

**PALM BAY POLICE AND FIREFIGHTERS' PENSION
PLAN BOARD OF TRUSTEES
Quarterly Meeting 24-02**

Held on the 2nd of February, 2024 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 8:59 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. Katie Taglia-Polak, Executive Director 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, Labor Relations Specialist, Human Resources Department, City of Palm Bay, telephoned at 9:02 a.m.; Mr. Blake Myton, Director, Senior Client Strategist, Sterling Capital Management, LLC arrived at 9:12a.m.; Mr. Larry Cole, Performance Manager, Burgess Chambers and Associates, Inc. arrived at 9:13a.m.; Ms. Lark Janes, CPA, LLC arrived at 9:30 a.m.; Ms. Alison Wester, CPA, Partner and Mr. Jacob Kinsel, CPA, Manager, Maudlin and Jenkins, CPA telephoned at 9:51 a.m.; Mark Mageau, Vice President, Computer Experts, LLC telephoned at 10:29 a.m.; and Mr. Patrick Donlan, Actuary, Foster and Foster, Inc. telephoned at 10:42 a.m.

AGENDA REVISIONS:

Motion by Mr. Brock, seconded by Mr. Kiszkiel under New Business, *1. Warrants for Payment add Consent items h. Sterling Capital Management LLC-\$18,418.00-Investment Management Fees for Equity for 10/1-12/31/2023 (Police Fund Only), i. Sterling Capital

Management LLC-\$14,348.00-Investment, Management Fees for Equity for 10/1-12/31/2023 (Fire Fund Only), j. Sterling Capital Management LLC-\$11,722.00-Investment Management Fees for Fixed Income for 10/1-12/31/2023 (Fire Fund Only), k. Sterling Capital Management LLC-\$17,508.00-Investment Management Fees for Fixed Income for 10/1-12/31/2023 (Police Fund Only), l. Advent Capital-\$13,234.73-Investment Management Fees for Quarter End 12/31/2023, (Police Fund Only), m. Advent Capital-\$13,231.45-Investment Management Fees for Quarter End 12/31/2023, (Fire Fund Only), n. Eagle Asset Investment Management-\$1,401.95-Management Fees for Billing Period 10/1-12/31/2023, Invoice 041008102785 (Police Fund Only), o. Eagle Asset Investment Management-\$519.95-Management Fees for Billing Period 10/1-12/31/2023, Invoice 943768097925 (Fire Fund Only) Warrants for Payment. Under Office Business Add g. Ken Williams AC and under New Business add Consent item *7 At Member's Expense Request for Benefit Election Calculation from Foster and Foster, Inc., Firefighter John Ringleb. 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 Old Business two (2).

ADOPTION OF MINUTES:

*1. January Minutes 24-01-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

a. Quarterly Report-Mr. Myton announced Sterling was sold by Truist to Guardian. Guardian has global offices. Sterling will be kept an independent operation. Sterling will keep the same people. It was a good quarter. Fixed was up 6.5%. No energy exposure helped. Fixed is conservative right now.

BURGESS CHAMBERS AND ASSOCIATES, INC. 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. Larry Cole, Performance Manager

a. Quarterly Report-Mr. Cole said it was a good quarter. The Mag seven (7) is more like the Mag two (2) or three (3). It is a tough time to evaluate managers. Someone new may chase names. It reminds him of the dot com era in the 1990s. Artificial Intelligence is driving. Ms. Janes arrived at 9:30 a.m. Bonds were up over six percent (6%). People expected rates to be lowered six (6) or seven (7) times, now the rates are expected to be lowered three (3) or four (4) times. There are many layoffs right now. It takes ten (10) quarters from when the Fed acts to see the full result. 3.2 million in the que to move from real estate. Legacy buildings are empty. As leases come up they won't be renewed. Up 8.4% for the quarter. Mr. Cole has tried contacting Frontier. He cannot find commentary. Previously there had been discussion to having Eagle in, it may not be necessary. Mr. Cole will research is further. He is suggesting to rebalance. Motion by Mr. Brock, seconded by Mr. Kiszkiel, to sell \$1.5 million Advent Convertibles, sell \$1.5 million SSI Convertibles, sell \$1 million Euro Pacific International and move \$4 million to Sterling Fixed Income. Motion carried with members voting as follows: Mr. Dorey, Yea; Mr. Brock, Yea; Mr. Sacco, Yea; Mr. Kiszkiel, Yea; Mr. Lancaster, Yea. The Fund sent about \$400,000.00 for Churchill's first capital call. Mr. Lancaster asked about moving Advent and SSI because they were being close to overweighed. Mr. Cole said bonds were doing well. Motion by Mr. Brock, seconded by Mr. Kiszkiel to accept Sterling and BCA 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. Monthly Cash Transfer Letter-Ms. Janes suggested increasing the monthly cash transfer amount to the R&D Account to \$625,000.00 for a few months. Ms. Taglia-Polak and Ms. Janes discussed having it a couple days earlier to make sure the money was in the account for benefit payments on the first of each month. Mr. Cole recommends \$100,000 from Sterling Equity Fire, \$150,000 from Sterling Equity Police, \$50,000 from Allspring Global Fire, \$75,000 from Allspring Global Police, \$50,000 from Polen Fire, \$75,000 from Polen Police, \$50,000 from Sterling Fixed Fire, \$75,000 from Sterling Fixed Police. Motion by Mr. Brock, seconded by Mr. Kiszkiel to move \$100,000 from Sterling

Equity Fire, \$150,000 from Sterling Equity Police, \$50,000 from Allspring Global Fire, \$75,000 from Allspring Global Police, \$50,000 from Polen Fire, \$75,000 from Polen Police, \$50,000 from Sterling Fixed Fire, \$75,000 from Sterling Fixed Police and transfer \$625,000 to the R&D account on a monthly basis. Motion carried with members voting as follows: Mr. Dorey, Yea; Mr. Brock, Yea; Mr. Sacco, Yea; Mr. Kiszkiel, Yea; Mr. Lancaster, Yea.

c. Churchill Asset Management Private Credit Update-discussed above in item a.

d. Resolute-Resolute restructuring of ownership is completed. Mr. Cole said there is no need for a new contract. Mr. Cole and Mr. Myton left at 9:51 a.m. Ms. Wester and Mr. Kinsel called in at 9:51 a.m. Discussion continued to Audit Presentation.

AUDIT PRESENTATION AT 10:00 A.M.: -CONTINUANCE (the Board considered this item out of order at 10:00 a.m. as noticed for time certain.)

1. Ms. Alison N. Wester, CPA, CGMA, Partner, Mauldin & Jenkins, CPA-Ms. Wester said the audit starts with the opinion. The MD&A compares year to the previous year. You can see the impact of the investment performance. Contributions are relatively consistent. Chapter 175 and 185 money was in receivables because it took longer to obtain the checks. 175 and 185 money was more than previous years. That had an impact on City contributions. If there was a deficiency it would have been reported. Nothing to report. Ms. Wester mentioned it may be time to consider revising the percentage of payroll. Ms. Taglia-Polak asked for further explanation, she was confused by what it meant. Ms. Wester said ten (10) years ago an election was made. It can be moved to note one (1) or a description. Mr. Lancaster asked if this is a decision that need to be made now? Ms. Wester answered no. Motion by Mr. Brock, seconded by Mr. Kiszkiel to make the change for next year as to where the percent of payroll will be located in the audit. Motion carried with members voting as follows: Mr. Dorey, Yea; Mr. Brock, Yea; Mr. Sacco, Yea; Mr. Kiszkiel, Yea; Mr. Lancaster, Yea. Ms. Wester said Maudlin and Jenkins has more then 700 clients in the southeast. Mr. Kinsel has been with Maudlin and Jenkins five (5) years. Mr. Lancaster asked Ms. Janes and Ms. Wester the audit process went. Ms. Janes replied it went wonderful. Ms. Wester replied it was well planned. There was a hiccup with a third

party of Maudlin and Jenkins and the response and documentation Ms. Taglia-Polak provided brought the issue to light. Ms. Janes and Ms. Wester had a call to resolve a question. Motion by Mr. Brock, seconded by Mr. Kiszkiel to approve and accept the Audit. Motion carried with members voting as follows: Mr. Dorey, Yea; Mr. Brock, yea; Mr. Sacco, Yea; Mr. Kiszkiel, Yea; Mr. Lancaster, Yea. Ms. Wester and Mr. Kinsel left the meeting at 10:20 a.m.

2. Ms. Lark Janes, CPA, LLC-Audit Progress Review and Accounting Updates-Ms. Janes said everything went well. Maudlin and Jenkins consultant had the wrong information. Sometimes anomalies happen. One schedule was not tying actuarial with financial. It was resolved. Discussion continued to New Business 3. Office Business.

COMPUTER EXPERTS AT 10:30 A.M.: -CONTINUANCE (the Board considered this item out of order at 9:15 a.m. as noticed for time certain.)

1. Mr. Mark Mageau, Vice President

a. Work Stations-Mr. Mageau briefed the Board on the last IT meeting with Mr. Lancaster and Ms. Taglia-Polak. The workstations were purchased in 2019. There will be some issues with Windows 10 reaching end of life. New work stations can be purchased now or in October in the new budget year. Mr. Lancaster mentioned we have room in our overall budget, but not the line item. Ms. Taglia-Polak said she had thought we could not go over the total budget, she called the State and spoke with Ms. Freitas who said it is by line item. Ms. Taglia-Polak asked Ms. Freitas if we were to amend the budget, what is the procedure? She was told that to update the budget give an explanation as to why it needed to be revised, resend it to the City and State and add it to our website. Mr. Lancaster said to wait for the next budget year.

b. Server-Mr. Mageau gave an estimate on a new server with two different options. To keep mail server local that would be about \$9,000. To have only data on server and move emails to Microsoft 365 is about \$6,000.00 for the server and \$6 per person per month, at the end of 5 years that is \$3,000.00. Microsoft teams comes with Microsoft 365. Mr. Mageau recommends Microsoft 365. Mr. Mageau will provide a final quote in September. Mr. Mageau left the meeting at 10:37 a.m. Discussion continued to New Business 4.

OLD BUSINESS:

*1 DROP Returns December 31, 2023-This item was approved under consent.

2. Review of FPPTA School-Mr. Brock said the QR code was helpful. Mr. Dorey said there were several presentations on bonds. There was PTSD and disability information. Mr. Sacco said legal was the most pertinent. Mr. Kiszkiel and Ms. Tabares passed their advanced exams. Mr. Lancaster liked the disability presentation. Legal was also good.

3. Police and Firefighter Board of Trustees' Elected Representative Nominations and Election-We received Mr. Dorey and Mr. Sacco's applications and nominations. They both are current members in good standing. They both are running unopposed. There is no vote by membership needed. Motion by Mr. Brock, seconded by Mr. Kiszkiel to approve qualifying nominations. Motion carried with members voting as follows: Mr. Dorey, Yea; Mr. Brock, yea; Mr. Sacco, Yea; Mr. Kiszkiel, Yea; Mr. Lancaster, Yea. Mr. Dorey and Mr. Sacco to be sworn in April meeting. Following up on Form one (1), once you have log in information you can request and complete the Form 1 and file it electronically. The site is open for submissions. Mr. Kiszkiel said he already completed it. Mr. Lancaster asked Ms. Taglia-Polak to send him the site.

4. Salem/TMI Merge with Argent Financial-Ms. Taglia-Polak asked Ms. Garcia about the invoice not having the ten percent (10%) discount. Ms. Garcia said it will be on the next invoice. Ms. Taglia-Polak saw the \$15.00 removal (for reimburse to FPL). Things seem to be running better. Ms. Lindsay is still dealing with past due invoices for Office Depot and Spectrum. Both have cashed checks, not sure why they were not credited to us. Spectrum remittance information was not included on check, they did not know where to apply payment. Ms. Lindsay is working on having Spectrum set up on ACH. Discussion continued to Old Business 8.

5. Administrative Rule Governing the Distribution of DROP Account Balances for Police Officers and Firefighters-The office plans to tell police DROP members as they come in to leave DROP about the option for 75% upon leaving. Additionally, with next DROP quarterly statement an additional letter will be added letting the members know the quarterly numbers will be a month later in the future due to Churchill investment.

6. Police and Firefighter Board of Trustees' Council Representative-Positions begin April 1, 2024. The positions will be announced in February meetings. Ms. Taglia-Polak sent to Mr. Brock and Mr. Kiszkiel on January 30, 2024 a copy of each of their letters from the City Clerk.

7. Police Officer Sherif Brown Overpayment-January 19, 2024 Mr. Brown emailed he would put payment in the mail that day. January 26, 2024 Ms. Taglia-Polak left a voice mail asking for a status update and followed up with email. Mr. Brown has not responded to attempts to contact him after January 19, 2024. Discussion continued to Sterling Capital Management, LLC.

8. Rollovers Resh and Hensel-Ms. Taglia-Polak spoke with Ms. Hensel. Ms. Hensel said a tax advisor quoted her \$600. At the Board Attorney's direction Ms. Taglia-Polak asked Ms. Hensel to wait until after this (February 2, 2024) meeting to see if there is an exception. Ms. Taglia-Polak told Ms. Hensel Salem will have to pay for her tax professional since she does not normally use one. Ms. Taglia-Polak told Ms. Hensel and Mr. Resh to wait until after the February Board Meeting and that if there is no exception they will need two (2) scenarios run; one (1) with the rollover and one (1) without to see what the difference in their taxes will be. Mr. Sendra said he could not find any exceptions to the one rollover per year rule. He conferred with Mr. Klausner. The rule came out eight (8) years ago. Salem will have to reimburse the members the additional excise tax. Mr. Myton entered at 9:12 a.m. Mr. Cole entered at 9:13 a.m. Discussion continued to Old Business 4.

NEW BUSINESS:

*1. Warrants for Payment

a. Salem Trust-\$22,241.92-Account Management Fee for 10/1-12/31/2023, Fee A/C Number M69930-This item was approved under consent.

b. DePrince, Race, and Zollo, Inc.-\$4,420.00-Management Fee for 10/1-12/31/2023, Invoice 202304075 (Fire Fund Only)-This item was approved under consent.

- c. DePrince, Race, and Zollo, Inc.-\$4,564.00-Management Fee for 10/1-12/31/2023, Invoice 202304076 (Police Fund Only)-This item was approved under consent.
- d. SSI Investment Management-\$12,564.00-Management Fee 10/1-12/31/2023, Invoice 002024-0012 (Police Fund Only)-This item was approved under consent.
- e. SSI Investment Management-\$12,568.00-Management Fee 10/1-12/31/2023, Invoice 002024-0013 (Fire Fund Only)-This item was approved under consent.
- f. Truist Commercial Checking Account-\$850.00-Reimbursement to the Truist Commercial Checking Account for Auto Pay for James Brock's VISA-This item was approved under consent.
- g. Burgess Chambers and Associates-\$22,305.21-Performance Monitoring and Advisory Fee for 12/31/2023, Invoice 24-120-This item was approved under consent.
- h. Sterling Capital Management LLC-\$18,418.00-Investment Management Fees for Equity for 10/1-12/31/2023 (Police Fund Only)-This item was approved under consent.
- i. Sterling Capital Management LLC-\$14,348.00-Investment Management Fees for Equity for 10/1-12/31/2023 (Fire Fund Only)-This item was approved under consent.
- j. Sterling Capital Management LLC-\$11,722.00-Investment Management Fees for Fixed Income for 10/1-12/31/2023 (Fire Fund Only)-This item was approved under consent.
- k. Sterling Capital Management LLC-\$17,508.00-Investment Management Fees for Fixed Income for 10/1-12/31/2023 (Police Fund Only)-This item was approved under consent.
- l. Advent Capital-\$13,234.73-Investment Management Fees for Quarter End 12/31/2023, (Police Fund Only)-This item was approved under consent.
- m. Advent Capital-\$13,231.45-Investment Management Fees for Quarter End 12/31/2023, (Fire Fund Only)-This item was approved under consent.
- n. Eagle Asset Investment Management-\$1,401.95-Management Fees for Billing Period 10/1-12/31/2023, Invoice 041008102785 (Police Fund Only)-This item was approved under consent.

- o. Eagle Asset Investment Management-\$519.95 -Management Fees for Billing Period 10/1-12/31/2023, Invoice 943768097925 (Fire Fund Only) Warrants for Payment-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-Member beneficiary forms were accepted and approved on Police Officer Kyle Eakins and Firefighter Scott Oneyear; Share Plan designation forms were accepted and approved on Police Kyle Eakins-This item was approved under Consent.

3. Office Business

- a. Equipment Upgrades and Purchases-The Pitney Bowes Machine broke, a new one was sent at no cost. We are waiting for them to remove the balance from the old machine and add it back to the Purchase Power account. Ms. Taglia-Polak used the Purchase Power account to add postage to the new machine.
- b. Employee VISA Invoice Review for December-Ms. Taglia-Polak said Ms. Lindsay researched the \$37.50 that was charged on the Visas after leaving the hotel in October was resort fee taxes, rooms are tax free, resort fee is not and OCCD-Orange County Municipal Tax the Fund has to pay.
- c. Upcoming Events-Educational Opportunities-Ms. Bertolini wanted to know if she can attend out of state conferences. Mr. Kiszkiel said it was not necessary. Mr. Dorey, Brock and Sacco agreed. Continue in state for her position. Mr. Lancaster said possibly NCPERS if it were in Florida.
- d. T-Mobile-Ms. Tabares was added on T-Mobile account to make calls regarding payments. On January 16, 2024 it was reset up for autopay. Mr. Dorey and Mr. Brock will work on going off the business plan and being reimbursed. Mr. Lancaster said the goal is to do this by fiscal year end.
- e. AT&T Conference Calling-Ms. Tabares and Ms. Taglia-Polak had a conference call with Streamline Communications. Mr. Sendra has concerns with the contract. Staff researched Zoom, the only have options are for

VOIP, nothing for a landline. Ms. Tabares reached out to Intellor, Ms. Taglia-Polak had a call with Intellor representative to have questions answered. We have until November 2024.

- f. Giordano-Ms. Taglia-Polak was pulling files to be scanned and archived. Mr. Giordano's was one of them. He was paid out in 2015, it was not entered into PensionGold. Ms. Lindsay and Ms. Taglia-Polak discussed how to handle this. They removed his money from PensionGold. The file was noted and it will be held until the fiscal year end to make sure it all is okay. Ms. Taglia-Polak believes it was handled correctly. Mr. Mageau arrived by phone at 10:29 a.m.
- g. Ken Williams AC-The maintenance plan needs to be renewed. The price has not changed, it is \$458.00 per maintenance. The plan is for March 3, 2024 through March 3, 2025. Motion made by Mr. Brock, seconded by Mr. Kiszkiel to renew the maintenance plan for the air conditioner with Ken Williams AC. 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 Computer Experts.

4. Arthur J. Gallagher Risk Management Service-Application for Renewals-Ms. Lindsay received and paid invoices for Excess Liability and General Liability

5. Police Share Plan-An error was discovered in Mr. Imel's Share amount. It appeared to be too high since he forfeited his previous share plan to be re-employed. Mr. Sendra reviewed the order and terms of the Plan, because the Board kept him as vested, Mr. Imel is entitled to the shares he has earned over the aggregate years of credited service. He is receiving shares for his full amount of credited service, there is no way to enforce starting over entirely. Mr. Donlan phone into the meeting at 10:42 a.m. Mr. Donlan explained in 2022 they didn't forfeit Mr. Imel's share. It needed to be redone for 2022 and 2023. This does not change the valuation, it only changes each person's balance. The Order and Ordinance says he has credited service for both his periods of employment. Mr. Sacco asked how much. Mr. Donlan replied \$9,557.18. Mr. Sendra stated it is two years of statements being redone. Motion made by Mr. Brock, seconded by Mr. Kiszkiel to accept the revised statements. Motion carried with members voting as follows: Mr. Dorey, Yea; Mr. Brock, Yea; Mr. Sacco, Yea; Mr. Kiszkiel, Yea; Mr. Lancaster, Yea. Mr.

Donlan said he will have the Actuarial Valuation Reports ready for the April meeting. Mr. Donlan left the meeting at 10:50 a.m. Ms. Taglia-Polak said some Police Officers who retired in the last year will be owed additional share money. Motion by Mr. Brock, seconded by Mr. Kiszkiel to pay police officers the balance of what they are owed from their Share accounts. Motion carried with members voting as follows: Mr. Dorey, Yea; Mr. Brock, Yea; Mr. Sacco, Yea; Mr. Kiszkiel, Yea; Mr. Lancaster, Yea. Mr. Sacco asked if a member leaves, forfeits their share money, leaves their contribution in the Plan, will they earn more shares because of the total credited service from the first employment and second employment? Mr. Sendra answered an officer would forfeit their Share Plan account balance at the time of separating employment at the end of the first period of employment if they were not granted an early, normal or disability pension at the time of separating City employment. Their Share Plan account balance would be redistributed to the other eligible members according to the terms of the Plan. Their Share Plan account balance would start at \$0 during a second period of employment and be credited with distributions according to the terms of the Plan. The officer would keep their share plan shares from their first employment period with the City, if they kept their contributions in the Plan, and they would earn additional share plan shares upon beginning their second period of employment (shares would be aggregated). If the officer removed their contributions from the Plan prior to beginning the second period of employment then their Share Plan account balance and their share plan shares would start at zero.

*6. Reduction of Monthly Pension Due to Age 65 Supplement, Firefighter Retiree Ronald Bratsch-This item was approved under consent.

*7. At Members Expense Request for Benefit Election Calculation from Foster and Foster, Inc., Firefighter John Ringleb-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 any the public.

ADJOURNMENT:

Motion by Mr. Brock, seconded by Mr. Kiszkiel to adjourn the meeting at 11:03 a.m.
Motion carried with members voting as follows: Mr. Dorey, Yea; Mr. Brock, Yea; Mr.
Sacco, Yea; Mr. Kiszkiel, Yea; Mr. Lancaster, Yea.



Timothy W. Lancaster, Chairman

ATTEST:



James W. Brock, Secretary
Jason Dorey, Vice Chairman