-3/31/2023, Invoice 202301057 (Fire Fund Only) -This item was approved under Consent
- \*g. DePrince, Race, and Zollo, Inc.-\$4,317.00-Management Fee for 1/1-3/31/2023, Invoice 202301058 (Police Fund Only)-This item was approved under Consent
- \*h. SSI Investment Management-\$14,247.00-Management Fee 1/01-3/31/2023, Invoice 002023-0099 (Police Fund Only)-This item was approved under Consent
- \*i. SSI Investment Management-\$14,011.00-Management Fee 1/01-3/31/2023, Invoice 002023-0100 (Fire Fund Only)-This item was approved under Consent
- \*j. Sterling Capital Management LLC-\$20,573.00-Investment Management Fees for Equity for 1/01-3/31/2023, (Police Fund Only)-This item was approved under Consent
- \*k. Sterling Capital Management LLC-\$15,651.00-Investment Management Fees for Equity for 1/01-3/31/2023, (Fire Fund Only)-This item was approved under Consent
- \*l. Sterling Capital Management LLC-\$9,977.00-Investment Management Fees for Fixed Income for 1/01-3/31/2023, (Fire Fund Only)-This item was approved under Consent
- \*m. Sterling Capital Management LLC-\$15,320.00-Investment Management Fees for Fixed Income for 1/01-3/31/2023, (Police Fund Only)-This item was approved under Consent
- \*n. Advent Capital-\$14,936.28-Investment Management Fees for Quarter End 3/31/2023, (Police Fund Only)-This item was approved under Consent
- \*o. Advent Capital-\$14,679.58-Investment Management Fees for Quarter End 3/31/2023, (Fire Fund Only)-This item was approved under Consent
- \*p. Eagle Asset Investment Management-\$1,267.72-Management Fees for Billing Period 01/01-03/31/2023, Invoice 041000108748 (Police Fund Only)-This item was approved under Consent

\*q. Eagle Asset Investment Management-\$469.16-Management Fees for Billing Period 01/01-03/31/2023, Invoice 943760055294 (Fire Fund Only)-This item was approved under Consent

\*r. Foster and Foster, Inc.-\$24,399.00 Benefit Calculation Morgan, Darin; Preparation of the 10/1/22 Actuarial Valuation Report, Electronic filing of 10/1/22 Valuation Report to the Division of Retirement, Preparation for and attendance at 4/7/2023 Board meeting; Review of proposed Ordinance and Letter of No Actuarial Cost Impact dated 4/25/23, Invoice 26855 (Police Fund Only)-This item was approved under Consent

\*s. Foster and Foster, Inc.-\$24,199.00 Preparation of the 10/1/22 Actuarial Valuation Report, Electronic filing of 10/1/22 Valuation Report to the Division of Retirement, Preparation for and attendance at 4/7/2023 Board meeting; Review of proposed Ordinance and Letter of No Actuarial Cost Impact dated 4/25/23, Invoice 26856 (Fire Fund Only)-This item was approved under Consent

\*t. Foster and Foster, Inc.-\$2,265.00 Preparation of the 10/1/22 Actuarial Valuation Report, Electronic filing of 10/1/22 Valuation Report to the Division of Retirement, Preparation for and attendance at 4/7/2023 Board meeting, Invoice 26854 (General 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-New member applications and beneficiary forms were accepted and approved on Firefighters Austin Kline, Mark Garcia, Dylan Biekowski, and Vidal Casabona Jr.; a member beneficiary form was accepted and approved on Police Officer Boyd Williams; share plan beneficiary designation forms were accepted and approved for Firefighters Austin Kline, Mark Garcia, Dylan Biekowski, and Vidal Casabona Jr.-This item was approved under Consent

3. Board Business- Ms. Adams informed the Board we did not receive fiscal year bank statements from Salem. There would have been a fee to have them resent. Salem's other clients receive them electronically. Motion by Mr. Brock, seconded by Mr. Sacco moving forward, beginning with the April bank statements Ms. Bertolini will download and save them from the US Bank site and keep an electronic copy. Motion carried with members voting as follows: Mr. Dorey, Yea; Mr. Brock, Yea; Mr. Sacco, Yea; Mr. Kiszkiel, Yea; and Mr. Lancaster, Yea. One of the members wants to receive a paper check. Salem



does not issue paper checks, they do offer a debit card. The Direct Deposit Form has been revised to include the option for a debit card and remove the word check. Motion by Mr. Brock, seconded by Mr. Sacco to use the revised form. Motion carried with members voting as follows: Mr. Dorey, Yea; Mr. Brock, Yea; Mr. Sacco, Yea; Mr. Kiszkiel, Yea; and Mr. Lancaster, Yea. Ms. Janes, Board Accountant, had to reissue December and January financials. She thought the City used prepaid amounts in December, she realized they are adjusting the monthly amount of their contributions and will be using the prepaid in May 2023. With losing property insurance, the offsite drive will be updated two times a month, after payroll is posted. Mr. Lancaster and Mr. Brock are the only trustees with key access. Ms. Adams reminded everyone that there is reimbursed mileage. Paychex overpaid Ms. Taglia-Polak. When it was sent to pay a retro \$40.66 for a total of \$2,288.01 they paid it twice. Gross amount paid was \$4,535.36, should have been \$2,288.01. Paychex recalled the payment and issued the correct amount. Refund has been made and Ms. Taglia-Polak has received her corrected paycheck.

#### 4. Office Business

- a. Equipment Upgrades and Purchases-Ms. Taglia-Polak's monitor is still blinking. Computer experts is trouble shooting. The Board previously approved purchasing a new one, if needed.
- b. Florida Power and Light Rate Change Beginning in May there will be a three percent (3%) to four percent (4%) decrease depending on rate class.
- c. Employee VISA Invoice Review for April-No Employee Visas to review. Mr. Sacco went to the bank and got online access set up. Mr. Lancaster needs to go to the branch on Palm Bay Rd and see the bank's representative to be set at the "Controlling Person."
- d. Upcoming Events-Educational Opportunities-Ms. Taglia-Polak reviewed the dates of the upcoming NCPERS and FPPTA conferences and who is listed to attend.
- f. Retiree Portal Access-Ms. Taglia-Polak spoke with Ms. Garcia at Salem on 5/3/2023. US Bank only sends the info once a month. They do not have that information yet for May and the letters were mailed on April 14, 2023.

Mr. Lancaster had to deal with T-Mobile for his broken phone. He was not able to resolve the issue. He asked to research whether there are any tax or legal issues if trustees are on their own phone plan and receive a quarterly stipend for it. That would alleviate the issue having it tied to one business plan. Mr. Myton arrived at 9:28 a.m.

5. Application for Disability Police Officer Christopher Jones-This item is pending.
6. Direct Deposit Form-This item was discussed and approved during Board Business.

Mr. Lancaster asked that all presenters in the future be listed at the beginning of the meeting. Any outside business, like Disability Applicants, Reports, etc. be move to 9:15a.m. He asked Ms. Adams what her plans are for leaving. Ms. Adams said, as discussed previously, her last day would be January 31, 2024. Discussion moved to Mr. Myton's presentation above.

- \*7. Reduction of Monthly Pension Due to Age 65 Supplement, Police Officer Retiree Mark Fell-This item was approved under Consent.
- \*8. Reduction of Monthly Pension Due to Age 65 Supplement, Police Officer Retiree Ray Marrs-This item was approved under Consent.
- \*9. Reduction of Monthly Pension Due to Age 65 Supplement, Police Officer Retiree Harold D. Ballard-This item was approved under Consent.

**INPUT FROM ACTIVE AND RETIRED PLAN MEMBERS:**

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

**INPUT FROM THE PUBLIC:**

There was no input from the public.

**ADJOURNMENT:**

Motion by Mr. Brock, seconded by Mr. Sacco to adjourn the meeting at 10:40 a.m. Motion carried with members voting as follows: Mr. Dorey, Yea; Mr. Brock, Yea; Mr. Sacco, Yea; Mr. Kiszkiel, Yea; and Mr. Lancaster, Yea



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Timothy W. Lancaster, Chairman

**ATTEST:**



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James W. Brock, Secretary

Jason Dorey. Vice chairperson