

**PALM BAY POLICE AND FIREFIGHTERS' PENSION
PLAN BOARD OF TRUSTEES
Quarterly Meeting 24-05**

Held on the 3rd of May, 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 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	Absent
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; Mr. Sean Sendra, Board Attorney, Klausner, Kaufman, Jensen and Levinson, P.A telephoned at 9:00 a.m.; Ms. Kristin Dale, Human Resources Generalist II, Human Resources Department, City of Palm Bay, telephoned at 9:00 a.m.; Mr. Larry Cole, Performance Manager, Burgess Chambers and Associates arrived at 9:12 a.m. Motion by Mr. Brock, seconded by Mr. Kiszkiel to excuse Mr. Sacco. Motion carried with members voting as follows: Mr. Dorey, Yea; Mr. Brock, Yea; Mr. Kiszkiel, Yea; Mr. Lancaster Yea.

AGENDA REVISIONS:

Motion by Mr. Brock, seconded by Mr. Kiszkiel under New Business, Consent *1. Warrants for payment add *n. Sterling Capital Management LLC-\$19,162.00-Investment Management Fees for Equity for 1/1-3/31/2024 (Police Fund Only); *o. Sterling Capital Management LLC-\$14,939.00-Investment Management Fees for Equity for 1/1-3/31/2024 (Fire Fund Only); *p. Sterling Capital Management LLC-\$13,251.00-Investment Management Fees for Fixed Income for 1/1-3/31/2024 (Fire Fund Only); q. Sterling Capital Management LLC-\$19,396.00-Investment Management Fees for Fixed

Income for 1/1-3/31/2024 (Police Fund Only); r. Advent Capital-\$13,105.22-Investment Management Fees for Quarter End 3/31/2024, (Police Fund Only); s. Advent Capital-\$13,096.19-Investment Management Fees for Quarter End 3/31/2024, (Fire Fund Only); add under New Business *11. Request for Actuarial Beneficiary Election Option Change for Firefighter Randall Richmond;*12. Request for Actuarial Beneficiary Election Option Change for Police Officer Joseph Moreno; 13. DROP and Share Rollovers; 14. Disability Guidelines; 15. Deceased Firefighter Arthur Fawcett. Motion carried with members voting as follows: Mr. Dorey, Yea; Mr. Brock, 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. Kiszkiel, Yea; Mr. Lancaster, Yea.

ADOPTION OF MINUTES:

*1. April Regular Minutes 24-04-This item was approved under consent.

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

1. Mr. Larry Colé, Performance Manager

a. Quarterly Report-Mr. Cole reminded the Board these numbers are preliminary and will be for the quarterly meeting in the future due to the Churchill investment, their final numbers will not be until the month after. He said Sterling is ahead of the benchmark since inception. Employment data was not good. Raising rates was taken off the table. Inflation is stabilizing between three percent (3%) and four percent (4%), it is not near the two percent (2%) target. Mr. Cole will recommend continued rebalancing. He wants to dollar average in. The Mag seven (7) is becoming more like the Mag four (4) or five (5). April has not been a good month. The March report is good. Working against the Fund's portfolio in the last two (2) years was diversification, which is usually helpful. These numbers are preliminary because we are waiting on Churchill data. Mr. Sendra asked if there are any returns for Churchill yet. Mr. Cole said right now there

is no exact number. For the quarter ending in March the Fund gained \$9.7 million. Still working out of the negative numbers from 2022. The Fund is over weighted in equities, he recommends taking money from equities and putting it in bonds. Quarter to date returns are 4.4%. Mr. Cole suggested having DRZ come in at the August meeting. They are sticking to their process which makes Mr. Cole more comfortable with the lower rate. Mr. Cole recommended selling one million from Polen Large Cap Growth, one million from Sterling Equity Income, one million from Advent Convertibles, one million from SSI Convertibles, two million from Euro Pacific International Fund and transfer six million to Sterling Fixed Income. He felt it was prudent since interest rates have gone from almost zero percent (0%) to almost six percent (6%) over the past two years. If rates remain higher for longer, he may recommend additional rebalancing to fixed income. Including this change the Board would have moved \$17,000,000.00 in the past three (3) quarters. Motion by Mr. Brock, seconded by Mr. Kiszkiel to make the recommended changes Mr. Cole presented. Motion carried with members voting as follows: Mr. Dorey, Yea; Mr. Brock, Yea; Mr. Kiszkiel, Yea; Mr. Lancaster, Yea. Motion made by Mr. Brock, seconded by Mr. Kiszkiel to accept and approve Sterling and Burgess Chambers and Associates quarterly reports. Motion carried with members voting as follows: Mr. Dorey, Yea; Mr. Brock, Yea; Mr. Kiszkiel, Yea; Mr. Lancaster, Yea. Mr. Cole left the meeting at 9:55 a.m. Discussion continued to New Business 6. Office Business.

OLD BUSINESS:

1. Palm Bay Professional Firefighters, IAFF, Local 2446 Negotiations-This item is pending.
2. Fraternal Order of Police Negotiations-This item is pending.

NEW BUSINESS:

- *1. Warrants for Payment
 - a. Salem Trust-\$20,812.61-Account Management Fee for 1/1-3/31/2024, Fee A/C Number M69930-This item was approved under consent.

- b. DePrince, Race, and Zollo, Inc.-\$4,585.00-Management Fee for 1/1-3/31/2024, Invoice 202401023 (Fire Fund Only)-This item was approved under consent.
- c. DePrince, Race, and Zollo, Inc.-\$4,734.00-Management Fee for 1/1-3/31/2024, Invoice 202401022 (Police Fund Only)-This item was approved under consent.
- d. SSI Investment Management-\$12,391.00-Management Fee 1/1-3/31/2024, Invoice 002024-0012 (Police Fund Only)-This item was approved under consent.
- e. SSI Investment Management-\$12,392.00-Management Fee 1/1-3/31/2024, Invoice 002024-0013 (Fire Fund Only)-This item was approved under consent.
- f. Burgess Chambers and Associates-\$23,123.80-Performance Monitoring and Advisory Fee for 3/31/2024, Invoice 24-262-This item was approved under consent.
- g. Eagle Asset Investment Management-\$1,539.86-Management Fees for Billing Period 1/1-3/31/2024, Invoice 041003369494 (Police Fund Only)-This item was approved under consent.
- h. Eagle Asset Investment Management-\$571.74-Management Fees for Billing Period 1/1-3/31/2024, Invoice 943763429216 (Fire Fund Only) Warrants for Payment-This item was approved under consent.
- i. Truist Commercial Checking Account-\$657.83-Reimbursement to the Truist Commercial Checking Account for Auto Pay for Timothy Lancaster's VISA-This item was approved under consent.
- j. Truist Commercial Checking Account-\$1,050.00-Reimbursement to the Truist Commercial Checking Account for Auto Pay for James Brock's VISA-This item was approved under consent.
- k. Truist Commercial Checking Account-\$1,050.00-Reimbursement to the Truist Commercial Checking Account for Auto Pay for Benjamin Kiszkiel's VISA-This item was approved under consent.
- l. Truist Commercial Checking Account-\$1,050.00-Reimbursement to the Truist Commercial Checking Account for Auto Pay for Patricia Lindsay's VISA-This item was approved under consent.
- m. Truist Commercial Checking Account-\$1,050.00-Reimbursement to the Truist Commercial Checking Account for Auto Pay for Alice Tabares' VISA-This item was approved under consent.

- n. Sterling Capital Management LLC-\$19,162.00-Investment Management Fees for Equity for 1/1-3/31/2024 (Police Fund Only)-This item was approved under consent.
- o. Sterling Capital Management LLC-\$14,939.00-Investment Management Fees for Equity for 1/1-3/31/2024 (Fire Fund Only)-This item was approved under consent.
- p. Sterling Capital Management LLC-\$13,251.00-Investment Management Fees for Fixed Income for 1/1-3/31/2024 (Fire Fund Only)-This item was approved under consent.
- q. Sterling Capital Management LLC-\$19,396.00-Investment Management Fees for Fixed Income for 1/1-3/31/2024 (Police Fund Only)-This item was approved under consent.
- r. Advent Capital-\$13,105.22-Investment Management Fees for Quarter End 3/31/2024, (Police Fund Only)-This item was approved under consent.
- s. Advent Capital-\$13,096.19-Investment Management Fees for Quarter End 3/31/2024, (Fire 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 beneficiary forms were accepted and approved on Police Officers Cody Braun and Andrew Schoener and Firefighters Michael Abston, Hunter Kelly, Jeremy Reymond, Hunter Hengehold, Gabriel DaSilva, Garrett Albright, Jordan Weymouth, Bryon Rouse, Britt Nestor, Joseph Ferrara, Jesus Carbonell and Matthew Booth; Pre-Retirement forms were accepted and approved on Firefighters Lee Zalnoski and Robert Randolph; Share Plan designation forms were accepted and approved on Police Officers Cody Braun and Andrew Schoener and Firefighters Michael Abston, Hunter Kelly, Jeremy Reymond, Hunter Hengehold, Gabriel DaSilva, Garrett Albright, Jordan Weymouth, Bryon Rouse, Britt Nestor, Joseph Ferrara, Jesus Carbonell and Matthew Booth-This item was approved under Consent.

3. Sterling Capital Management, LLC-Mr. Myton was not able to attend the meeting. The Sterling report is in everyone's Board packet for review. He did mention to Ms. Taglia-

Polak, Sterling is working with Mr. Klausner's office on a Consent form for the transition to Guardian ownership. Ms. Taglia-Polak said we do not have the form yet, but it will be coming. Mr. Myron offered to discuss it during the June meeting.

4. IT Meeting-During the IT Meeting between Mr. Mageau, Mr. Lancaster and Ms. Taglia-Polak, Mr. Mageau presented a few options. The Board already approved Microsoft 365 email exchange. The Board needed to decide if they wanted Microsoft 365 email exchange with Microsoft Standard. Microsoft Standard is \$480 one time per device. The other option is Microsoft 365 Business Premium at \$279.00 per person per year. This provides additional security. Each person can use Microsoft 365 on up to five (5) devices. The difference in price over five years is a couple thousand dollars. Mr. Lancaster said he felt the additional security would be worth the extra expense. Motion by Mr. Brock, seconded by Mr. Kiszkiel to purchase Microsoft 365 Business Premium beginning in July. Motion carried with members voting as follows: Mr. Dorey, Yea; Mr. Brock, Yea; Mr. Kiszkiel, Yea; Mr. Lancaster, Yea.

5. Distribution of DROP Annual Payment Clarification-Mr. Sendra clarified the annual DROP payments can be anytime in December, pushing back the payment until the data is received for Churchill will not violate the Plan language. The latest the Fund would receive the interest is December seven (7) with a payment to the member the following Monday or Tuesday. Mr. Cole arrived at 9:12 a.m. It would take ten (10) to twelve (12) years of payments to deplete a member's account. Mr. Lancaster stated the payment amount is fixed after it is calculated the first time. Mr. Dorey said it would only become an issue with the last annual payment when the account it depleted. Mr. Sendra said payments can continue to be made on December first if it is a taxed payment once it's not the first year because the payment amount will be known. The staff understand the parameters of the rollover rules. Discussion continued to New Business 13.

6. Office Business

Ms. Taglia-Polak notified the Board the ten percent (10%) discount was removed from the Salem invoice. The amount of the discount came to \$2,312.51.

- a. Equipment Upgrades and Purchases-Mr. Dorey and Mr. Brock are off the business phone plan.

- b. Employee VISA Invoice Review for March-Ms. Lindsay and Ms. Tabares' Visas have NCPERS registration
- c. Upcoming Events-Educational Opportunities-Mr. Sacco and Mr. Kiszkiel have not completed the National Accredited Fiduciary certification so they do not need to Continuing Education Units. Mr. Lancaster requested per diem started for the Public Pension Funding Forum because of the volatility of flight prices.
- d. Summary Plan Descriptions and Annual Employee Benefit Statements-Ms. Taglia-Polak received the drafts back from Mr. Sendra this week. They are pending. Ms. Taglia-Polak has requested the last page from Foster and Foster.
- e. Office Security-This item is pending.
- f. Visa Rewards-The Visa Rewards were redeemed. They were used towards Mr. Lancaster's business credit card. The amount was \$248.81.
- g. Board Business Outside of Office-There was an issue with the post office. The local office does not answer the phone. Ms. Taglia-Polak dialed a 1-800 number and eventually resolved the issue. She asked Mr. Sendra if staff can do Board business outside the office. Ms. Taglia-Polak does receive the auto insurance cards, she has not checked to see if everyone has collision and liability. It has been board policy to take rental insurance if anyone rents a car at a conference. The Workers Comp policy covers employees outside of the office. Mr. Sendra stated there was no legal issue.

7. Fifth Trustee Solicitation-Ms. Taglia-Polak spoke with Ms. Dennis. The Fifth trustee position will be in the July 2, 2024 and July 18, 2024 City council meetings. The deadline to apply will be July 24, 2024. Ms. Dennis will send Ms. Taglia-Polak the applicants July 25, 2024 for the August 2, 2024 meeting. When the fifth position comes up in August all trustees must be present to vote since he is the Board appointee. Appointment ends August 23, 2024. Mr. Lancaster will abstain from the vote and complete a Form 8B memo. The Fifth trustee is not sworn in until a letter is received from the City Clerk stating City Council has ministerial appointed them. Until August 23, 2024 the Mr. Lancaster can sign documents.

*8. Termination Refund/Rollover or Vested Termination, if Eligible, Firefighter Christopher Wheeler-This item was approved under consent.

*9. Termination Refund/Rollover or Vested Termination, if Eligible, Firefighter Scott Oneyear-This item was approved under consent.

*10. Termination Refund/Rollover or Vested Termination, if Eligible, Firefighter Camilo Valencia-This item was approved under consent.

*11 Request for Actuarial Beneficiary Election Option Change for Firefighter Randall Richmond-This item was approved under consent.

*12 Request for Actuarial Beneficiary Election Option Change for Police Officer Joseph Moreno-This item was approved under consent.

13. DROP and Share Rollovers-Mr. Sendra discussed if the Share and DROP can be combined for one rollover per year. This causes an issue with the 80/20 payout of the Share balance. This would require significant changes. The DROP is always more valuable right now. The member is advised they can do one rollover when they separate and they should seek independent financial advice. The Plan will remain the same, one rollover per year and not combine the Share and DROP. Mr. Lancaster said Mr. Sendra is attentive to calls and emails. Discussion continued to Burgess Chambers and Associates

14. Disability Guidelines-this item was tabled.

15. Deceased Firefighter Arthur Fawcett-Ms. Taglia-Polak said Mr. Fawcett had passed away. His beneficiary is entitled to a payment. Motion by Mr. Brock, seconded by Mr. Kiszkiel to approve payment to deceased Firefighter Arthur Fawcett's beneficiary. Motion carried with members voting as follows: Mr. Dorey, Yea; Mr. Brock, Yea; Mr. Kiszkiel, Yea; Mr. Lancaster, Yea.

INPUT FROM ACTIVE AND RETIRED PLAN MEMBERS:

There was no input from active or retired plan members.

INPUT FROM THE PUBLIC:

There was no input from any the public.

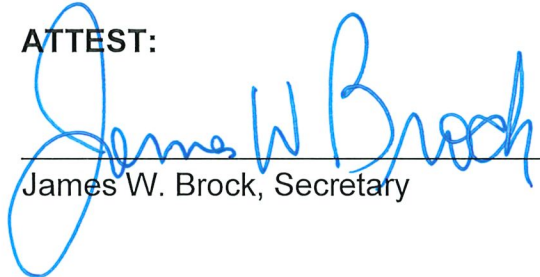
ADJOURNMENT:

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



Timothy W. Lancaster, Chairman

ATTEST:



James W. Brock, Secretary