

**MINUTES OF A REGULAR MEETING OF THE BOARD OF TRUSTEES OF THE
POLICE RETIREMENT SYSTEM HELD IN THE CONFERENCE ROOM AT CITY HALL
ON WEDNESDAY, SEPTEMBER 25, 2002, AT 1:30 P.M.**

I. ROLL CALL:

A. Pertained to Employees' Retirement Board:

B. Police Retirement Board:

The Vice Chair called the meeting to order at 1:37 p.m.

Trustees present were Deputy Chief Patrick Hampshire (Vice Chair), Finance Director Chuck Powers, Philip Blumel, and Lt. Kenneth White. Also present were Kenneth Harrison, Esquire, sitting in for Board Attorney Robert Sugarman, and Recording Secretary Valerie Hurley, City Clerk's Office. Absent was Mayor Rodney Romano, Chairman.

II. ADDITIONS/DELETIONS/REORDERING:

A. Pertained to Employees' Retirement Board:

B. Police Retirement Board:

C. Employees' and Police Retirement Boards:

1. **Reorder New Business item C-1, Mr. Michael Callaway, Vice President, Merrill Lynch Consulting Services, to review fund valuation for quarter ending June, 30, 2002, to follow Additions/Deletions/Reordering**

Consensus was to adopt the agenda as modified.

(IV. NEW BUSINESS:)

(C. Employees' and Police Retirement Boards:)

- (1.) **Mr. Michael Callaway, Vice President, Merrill Lynch Consulting Services, to review fund valuation for quarter ending June 30, 2002**

As of June 30, 2002, the Police Pension fund had a market value of \$19,728,680 including accrued income. This represented a decrease in value from the previous quarter of \$1,252,170. The fund earned -\$791,143 and paid out \$461,027 in net distributions.

As of June 30, 2002, 52.0% of the fund was invested in equities including international equity, 45.9% in bonds and 2.1% in cash and equivalents.

For the quarter, the fund earned a –3.8% return, which ranked in the top 13% of the public fund. The target index was comprised of 50% S&P 500, 10% MSCI-EAFE and 40% Merrill Lynch Government Corporate Index returned –5.4%.

III. UNFINISHED BUSINESS:

A. Pertained to Employees' Retirement Board:

B. Police Retirement Board:

C. Employees' and Police Retirement Boards:

- 1. Consider letter dated September 4, 2002, from Kenneth R. Harrison, Sr., Esq., Sugarman & Susskind, regarding notice to DROP participants of fixed rate account availability**

Action: Motion made by Mr. Powers and seconded by Lt. White to approve the DROP Resolution and notice to DROP participants, as amended.

Vote: Voice vote showed: AYES: Mr. Powers, Lt. White, Mr. Blumel, and Deputy Chief Hampshire. NAYS: None.

There was a brief discussion regarding scheduling of the next meeting.

Consensus was to schedule the next meeting on Wednesday, October 30, 2002, at 1:30 p.m., at which time the Board will consider amending the DROP rules.

IV. NEW BUSINESS:

A. Pertained to Employees' Retirement Board:

(IV. NEW BUSINESS:)

(B. Police Retirement Board:)

- (3.) Consider request for transfer of pension contributions from Police Retirement System to the General Employees' Retirement System for Anthony Vargas**

Action: Motion made by Mr. Powers and seconded by Lt. White to approve transfer of pension contributions from Police Retirement System to the General Employees' Retirement System for Anthony Vargas.

Vote: Voice vote showed: AYES: Mr. Powers, Lt. White, Mr. Blumel, and Deputy Chief Hampshire. NAYS: None.

B. Police Retirement Board:

1. From Payroll Specialist Lyn Ludtke, dated September 12, 2002, regarding recovery of Joseph Viera's disability benefit

Action: Motion made by Lt. White and seconded by Mr. Powers to allow Joseph Viera to repay by lump sum or 12 monthly deductions.

Vote: Voice vote showed: AYES: Mr. Powers, Lt. White, Mr. Blumel, and Deputy Chief Hampshire. NAYS: None.

2. Consider accepting Callie Culpepper's pension contributions from the General Employees' Retirement System to the Police Retirement System

Action: Motion made by Mr. Powers and seconded by Lt. White to accept Callie Culpepper's pension contributions from the General Employees' Retirement System to the Police Retirement System.

Vote: Voice vote showed: AYES: Mr. Powers, Lt. White, Mr. Blumel, and Deputy Chief Hampshire. NAYS: None.

3. Consider request for transfer of pension contributions from Police Retirement System to the General Employees' Retirement System for Anthony Vargas

Discussed earlier in the meeting.

C. Employees' and Police Retirement Boards:

1. Mr. Michael Callaway, Vice President, Merrill Lynch Consulting Services, to review fund valuation for quarter ending June 30, 2002

Discussed earlier in the meeting.

2. Consider blanket motion for FY 2002 – 2003 regarding attendance at Trustee Schools and Conferences

Action: Motion made by Mr. Powers and seconded by Lt. White to approve blanket motion for Trustees to attend conferences sponsored by FPPTA and Division of Retirement.

Vote: Voice vote showed: AYES: Mr. Powers, Lt. White, Mr. Blumel, and Deputy Chief Hampshire. NAYS: None.

V. CONSENT AGENDA:

A. Pertained to Employees' Retirement Board:

B. Police Retirement Board:

Action: Motion made by Mr. Powers and seconded by Lt. White to approve Consent Agenda (B), in its entirety, as follows:

- 1. Authorize payment of invoice from Sugarman & Susskind, dated September 10, 2002, in amount of \$1,350.00 for retainer fee for month of September 2002**
- 2. Authorize payment of invoice from Sugarman & Susskind, dated December 12, 2001, in amount of \$1,340.89, for Conry disability medical records (\$1,168.75) and UPS costs (\$102.03) and Viera disability UPS costs (\$70.11)**
- 3. Authorize payment of invoice from Gabriel, Roeder, Smith & Company, dated August 31, 2002, in amount of \$3,035.00 for final payment for October 1, 2001, Actuarial Valuation Report (\$2,244); Individual Employee Benefit Statements (\$291)); impact statement for fixed 7% interest rate on DROP accounts (\$250); and impact statement for purchasing reserve military service (\$250)**
- 4. Receive fee advice from PIMCO (Oppenheimer Capital) for investment management services for quarters ending: March 31, 2001-\$2,635.32; June 30, 2001-\$10,065.05; September 30, 2001-\$10,166.76; December 31, 2001-\$10,213.46; March 31, 2002-\$10,117.42; and June 30, 2002-\$10,189.10**

Vote: Voice vote showed: AYES: Mr. Powers, Lt White, Mr. Blumel, and Deputy Chief Hampshire. NAYS: None.

C. Employees' and Police Retirement Boards:

Action: Motion made by Mr. Powers and seconded by Mr. Blumel to approve Consent Agenda (C), in its entirety, as follows:

1. Ratify refunds of pension contributions for August 2002 as reported by Finance Department

Checks Disbursed 08/22/02:

Anthony Vargas, Police Department, 1 Year/2 Months/29 Days, \$2,108.29, separated from service July 29, 2002

Vote: Voice vote showed: AYES: Mr. Powers, Lt. White, Mr. Blumel, and Deputy Chief Hampshire. NAYS: None.

VI. ADJOURNMENT:

A. Pertained to Employees' Retirement Board:

B. Police Retirement Board:

Meeting adjourned at 2:57 p.m.

MINUTES APPROVED: 6-25-03



Mayor Rodney G. Romano, Chair
Police Retirement Board



Evanna Stephenson, Recording Secretary
Police Retirement Board

Minutes transcribed by: Evanna C. Stephenson, City Clerk's Office.

A tape recording of this meeting will be available in the Office of the City Clerk for two years after approval of these minutes.