

**MINUTES OF A JOINT EMPLOYEES' RETIREMENT BOARD
AND POLICE RETIREMENT BOARD MEETING
HELD IN THE CONFERENCE ROOM AT
CITY HALL ON WEDNESDAY,
AUGUST 27, 2003,
AT 1:30 P.M.**

I. ROLL CALL:

A. Employees' Retirement Board:

The Board Attorney called the meeting to order at 1:35 p.m.

Trustees present from the Employees' Retirement Board were Finance Director Anne Sims, Robert Lepa, and Theresa White. Also present were Kenneth Harrison, Esquire, sitting in for Board Attorney Robert Sugarman, and Recording Secretary Evanna Stephenson, City Clerk's Office. Absent was Mayor Rodney Romano (Chairman).

B. Police Retirement Board:

The Board Attorney called the meeting to order at 1:35 p.m.

Trustees present from the Police Retirement Board were Finance Director Anne Sims, Lt. Kenneth White (Vice Chair), Officer Mark Bouchard, and David Vespo (arrived at 1:37 p.m.). Also present were Kenneth Harrison, Esquire, sitting in for Board Attorney Robert Sugarman, and Recording Secretary Evanna Stephenson, City Clerk's Office. Absent was Mayor Rodney Romano (Chairman).

II. ADDITIONS/DELETIONS/REORDERING:

A. Employees' Retirement Board:

None.

B. Police Retirement Board:

None.

C. Employees' and Police Retirement Boards:

None.

III. UNFINISHED BUSINESS:

A. Employees' Retirement Board:

None.

B. Police Retirement Board:

1. Elect Chairman, Vice Chairman, and Secretary of Board of Trustees

Action: Motion made by Lt. White and seconded by Ms. Sims, to elect Mayor Rodney Romano as Chairman.

Vote: Voice vote showed: AYES: Ms. Sims, Officer Bouchard, Lt. White and Mr. Vespo. NAYS: None.

Action: Motion made by Ms. Sims and seconded by Mr. Vespo, to elect Lt. Kenneth White as Vice Chairman.

Vote: Voice vote showed: AYES: Ms. Sims, Officer Bouchard, Lt. White and Mr. Vespo. NAYS: None.

Action: Motion made by Lt. White and seconded by Officer Bouchard, to elect Anne Sims as Secretary.

Vote: Voice vote showed: AYES: Ms. Sims, Officer Bouchard, Lt. White and Mr. Vespo. NAYS: None.

Board Attorney relinquished the chair to Lt. White (Vice Chair).

2. Ordinance providing clarification for the Early Retirement Program as requested by Division of Retirement

Action: Motion made by Ms. Sims and seconded by Officer Bouchard, to forward ordinance to Actuary for an impact statement and submit to City Commission for action.

Vote: Voice vote showed: AYES: Ms. Sims, Officer Bouchard, Lt. White and Mr. Vespo. NAYS: None.

C. Employees' and Police Retirement Boards:

1. Consider adopting the City's travel expense reimbursement policy

Action: Motion made by Ms. Sims and seconded by Ms. White, to adopt the City's travel expense reimbursement policy as presented.

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

Action: Motion made by Ms. Sims and seconded by Mr. Vespo, to adopt the City's travel expense reimbursement policy as presented.

Vote: Voice vote showed: AYES: Ms. Sims, Officer Bouchard, Lt. White and Mr. Vespo. NAYS: None.

IV. NEW BUSINESS:

A. Employees' Retirement Board:

1. From the Canvassing Committee (Cynthia Hammond and Debbie Welch), dated August 22, 2003, recording results of the Employee Election held from August 19 – 21, 2003, declaring Valerie Hurley as the employee representative to fulfill the unexpired term of John Charest, term to expire August 1, 2005

Action: Motion made by Ms. White and seconded by Ms. Sims, to accept the results of the Canvassing Committee for the Employee Representative Election held August 19 – 21, 2003.

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

2. Annie F. Farrington, Public Works Department, requests regular retirement based on the Rule of 75, effective October 31, 2003

Action: Motion made by Mr. Lepa and seconded by Ms. White to grant, with regret, the request of Annie F. Farrington, Public Works Department, for regular retirement, based on the Rule of 75, effective October 31, 2003.

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

3. Request from Phil Donovan for purchase of additional military service buy back

Action: Motion made by Mr. Lepa to approve Phil Donovan's request to purchase additional military service at employee's expense with the understanding that the employee will pay the cost of the calculation, following current policy. Motion died for a lack of a second.

Action: Motion made by Mr. Lepa and seconded by Ms. Sims, to approve Phil Donovan's request to purchase additional military service.

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

Action: Motion made by Mr. Lepa and seconded by Ms. Sims, to uphold the current policy by which employee's pay the cost of the actuarial calculation.

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

Lt. White said he had spoken with Mr. Palmquist regarding the cost of calculations. He said Mr. Palmquist indicated it would be possible for him to create a table that would give an employee an estimate of how much it would cost to purchase military service based on the employee's age, length of service with the city, and other personal information. Lt. White agreed to get a formal cost of the table and to bring it back before the Board at the next meeting.

4. Letter dated August 18, 2003, from Stephen Palmquist, Gabriel, Roeder, Smith & Company, regarding the Actuarial Impact Statement for the proposed 3% multiplier amendment

Action: Motion made by Ms. White and seconded by Mr. Lepa, to receive and file the letter dated August 18, 2003, from Stephen Palmquist, Gabriel, Roeder, Smith & Company, regarding the Actuarial Impact Statement for the proposed 3% multiplier amendment.

Vote: Voice vote showed: AYES: Ms. Sims and Ms. White. NAYS: Mr. Lepa. Motion failed.

Action: Motion made by Mr. Lepa and seconded by Ms. White, to table discussion, with the understanding that Ms. Sims will seek additional information from Mr. Palmquist.

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

B. Police Retirement Board:

1. Update from Lt. White regarding Police Officers who wish to buy back one (1) additional year of military service

Lt. White said he had compiled a list of police officers who wished to purchase prior police time. He said he had also spoke with Mr. Palmquist to request that the quotes be broken down into 12-month increments so that the employee can purchase as much or as little as they desire.

Lt. White said he also had six (6) police officers that wished to have calculations done for the purchase of military time. He said he had talked with Mr. Palmquist and understands the plan gets charged for each individual person; the more you have, the cheaper the calculations. He said he would try to coordinate calculations for them, but it would be their responsibility to pay Mr. Palmquist.

Action: Motion made by Mr. Vespo and seconded by Officer Bouchard, to authorize Lt. White to continue negotiating with the employees and Mr. Palmquist, with the understanding that the military time calculations will be at the employee's expense, following current procedure.

Vote: Voice vote showed: AYES: Ms. Sims, Officer Bouchard, Lt. White and Mr. Vespo. NAYS: None.

2. Letter dated August 18, 2003, from Stephen Palmquist, Gabriel, Roeder, Smith & Company, regarding the Actuarial Impact Statement for the proposed 3% multiplier amendment

Action: Motion made by Officer Bouchard and seconded by Mr. Vespo, to authorize Lt. White to negotiate with Mr. Palmquist to clarify issues, to authorize Lt. White to forward a copy to the union, and to direct Board Attorney to draft an ordinance.

Vote: Voice vote showed: AYES: Ms. Sims, Officer Bouchard, Lt. White and Mr. Vespo. NAYS: None.

C. Employees' and Police Retirement Boards:

- 1. Consider request for transfer of pension contributions from the Police Retirement System into the General Employees' Retirement Fund for Michelle Miclea**

Action: Motion made by Mr. Vespo and seconded by Officer Bouchard, to grant the request for transfer of pension contributions from the Police Retirement System into the General Employees' Retirement Fund for Michelle Miclea.

Vote: Voice vote showed: AYES: Ms. Sims, Officer Bouchard, Lt. White and Mr. Vespo. NAYS: None.

- 2. Consider accepting transfer of pension contributions from the Police Retirement System into the General Employees' Retirement Fund for Michelle Miclea**

Action: Motion made by Ms. White and seconded by Mr. Lepa, to accept transfer of pension contributions from the Police Retirement System into the General Employees' Retirement Fund for Michelle Miclea

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

- 3. Request for joint workshop meeting of Trustees of Employees', Police, and Firefighters' Retirement Boards with City Commission, to review Actuarial Valuation Report for year ended September 30, 2002, with Gabriel, Roeder, Smith & Company (Stephen Palmquist, Actuary)**

Action: Motion made by Mr. Lepa and seconded by Ms. White, authorize Board Secretary to coordinate with the Firefighters' Board to schedule a joint meeting to review Actuarial Valuation Report for year ended September 30, 2002.

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

Action: Motion made by Mr. Vespo and seconded by Officer Bouchard, authorize Board Secretary to coordinate with the Firefighters' Board to schedule a joint meeting to review Actuarial Valuation Report for year ended September 30, 2002.

Vote: Voice vote showed: AYES: Ms. Sims, Officer Bouchard, Lt. White and Mr. Vespo. NAYS: None.

4. Letter dated July 30, 2003, from Stephen Kane, Merrill Lynch Citation Group, regarding investment benefits

Action: Motion made by Mr. Lepa and seconded by Ms. White, to receive and file letter dated July 30, 2003, from Stephen Kane, Merrill Lynch Citation Group, regarding investment benefits.

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

Action: Motion made by Mr. Vespo and seconded by Officer Bouchard, to receive and file letter dated July 30, 2003, from Stephen Kane, Merrill Lynch Citation Group, regarding investment benefits.

Vote: Voice vote showed: AYES: Ms. Sims, Officer Bouchard, Lt. White and Mr. Vespo. NAYS: None.

5. Letter dated August 6, 2003, from Jeffrey Sarff, Davis Hamilton Jackson & Associates, regarding disclosure of proxy voting policies and procedures

Action: Motion made by Mr. Lepa and seconded by Ms. White, to receive and file letter dated August 6, 2003, from Jeffrey Sarff, Davis Hamilton Jackson & Associates, regarding disclosure of proxy voting policies and procedures.

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

Action: Motion made by Mr. Vespo and seconded by Officer Bouchard, to receive and file letter dated August 6, 2003, from Jeffrey Sarff, Davis Hamilton Jackson & Associates, regarding disclosure of proxy voting policies and procedures.

Vote: Voice vote showed: AYES: Ms. Sims, Officer Bouchard, Lt. White and Mr. Vespo. NAYS: None.

6. Letter dated August 5, 2003, from Janna Woods, Davis Hamilton Jackson & Associates, regarding quarterly reports as of June 30, 2003

Action: Motion made by Mr. Lepa and seconded by Ms. White, to receive and file letter dated August 5, 2003, from Janna Woods, Davis Hamilton Jackson & Associates, regarding quarterly reports as of June 30, 2003.

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

Action: Motion made by Mr. Vespo and seconded by Officer Bouchard, to receive and file letter dated August 5, 2003, from Janna Woods, Davis Hamilton Jackson & Associates, regarding quarterly reports as of June 30m 2003.

Vote: Voice vote showed: AYES: Ms. Sims, Officer Bouchard, Lt. White and Mr. Vespo. NAYS: None.

V. CONSENT AGENDA:

A. Employees' Retirement Board:

- 1. Approve minutes of September 27, 2001, regular meeting, as submitted**
- 2. Authorize payment of invoice from Lazard Asset Management, dated July 17, 2003, in amount of \$15,742.07 for asset management fees for April 1 – June 30, 2003**
- 3. Authorize payment of invoice from Sugarman & Susskind, dated August 13, 2003, in amount of \$45 for retainer fees**
- 4. Receive fee advice from Salem Trust, dated July 15, 2003, in amount of \$2,834.13 for custodian services for period April 1 – June 30, 2003**

Action: Motion made by Mr. Lepa and seconded by Ms. White, to approve Consent Agenda (A), in its entirety, as submitted.

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

B. Police Retirement Board:

- 1. Approve minutes of September 27, 2001, regular meeting, as submitted**
- 2. Authorize payment of invoice from Lazard Asset Management, dated July 17, 2003, in amount of \$4,975.71 for asset management fees for April 1 – June 30, 2003**
- 3. Authorize payment of invoice from Sugarman & Susskind, dated August 13, 2003, in amount of \$67.50 for retainer fees**
- 4. Receive fee advice from Salem Trust, dated July 15, 2003, in amount of \$895.57 for custodian services for period April 1 – June 30, 2003**

Action: Motion made by Ms. Sims and seconded by Mr. Vespo, to approve Consent Agenda (B) in its entirety, as submitted.

Vote: Voice vote showed: AYES: Ms. Sims, Officer Bouchard, Lt. White and Mr. Vespo. NAYS: None.

C. Employees' and Police Retirement Boards:

- 1. Approve minutes of July 23, 2003, joint meeting, as submitted**

Action: Motion made by Ms. White and seconded by Mr. Lepa, to approve minutes of July 23, 2003, joint meeting, as submitted.

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

Action: Motion made by Mr. Vespo and seconded by Officer Bouchard, to approve minutes of July 23, 2003, joint meeting, as submitted.

Vote: Voice vote showed: AYES: Ms. Sims, Officer Bouchard, Lt. White and Mr. Vespo. NAYS: None.

- 2. Ratify refunds of pension contributions for August 2003 as reported by Finance Department**

Employees' Pension Fund:

Checks Disbursed 08-02-03

Brian McCully, Pool & Beach, 2 Months/6 Days, \$254.92, separated from service June 28, 2003

Emil Sztajbert, Parks, 7 Months/26 Days, \$601.93, separated from service July 5, 2003

Chad Lobsinger, Waste, 8 Months/17 Days, \$967.00, separated from service July 7, 2003

Checks Disbursed 08-21-03

Wayne Hodge, Parks, 2 Months, \$223.96, separated from service July 7, 2003

Linda Painter, City Clerk, 1 Year/8 Months/16 Days, \$2,769.67, separated from service July 7, 2003

Police Pension Fund:

Check Disbursed 08-02-03

Robert Maione, Police, 3 Years/6 Months/3 Days, \$8,317.27, separated from service July 5, 2003

Check Disbursed 08-16-03

Steve Alexis, Police, 1 Year/11 Months/27 Days, \$4,433.06, separated from service August 1, 2003

Action: Motion made by Mr. Lepa and seconded by Ms. White, to ratify refunds of pension contributions for August 2003, as reported by Finance Department.

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

Action: Motion made by Mr. Vespo and seconded by Officer Bouchard, to ratify refunds of pension contributions for August 2003, as reported by Finance Department.

Vote: Voice vote showed: AYES: Ms. Sims, Officer Bouchard, Lt. White and Mr. Vespo. NAYS: None.

D. Board Attorney's Report:

1. Update Police Board on transfer of funds from Division II to Division I

The Board Attorney gave an update regarding the progress on transfer of Division II funds into Division I for funding benefit enhancements to comply with 185. He said a request for transfer of funds has been forwarded to Division II and was approved by Division II at the last board meeting. He instructed the Board Secretary to do a follow up to ensure funds were transferred.

2. Update Boards regarding questions raised by Mr. Brinkman, Division of Retirement

The Board Attorney gave an update regarding the State and the annual report. He said he had talked with Division of Retirement as it relates to Judi Fleming and the dispatchers. He said he has a verbal agreement from both Mr. Brinkman and Ms. Shoemaker, that as far as Division I goes, Ms. Fleming is retired and there is no way we can stop distributing her benefits, even though she is in the DROP Plan. He said the Division of Retirement has requested documentation stating she has had law enforcement responsibility in the past.

He said he also had a conversation with the attorney for Division II and discussed the need to forward minutes and correspondence indicating that Ms. Fleming and others, who had already retired, but received benefits, were grandfathered-in. He commented that he is currently arguing on behalf of dispatchers, who are in the plan now and are basically grandfathered-in. He said they should be allowed to stay in the plan until they retire.

The Board Attorney also discussed employees transferring from one plan into the other. He said the State wants impact statements done anytime this happens and that an ordinance amendment needs to be done to allow the time in both plans to count towards vesting.

Action: Motion made by Mr. Lepa and seconded by Ms. White, to direct the Board Attorney to draft an ordinance amendment.

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

Action: Motion made by Mr. Vespo and seconded by Officer Bouchard, to direct the Board Attorney to draft an ordinance amendment.


Vote: Voice vote showed: AYES: Ms. Sims, Officer Bouchard, Lt. White and Mr. Vespo. NAYS: None.

The Board Attorney gave an update regarding overpayment of pension benefits to the Estate of Mary Lou Scott. He instructed the Board Secretary to put this item on the next agenda for further discussion.

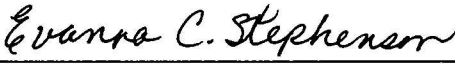
VI. ADJOURNMENT:

Meeting adjourned at 2:55 p.m.

MINUTES APPROVED: 9-23-03



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.