

**MINUTES OF A JOINT EMPLOYEES' RETIREMENT BOARD
AND POLICE RETIREMENT BOARD MEETING
HELD IN THE CONFERENCE ROOM AT
CITY HALL ON WEDNESDAY,
JUNE 25, 2003,
AT 1:30 P.M.**

I. ROLL CALL:

A. Employees' Retirement Board:

The Chairman called the meeting to order at 1:36 p.m.

Trustees present from the Employees' Retirement Board were Mayor Rodney Romano (Chairman), Finance Director Anne Sims, John Charest (Vice Chair), Robert Lepa (arrived at 3:25 p.m.), and Theresa White. Also present were Board Attorney Robert A. Sugarman and Recording Secretary Evanna Stephenson, City Clerk's Office.

B. Police Retirement Board:

The Chairman called the meeting to order at 1:36 p.m.

Trustees present from the Police Retirement Board were Mayor Rodney Romano (Chairman), Finance Director Anne Sims, Lt. Kenneth White, Deputy Chief Patrick Hampshire (Vice Chair), and David Vespo. Also present were Board Attorney Robert A. Sugarman and Recording Secretary Evanna Stephenson, City Clerk's Office.

II. ADDITIONS/DELETIONS/REORDERING:

A. Employees' Retirement Board:

Action: Motion made by Ms. Sims and seconded by Ms. White to adopt the agenda as presented.

Vote: Voice vote showed: AYES: Mayor Romano, Ms. Sims, Mr. Charest, and Ms. White. NAYS: None.

B. Police Retirement Board:

- 1. Add: New Business C-4, Consider making the 3% multiplier retroactive**

Action: Motion made by Deputy Chief Hampshire and seconded by Mr. Vespo to adopt the agenda as amended.

Vote: Voice vote showed: AYES: Mayor Romano, Ms. Sims, Lt. White, Deputy Chief Hampshire, and Mr. Vespo. NAYS: None.

C. Employees' and Police Retirement Boards:

1. **Delete: New Business C-2, Consider request for transfer of pension contributions from the Police Retirement System into the General Employees' Retirement Fund for Michelle Miclea**
2. **Delete: New Business C-3, Consider accepting transfer of pension contributions from the Police Retirement System into the General Employees' Retirement Fund for Michelle Miclea**

Action: Motion made by Mr. Charest and seconded by Ms. Sims to adopt the agenda with New Business C-2 & C-3 deleted.

Vote: Voice vote showed: AYES: Mayor Romano, Ms. Sims, Mr. Charest, and Ms. White. NAYS: None.

Action: Motion made by Deputy Chief Hampshire and seconded by Lt. White to adopt the agenda with New Business C-2 & C-3 deleted.

Vote: Voice vote showed: AYES: Mayor Romano, Ms. Sims, Lt. White, Deputy Chief Hampshire, and Mr. Vespo. NAYS: None.

III. UNFINISHED BUSINESS:

A. Employees' Retirement Board:

None.

B. Police Retirement Board:

None.

C. Employees' and Police Retirement Boards:

1. Presentation by Taplin, Canida & Habacht

Alan Habacht and Tere Canida, Principal & Portfolio Managers of Taplin, Canida & Habacht briefed the Board on the firm, which was founded in 1985; is located in Miami, Florida; and is owned by its principals. They use the approach of all members being hands-on research analysts. The fee is 25 basis points under assets management, and they have \$5 million in insurance.

2. Presentation by Richmond Capital

Jo Ann Stoddard and Howard Bos, Managing Directors of Richmond Capital briefed the Board on the firm, which was founded in 1982; is located in Richmond, Virginia; and is an independent investment advisor. They are sponsors of the FPPTA, and all portfolio managers do their own trading. They subscribe to Moody's, but their primary research method is done on the internet. The fee is 0.35% for the first \$40 million and 0.15% for over \$40 million. They have \$10 million in insurance.

3. Presentation by Allegiance Capital

Kurt Phares, Managing Director of Allegiance Capital briefed the Board on the firm, which is located in Huntington Beach, California; independently owned; has never lost a portfolio; and represent several Florida municipalities. The research method used is qualitative and quantitative. The fee is 30 basis points, and they have \$5 million in insurance.

At this time, the Board Attorney informed the Board that he had another meeting at 3:30 p.m. and would like to finish the agenda before hearing the presentation from PIMCO.

(III. UNFINISHED BUSINESS:)

(C. Employees' and Police Retirement Boards:)

(5.) Amendment to DROP Rules

Action: Motion made by Mr. Charest and seconded by Ms. White to adopt the DROP Rules as presented.

Vote: Voice vote showed: AYES: Mayor Romano, Ms. Sims, Mr. Charest, and Ms. White. NAYS: None.

Action: Motion made by Deputy Chief Hampshire and seconded by Mr. Vespo to adopt the Drop Rule as presented.

Vote: Voice vote showed: AYES: Mayor Romano, Ms. Sims, Lt. White, Deputy Chief Hampshire, and Mr. Vespo. NAYS: None.

(IV. NEW BUSINESS:)

(A. Employees' Retirement Board:)

(1.) Harry Adams, Parks Department, requests entrance into the Deferred Retirement Option Plan (DROP), effective July 1, 2003

Action: Motion made by Mr. Charest and seconded by Ms. Sims to accept Harry Adams, Parks Department, entrance into the Deferred Retirement Option Plan (DROP), effective July 1, 2003.

Vote: Voice vote showed: AYES: Mayor Romano, Ms. Sims, Mr. Charest, and Ms. White. NAYS: None.

(B. Police Retirement Board:)

(1.) Memo from Judge and Clerk (Sgt. Dan Boland and Lori Kelley) dated June 23, 2003, recording results of the Police Election held June 18 – June 20, 2003, declaring employee representative elected for a two-year term to the Board of Trustees of Police Retirement System effective August 1, 2003 – July 31, 2005

Action: Motion made by Deputy Chief Hampshire and seconded by Lt. White to accept the results of the election and seat Mark Bouchard as the new Trustee for the Police Retirement System effective August 1, 2003 – July 31, 2005.

Vote: Voice vote showed: AYES: Mayor Romano, Ms. Sims, Lt. White, Deputy Chief Hampshire, and Mr. Vespo. NAYS: None.

(C. Employees' and Police Retirement Boards:)

(1.) FPPTA Director Elections

CONSENSUS was to designate Mr. Charest, of the Employees' Retirement Board, and Lt. White, of the Police Retirement Board to vote for the first three (3) candidates and not George J. Farrell, III, but that they will have the discretion to use their judgment when they get to the FPPTA Conference.

(2.) Consider request for transfer of pension contributions from the Police Retirement System into the General Employees' Retirement Fund for Michelle Miclea

Deleted earlier in meeting.

(3.) Consider accepting transfer of pension contributions from the Police Retirement System into the General Employees' Retirement Fund for Michelle Miclea

Deleted earlier in meeting.

(4.) Consider making the 3% multiplier retroactive

Action: Motion made by Mr. Charest and seconded by Ms. White to obtain an actuarial report on the cost of making the 3% multiplier retroactive to the hire date for all current employees.

Vote: Voice vote showed: AYES: Mayor Romano, Ms. Sims, Mr. Charest, and Ms. White. NAYS: None.

Action: Motion made by Lt. White and seconded by Deputy Chief Hampshire to obtain an actuarial report on the cost of making the 3% multiplier retroactive to the hire date for all current employees.

Vote: Voice vote showed: AYES: Mayor Romano, Ms. Sims, Lt. White, Deputy Chief Hampshire, and Mr. Vespo. NAYS: None.

(V. CONSENT AGENDA:)

(A. Employees' Retirement Board:)

- (1.) Approve minutes of January 23, 2002, regular meeting, as submitted**
- (2.) Approve minutes of February 27, 2002, regular meeting, as submitted**
- (3.) Approve minutes of April 3, 2002, regular meeting, as submitted**
- (4.) Approve minutes of April 23, 2002, special meeting, as submitted**
- (5.) Approve minutes of May 22, 2002, regular meeting, as submitted**
- (6.) Approve minutes of September 25, 2002, regular meeting, as submitted**
- (7.) Authorize payment of invoice from Sugarman & Susskind, dated June 4, 2003, in amount of \$900 for retainer fee for month of June 2003**
- (8.) Receive fee advice from Salem Trust, dated April 16, 2003, in amount of \$2,544.64 for custodian services for quarter ending March 31, 2003**

Action: Motion made by Mr. Charest and seconded by Ms. Sims to approve Consent Agenda (A), in its entirety.

Vote: Voice vote showed: AYES: Mayor Romano, Ms. Sims, Mr. Charest, and Ms. White. NAYS: None.

(B. Police Retirement Board:)

- (1.) Approve minutes of January 23, 2002, regular meeting, as submitted**
- (2.) Approve minutes of February 27, 2002, regular meeting, as submitted**
- (3.) Approve minutes of April 3, 2002, regular meeting, as submitted**
- (4.) Approve minutes of April 23, 2002, special meeting, as submitted**
- (5.) Approve minutes of May 22, 2002, regular meeting, as submitted**

- (6.) **Approve minutes of September 25, 2002, regular meeting, as submitted**
- (7.) **Authorize payment of invoice from Sugarman & Susskind, dated June 4, 2003, in amount of \$1,350 for retainer fee for month of June 2003**
- (8.) **Receive fee advice from Salem Trust, dated April 16, 2003, in amount of \$793.24 for custodian services for quarter ending March 31, 2003**
- (9.) **Receive fee advice from Salem Trust, dated June 11, 2003, in amount of \$1,588.69 for custodian services for year ending September 30, 2002**

Action: Motion made by Deputy Chief Hampshire and seconded by Lt. White to approve Consent Agenda (B), in its entirety.

Vote: Voice vote showed: AYES: Mayor Romano, Ms. Sims, Lt. White, Deputy Chief Hampshire, and Mr. Vespo. NAYS: None.

(C. Employees' and Police Retirement Boards:)

- (1.) **Approve minutes of May 28, 2003, joint meeting, as submitted**
- (2.) **Ratify refunds of pension contributions for June 2003 as reported by Finance Department**

Employees' Pension Fund:

Checks Disbursed 06-12-03

Nikita Romes, Customer Service, 3 Months/4 Days, \$349.36, separated May 23, 2003

John Hull, Power Operations, 5 Months/16 Days, \$929.04, separated May 20, 2003

Beth Grady, Utilities Data Processing, 3 Months/12 Days, \$606.65, separated June 9, 2003

Check Disbursed 06-09-03

Dominic Bimbo, Pool & Beach, 2 Years/1 Month/4 Days, \$4,865.85, separated April 9, 2003 **(ROLLOVER)**

Checks Disbursed 05-29-03

Chad Ludke, Parks, 2 Months/4 Days, \$160.02, separated May 9, 2003

Cariann Pakarinen, Pool & Beach, 1 Year/5 Days, \$1,548.04, separated May 15, 2003

Action: Motion made by Mr. Charest and seconded by Ms. Sims to approve Consent Agenda (C), in its entirety.

Vote: Voice vote showed: AYES: Mayor Romano, Ms. Sims, Mr. Charest, and Ms. White. NAYS: None.

Action: Motion made by Mr. Vespo and seconded by Lt. White to approve Consent Agenda (C), in its entirety.

Vote: Voice vote showed: AYES: Mayor Romano, Ms. Sims, Lt. White, Deputy Chief Hampshire, and Mr. Vespo. NAYS: None.

(D. Board Attorney's Report:)

(1.) Update Board regarding Ordinance 2003-03, amending normal retirement age and early retirement age

Deputy Chief Hampshire informed the Board that Division II still had the money in their fund and inquired how Division I was going to get the funds transferred.

The Board Attorney said the Board Secretary will draft a letter to the Actuary requesting a calculation of the forthcoming actuarial valuation for improvements made attributable by Ordinance No. 2003-03 and a copy be forwarded to the Division II Board Secretary. He said the next step would be for the City to request a fund transfer from Division II into Division I.

(2.) Update Board regarding Ordinance amendment for military service and purchase of prior law enforcement service

The Board Attorney said the Ordinances had been forwarded to the City Attorney on June 5, 2003, along with the Actuarial Impact Statement.

The Board Attorney also briefed the Board on new Florida legislation, which passed a law that says if you pass your own meal reimbursement, you can get out of the 3/6/12 meal allotment. He suggested raising the meal allowance to \$60 per day, with meals over \$25 requiring a voucher and expense report to be filed.

Action: Motion made by Ms. White and seconded by Mr. Charest to raise the meal allowance to \$60 per day, with meals over \$25 requiring a voucher and expense report to be filed.

Vote: Voice vote showed: AYES: Mayor Romano, Ms. Sims, Mr. Charest, and Ms. White. NAYS: None.

Action: Motion made by Deputy Chief Hampshire and seconded by Lt. White to raise the meal allowance to \$60 per day, with meals over \$25 requiring a voucher and expense report to be filed.

Vote: Voice vote showed: AYES: Mayor Romano, Ms. Sims, Lt. White, Deputy Chief Hampshire, and Mr. Vespo. NAYS: None.

The Board Attorney requested that the Board Secretary or Mike Callaway, Merrill Lynch, inform him of who was selected today, how much payment in terms of points, and effective date. He said he would then work on the contract. At this time, the Board Attorney exited the meeting.

III. UNFINISHED BUSINESS:

C. Employees' and Police Retirement Boards:

4. Presentation by PIMCO

Jim Leavy and Robert Conrad, PIMCO briefed the Board on the firm, which was founded in 1971 and is located in Tampa, Florida.

Mike Callaway, Merrill Lynch, asked the PIMCO representatives if there was some way PIMCO could administer the fund differently than what they have before.

Mr. Lepa arrived at 3:25 p.m.

Mr. Lepa asked if, in the recent past, the portfolio was 5% corporates, what was the other 95%.

Mr. Leavy, PIMCO, said the 95% was made up of treasuries and mortgages.

Action: Motion made by Ms. Sims and seconded by Mr. Charest to authorize Merrill Lynch and the Board Attorney to negotiate with Richmond Capital for a fee of 25 basis points, but will be authorized to accept 30 basis points. If you cannot get Richmond Capital for 25 basis points, go for Taplin at 25.

Vote: Voice vote showed: AYES: Mayor Romano, Ms. Sims, Mr. Charest, Ms. White, and Mr. Lepa. NAYS None.

Action: Motion made by Deputy Chief Hampshire and seconded by Mr. Vespo to authorize Merrill Lynch and the Board Attorney to negotiate with Richmond Capital for a fee of 25 basis points, but will be authorized to accept 30 basis points. If you cannot get Richmond Capital for 25 basis points, go for Taplin at 25.

Vote: Voice vote showed: AYES: Mayor Romano, Ms. Sims, Lt. White, Deputy Chief Hampshire, and Mr. Vespo. NAYS: None.

VI. ADJOURNMENT:

Meeting adjourned at 3:51.

MINUTES APPROVED: 7-23-03



Mayor Rodney G. Romano, Chairman
Employees' & Police Retirement Boards



Evanna Stephenson, Recording Secretary
Employees' & Police Retirement Boards

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.