

**PALM BAY POLICE AND FIREFIGHTERS' PENSION
PLAN BOARD OF TRUSTEES
Regular Meeting 23-13**

Held on the 1st of December, 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:

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

Also, in attendance was Ms. Kathy Adams, Board Administrator, Ms. Katie Taglia-Polak, Office Manager and Ms. Alice Tabares, Pension Assistant, Palm Bay Police and Firefighters' Pension Fund; and Mr. Sean Sendra, Board Attorney, Klausner, Kaufman, Jensen and Levinson, P.A.; Ms. Amanda Sparks, Employee Relations Specialist, Human Resources Department, City of Palm Bay, telephoned at 9:01 a.m.; Mr. Larry Cole, Performance Manager, Burgess Chambers and Associates, Inc. arrived at 9:27 a.m.; Mr. Patrick Donlan, Actuary, Foster and Foster, Inc telephoned at 9:00 a.m.; Mr. Brad Heinrichs, Plan Actuary, Foster and Foster Inc. telephoned at 9:14 a.m.; Ms. Inez Garcia, Vice President, Relationship Manager, Salem Trust Company telephoned at 9:28 a.m.

AGENDA REVISIONS:

Motion by Mr. Brock, seconded by Mr. Sacco Under Adoption of Minutes remove Consent item November Quarterly Minutes 23-12. Under Old Business add 9. Investment Policy Statement and 10. Annual DROP Rollover. Under New Business 1. Warrants add Consent items * f. Truist Commercial Checking Account-\$212.19-Reimbursement to the Truist Commercial Checking Account for Auto Pay for Timothy Lancaster's VISA, g. Truist Commercial Checking Account-\$37.50-Reimbursement to

the Truist Commercial Checking Account for Auto Pay for Alice Tabares' VISA, h. Truist Commercial Checking Account-\$37.50-Reimbursement to the Truist Commercial Checking Account for Auto Pay for Benjamin Kiszkiel's VISA, j. Truist Commercial Checking Account-\$37.50-Reimbursement to the Truist Commercial Checking Account for Auto Pay for Anthony Sacco's VISA, k. Truist Commercial Checking Account-\$00.48-Reimbursement to the Truist Commercial Checking Account for Auto Pay for James Brock's VISA, i. Truist Commercial Checking Account-\$37.50-Reimbursement to the Truist Commercial Checking Account for Auto Pay for Mary Taglia-Polak's VISA and 10. Deceased Firefighter Nicholas Kateb. Under Office Business add h. Board Administrator Updates

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; Mr. Lancaster, Yea. Mr. Donlan telephoned at 9:04 a.m. Discussion continued to Office Business h.

ADOPTION OF MINUTES:

1. November Quarterly Minutes 23-12-This item was tabled as the minutes were not ready for adoption.

OLD BUSINESS:

1. Government Accounting Standards Board (GASB) 67-68 Statements for Police, Fire and the Closed General Employee Funds-On page five (5) of the GASB statements is a summary. The City must book liability. The Fire earned right on the assumption for 2023. Police had large salary increases and increase in net pension liability. Motion by Mr. Brock, seconded by Mr. Sacco to approve the GASB 67-68 and to send to the City and Auditors. Motion carried with members voting as follows: Mr. Dorey, Yea; Mr. Brock, Yea; Mr. Sacco, Yea; Mr. Kiszkiel, Yea; Mr. Lancaster, Yea.

2. Share Plan Reports and Statements-Mr. Donlan said it was good news for both. State money increased for both Plans. The increase for Fire was large. Police had already been receiving money into their share plans. Police Officer Jones was treated as not

forfeited because he was listed as an applicant. Mr. Brock left at 9:44 a.m. Motion by Mr. Kiszkiel seconded by Mr. Sacco to approve the share reports and mailing to members. Motion carried with members voting as follows: Mr. Dorey, Yea; Mr. Sacco, Yea; Mr. Kiszkiel, Yea; Mr. Lancaster, Yea.

3. Churchill Asset Management Private Credit Update-Ms. Taglia-Polak had a call with Ms. Janes, Mr. Donlan, Ms. Webster, Mr. Kinsel, and Mr. Sendra. The best solution they came up with is to receive preliminary numbers at Quarterly Meetings, then final returns at the meeting after. This will affect when members are paid out their DROP, Mr. Sendra will have suggestions for DROP payments. Ms. Janes' financials would not be available until early to mid-December. GASB 67-68 and Share statements would be moved to January meeting for approval. Ms. Taglia-Polak would move the February 2025 meeting to mid-February for the audit presentation. Ms. Taglia-Polak spoke to Mr. Gosch on November 30 and he said returns are usually 45 days after quarter end, sometimes 60 but that is rare. She discussed with him that 60 days after the quarter is November 30, which can still work for the December meeting, but if is pushed further because of Thanksgiving holiday the returns won't make it for December. He said his team is on high alert around September 30 because of the fiscal year end. It usually is 45 days; 60 days just gives them some a little extra time if needed. Mr. Sendra mentioned the Fire has a provision in the Plan to pay 75% then true up when interest is posted. A solution for Police would be draft an administrative rule to mirror that of the Fire. Moving the February meeting prevents having two (2) meetings in the month of February. Ms. Taglia-Polak will have to check with Mr. Cole in advance of the February 2025 meeting. It may not be on a Friday. Mr. Donlan left at 10:00a.m. Discussion continued to Old Business 9.

4. Salem/TMI Merge with Argent Financial-Ms. Garcia said the merge is complete. The only change is to the email addresses. Mr. Klausner's office is amending the contract for approval and signature. Mr. Cole left at 10:05a.m. Mr. Sendra is working on the amendment, there are many clients. They are turning them out as quickly as possible. All that is left is to sign off on the agreement. Discussion continued to New Business 10.

5. Audit-This item is pending. It is scheduled on site for December 5, 2023.

6. Division of Retirement Information Release-Ms. Taglia-Polak submitted the memo on proxy voting, the template for House Bill three (3) report and the Investment Policy Statement to the state on November 28, 2023 to be compliant with the December 15 deadline. She will find out how to resubmit with the revised Investment Policy. Discussion Continued to New Business 4.

7. Police Officer Sherif Brown Overpayment-Ms. Lindsay sent Mr. Brown a letter via certified mail on November 3, 2023. The member has not responded. Mr. Lancaster called him today (December 1, 2023) regarding the \$113.58 that is owed to the Fund and left him a message.

8. Police Officer Christopher Jones-Attorney expenses above the retainer have come in for Mr. Jones disability. Motion by Mr. Brock seconded by Mr. Sacco to approve the attorney expenses for work done on Disability Applicant Police Officer Christopher Jones. Motion carried with members voting as follows: Mr. Dorey, Yea; Mr. Sacco, Yea; Mr. Kiszkiel, Yea; Mr. Lancaster, Yea. Discussion Continued to Old Business 3.

9. Investment Policy Statement-Mr. Cole stated with the approval of the Board to invest in the Nuveen/Churchill Private Credit Fund, he believes the Investment Policy Statement should be revised. Although the existing IPS doesn't specifically prohibit the investment, he wanted to add language that makes it clear that it is permitted and how it will be treated/considered. Mr. Cole provided a redline draft of the proposed revisions. Motion by Mr. Brock seconded by Mr. Sacco to approve the revised Investment Policy Statement. Motion carried with members voting as follows: Mr. Dorey, Yea; Mr. Sacco, Yea; Mr. Kiszkiel, Yea; Mr. Lancaster, Yea.

10. Annual DROP Rollover-Ms. Garcia reviewed the rollovers were future dated for December for Mr. Resh and Ms. Hensel. They were sent early. Typically, Salem would receive a lump sum form signed by admin and Salem. Ms. Garcia said Palm Bay sends multiple documents. They had already processed Mr. Resh using the original documents, there was no date listed on the lump sum form until the next day and it was not updated in their system. Ms. Hensel did not have a date on the lump sum form. The future dates were listed on the warrant and letter. It should have been questioned. The trust associate was spoken with. Ms. Garcia reviewed the IRS rules and does not think it will cause an

issue. She referred to the IRS One-Rollover-Per-Year Rule that was in the Board packet. She thought the rule did not apply. Mr. Sendra said he was not committing to that. He has not had time to research the issue and will review it with Mr. Klausner. Ms. Garcia didn't feel there would be repercussions. Mr. Lancaster asked it be brought back to the next meeting when Mr. Sendra has had time to review.

Ms. Garcia reviewed that there is an operating deficiency. There are not many details. They cannot accept any incoming funds right now. The money would bounce back. Hold funds until further notice. Salem will more than likely find a new service provider. Benefit payments are as usual. If and when banks change the Pension Fund will be notified. Ms. Garcia left at 10:12 a.m. Discussion continued to Old Business 6.

NEW BUSINESS:

***1. Warrants for Payment**

- a. Allspring Global Investments-\$8,320.05-Management Fee for 7/01-9/30/2023, Invoice 4401025721 (Police Fund Only)-This item was approved under Consent.
- b. Allspring Global Investments-\$4,296.60-Management Fee for 7/01-9/30/2023, Invoice 4401025671 (Fire Fund Only)-This item was approved under Consent.
- c. JP Morgan-\$24,187.33-Investment Management Fees for Quarter End 09-30-2023, Invoice 20230930-1788-A (Police Fund Only)-This item was approved under Consent.
- d. JP Morgan-\$24,187.33-Investment Management Fees for Quarter End 09-30-2023, 20230930-57655-A (Fire Fund Only)-This item was approved under Consent.
- e. Truist Commercial Checking Account-\$664.50-Reimbursement to the Truist Commercial Checking Account for Auto Pay for Samantha Bertolini's VISA-This item was approved under Consent.
- f. Truist Commercial Checking Account-\$212.19-Reimbursement to the Truist Commercial Checking Account for Auto Pay for Timothy Lancaster's VISA-This item was approved under Consent.
- g. Truist Commercial Checking Account-\$37.50-Reimbursement to the Truist

Commercial Checking Account for Auto Pay for Alice Tabares' VISA-This item was approved under Consent.

h. Truist Commercial Checking Account-\$37.50-Reimbursement to the Truist Commercial Checking Account for Auto Pay for Benjamin Kiszkiel's VISA-This item was approved under Consent.

j. Truist Commercial Checking Account-\$37.50-Reimbursement to the Truist Commercial Checking Account for Auto Pay for Anthony Sacco's VISA-This item was approved under Consent.

k. Truist Commercial Checking Account-\$00.48-Reimbursement to the Truist Commercial Checking Account for Auto Pay for James Brock's VISA-This item was approved under Consent.

l. Truist Commercial Checking Account-\$37.50-Reimbursement to the Truist Commercial Checking Account for Auto Pay for Mary Taglia-Polak's VISA-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 Member Retirement beneficiary form was accepted and approved on Police Officer Christopher Jones-This item was approved under Consent.

3. Police and Firefighter Board of Trustees' Elected Representative Nominations and Election-Police and Fire elections are coming up. They must be post marked by January 26, 2024. They cannot be dropped off. A person can nominate themselves. Memos and Applications were provided to Mr. Dorey and Mr. Sacco to be posted. The Board Acknowledged.

4. Office Business

- a. Equipment Upgrades and Purchases-Upgraded Sonicwall was installed November 16, 2023. Ms. Taglia-Polak is still working on the Barracuda email upgrade. She is having difficulty opening downloaded emails. She said with everything else going on it was not as high of priority.
- b. Employee VISA Invoice Review for November-The office never received Ms. Bertolini's statement for October. Ms. Taglia-Polak logged in and pulled

it from the website. Her only charge was FPPTA Hotel. Since then Ms. Bertolini and Ms. Lindsay called Visa because both their cards had expired and new ones were never received. Visa said they didn't have the Suite number for Ms. Bertolini's and reissued another card. She still has not received a card so they changed her account number and sent another. Ms. Taglia-Polak and Ms. Tabares's Visa have \$37.50 charge from Marriott Sawgrass. Everyone who attended has an additional charge. Staff think it is parking, Ms. Lindsay is researching it.

- c. Upcoming Events-Educational Opportunities-FPPTA is in January 2024. NCPERS Annual is in May 2024. Everyone was asked if they were attending.
- d. Project List-Mr. Lancaster and Mr. Brock both practiced removing encryption from the hard drive (for Disaster Recovery) in August. The Internal Controls has been done annually in September. Ms. Adams asked that it be updated to remove her in January. Procedures to be approved: Recurring Warrants, Form 8B Memo, Business Tax Receipt, Fund Facts on Website, Depositing State Checks, Investment Policy Statement. Ms. Adams and Ms. Taglia-Polak are currently working on Contract Files. Motion by Mr. Brock seconded by Mr. Sacco to approve the procedures listed. Motion carried with members voting as follows: Mr. Dorey, Yea; Mr. Sacco, Yea; Mr. Kiszkiel, Yea; Mr. Lancaster, Yea.
- e. Pension Payments Twice Per Month-This item is resolved. It will not be brought back for future meetings. Palm Bay Police and Firefighters' Pension Fund will continue the process that has already been in place for payments to continue on the first of each month.
- f. Open Enrollment-The office has received all forms except for one Firefighter who will be responsible to pay the difference to the City. Motion by Mr. Brock seconded by Mr. Sacco to approve sending the insurance deduction changes to Salem. Motion carried with members voting as follows: Mr. Dorey, Yea; Mr. Sacco, Yea; Mr. Kiszkiel, Yea; Mr. Lancaster, Yea.
- g. Class Action Lawsuit OSI-There was an investment in OSI that was the subject of a class action lawsuit. Truist filed on behalf of all clients that held the stock during the applicable class period. Palm Bay received a check for \$5,141.78 and it was sent to Salem for deposit into the R&D account.

- h. Board Administrator Updates-Ms. Adams provided the Board with a fact sheet comparing 2001 to 2023. The Plan went from a total 282 member to 505 members. DROP was implemented over that time. For the amount of growth in the City there is not a significant increase in active employees. In 2001 there were 114 Active Firefighters and 135 Active Police Officers. In 2023 there is 122 Active Firefighter and 164 Active Police Officers. The market value in 2001 was \$35,000,000.00 and in 2023 is \$211,000,000.00. There is one remaining general employee. When she passes it is an actuarial gain and will be split between the Police and Fire plans based on the percentage they make up of the Fund. The City will not receive a check from the Plan. 9:14 a.m. Mr. Heinrichs telephoned. He wished Ms. Adams a wonderful retirement and said the Fund is in great shape and thanked her. Mr. Heinrichs left the meeting at 9:16 a.m. Ms. Adams recommended Ms. Taglia-Polak turning inventory over to Ms. Bertolini and insurance tracking spreadsheet to Ms. Lindsay. Ms. Adams recommended to have Mr. Klausner review the pension ordinance every two years. Mr. Cole arrived at 9:26 a.m. Mr. Lancaster presented Ms. Adams with a plaque in dedication of her service. Ms. Garcia telephoned at 9:28 a.m. Ms. Adams left at 9:36 a.m. Discussion continued to Old Business 1.

5. Arthur J. Gallagher Risk Management Service-Application for Renewals-Ms. Taglia-Polak said the renewal for Fiduciary insurance was already signed. The invoice is \$16,887.29. Motion by Mr. Brock seconded by Mr. Sacco to pay annual insurance renewals as invoices come in. Motion carried with members voting as follows: Mr. Dorey, Yea; Mr. Sacco, Yea; Mr. Kiszkiel, Yea; Mr. Lancaster, Yea.

*6. Termination Refund/Rollover or Vested Termination, if Eligible, or Application for Early Retirement/Vested, Police Officer Melani Trimboli-This item was approved under Consent.

*7. At Members Expense Request for Benefit Election Calculation from Foster and Foster, Inc., Police Officer Daniel Ellis-This item was approved under Consent.

*8. Termination Refund/Rollover or Vested Termination, if Eligible, or Application for

Early Retirement/Vested and Authorize Share Plan Distribution, Police Officer Jasmine Smith-This item was approved under Consent. PBP and F Pension Fund

*9. Reduction of Monthly Pension Due to Age 65 Supplement, Firefighter Retiree Robert Dietz-This item was approved under Consent.

10. Deceased Firefighter Nicholas Kateb-Mr. Kateb chose 100% to Joint Annuitant on his Benefit Form. His beneficiary is entitled to 100% of his base pension, she is not entitled to the supplement. A letter went in mail today advising her. Motion by Mr. Brock seconded by Mr. Sacco to approve payment to Mr. Kateb's beneficiary as noted on his benefit form. Motion carried with members voting as follows: Mr. Dorey, Yea; Mr. Sacco, Yea; Mr. Kiszkiel, Yea; Mr. Lancaster, Yea.

Mr. Lancaster mentioned a Police Foundation fund raiser. He brought up soliciting donations from vendors. Before bringing it to vendors, he asked if it is a conflict of interest. Mr. Kiszkiel felt it was a conflict of interest. Fire also has a fund. Mr. Sacco said Police also have a fund. Mr. Kiszkiel said he is not comfortable with it. Mr. Brock said if it looks bad then take a step back. Mr. Sacco said it puts the Trustees in a bad position. Mr. Dorey said no, he did not want it brought to vendors. Mr. Sendra said his legal opinion is not to do this. It could possibly be an issue. Mr. Kiszkiel felt it was the appearance. Mr. Lancaster said he will not do it and appreciated everyone's thoughts.

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 10:28 a.m. Motion carried with members voting as follows: Mr. Dorey, Yea; Mr. Kiszkiel, Yea; Mr. Lancaster, Yea.



Timothy W. Lancaster, Chairman

ATTEST:



James W. Brock, Secretary
Jason Dorey, Vice Chairman