

**MINUTES OF A JOINT EMPLOYEES' RETIREMENT BOARD
AND POLICE RETIREMENT BOARD MEETING
HELD IN THE CONFERENCE ROOM AT
CITY HALL ON TUESDAY,
AUGUST 24, 2004,
AT 1:30 P.M.**

I. ROLL CALL: 1:30 PM

A. Employees' Retirement Board:

The Vice Chair called the meeting to order at 1:42 p.m.

Trustees present from the Employees' Retirement Board were Mayor Rodney Romano (Chair) (arrived at 1:46 p.m.), Valerie Hurley (Vice Chair), Finance Director Anne Costello, Robert Lepa, and Robert Kahant. Also present were Kenneth Harrison, Esquire, sitting in for Board Attorney Robert Sugarman and Recording Secretary Evanna Stephenson, City Clerk's Office.

B. Police Retirement Board:

The Vice Chair called the meeting to order at 1:42 p.m.

Trustees present from the Police Retirement Board were Mayor Rodney Romano (Chair) (arrived at 1:46 p.m.), Finance Director Anne Costello, Officer Mark Bouchard, and David Vespo. Absent was Lt. Kenneth White (Vice Chair). Also present were Kenneth Harrison, Esquire, sitting in for Board Attorney Robert Sugarman and Recording Secretary Evanna Stephenson, City Clerk's Office.

II. ADDITIONS/DELETIONS/REORDERING:

A. Employees' Retirement Board:

None.

B. Police Retirement Board:

None.

C. Employees' and Police Retirement Boards:

**Add: Discuss how Merrill Lynch gets compensated to be discussed at
Unfinished Business C-2**

Add: Ratify refunds of pension contributions as reported by Finance Department to be discussed at Consent C-2

Add: Discuss time change for meetings to be discussed at New Business C-2

Action: Motion made by Ms. Costello and seconded by Mr. Lepa, to accept the agenda, as amended.

Vote: Voice vote showed: AYES: Ms. Hurley, Ms. Costello, and Mr. Lepa. NAYS: None.

Action: Motion made by Officer Bouchard and seconded by Ms. Costello, to accept the agenda, as amended.

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

III. UNFINISHED BUSINESS:

A. Employees' Retirement Board:

- 1. Accept results of election held August 2 – 5, 2004 and seat Robert Kahant as the employee representative to fill the expired term of Theresa White**

Action: Motion made by Ms. Costello and seconded by Mr. Lepa, to accept the results of the elections and seat Robert Kahant as the employee representative.

Vote: Voice vote showed: AYES: Ms. Hurley, Ms. Costello, and Mr. Lepa. NAYS: None.

- 2. Elect Chairman and Vice Chairman for Board of Trustees**

Action: Motion made by Ms. Costello and seconded by Mr. Lepa, to request Mayor Romano remain as Chair and Ms. Hurley as Vice Chair.

Vote: Voice vote showed: AYES: Ms. Hurley, Ms. Costello, Mr. Lepa, and Mr. Kahant. NAYS: None.

3. Update regarding reimbursement of lodging fees for Theresa White

The Board Secretary explained that two (2) letters had been sent to Pension Resource Center requesting reimbursement. She said she had also talked with Scott Bauer about this request.

CONSENSUS was to request Ms. Hurley to contact Jim Shook, Chairman and Ms. Costello to contact Scott Bauer, Attorney, regarding reimbursement.

Mayor Romano arrived at 1:46 p.m.

4. Letter dated August 3, 2004, from Stephen Palmquist; Gabriel, Roeder, Smith & Company regarding Ordinance No. 2004 – 24 (crediting of total service)

Action: Motion made by Mayor Romano and seconded by Ms. Costello, to receive and file letter dated August 3, 2004, from Stephen Palmquist; Gabriel, Roeder, Smith & Company regarding Ordinance No. 2004-24 (crediting of total service).

Vote: Voice vote showed: AYES: Mayor Romano, Ms. Hurley, Ms. Costello, Mr. Lepa, and Mr. Kahant. NAYS: None.

B. Police Retirement Board:

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

Action: Motion made by Officer Bouchard and seconded by Ms. Costello, to request Mayor Romano remain as Chair, Lt. White as Vice Chair, and Mr. Vespo as Secretary.

Vote: Voice vote showed: AYES: Mayor Romano, Ms. Costello, Officer Bouchard, and Mr. Vespo. NAYS: None.

2. Letter dated August 3, 2004, from Stephen Palmquist; Gabriel, Roeder, Smith & Company regarding Ordinance No. 2004 – 25 (ten year certain & life annuity and crediting of total service)

Action: Motion made by Mayor Romano and seconded by Officer Bouchard, to receive and file letter dated August 3, 2004, from Stephen Palmquist; Gabriel, Roeder, Smith & Company regarding Ordinance No. 2004 – 25 (ten year certain & life annuity and crediting of total service)

Vote: Voice vote showed: AYES: Mayor Romano, Ms. Costello, Officer Bouchard, and Mr. Vespo. NAYS: None.

3. Discuss increasing DROP

Officer Bouchard explained he had provided information to participants at the last union meeting. He said he had hoped to get a consensus from the group, but had little feedback at this time.

4. Update regarding disability request for Robert Gross

The Board Secretary explained an appointment had been scheduled for August 26, 2004, at 4:00 p.m. with Dr. Charles Graubert, M.D., Orthopedic Center of Palm Beach County. She said an authorization form was attached with applicable fees.

Action: Motion made by Mayor Romano and seconded by Mr. Vespo, to approve payment of medical bills and paying in advance, if required.

Vote: Voice vote showed: AYES: Mayor Romano, Ms. Costello, Officer Bouchard, and Mr. Vespo. NAYS: None.

C. Employees' and Police Retirement Boards:

1. Letter dated August 3, 2004, from Stephen Palmquist; Gabriel, Roeder, Smith & Company regarding increase of multiplier to 3.25%, 3.50%, 3.75%, or 4.00% for service after October 1, 2004

Officer Bouchard said he will discuss this at the union meeting on Thursday and will get a consensus from the participants.

Action: Motion made by Ms. Costello and seconded by Mr. Lepa, to table and schedule it to be discussed at the next meeting.

Vote: Voice vote showed: AYES: Mayor Romano, Ms. Hurley, Ms. Costello, Mr. Lepa, and Mr. Kahant. NAYS: None.

Action: Motion made by Officer Bouchard and seconded by Mr. Vespo, to table and schedule it to be discussed at the next meeting.

Vote: Voice vote showed: AYES: Mayor Romano, Ms. Costello, Officer Bouchard, and Mr. Vespo. NAYS: None.

2. Discuss time change for meetings

CONSENSUS was to schedule pension meetings for the 4th Tuesday of each month at 1:30 p.m.

IV. NEW BUSINESS:

A. Employees' Retirement Board:

- 1. Phil Donovan, Water Plant, requests to purchase additional military time**

Action: Motion made by Mayor Romano and seconded by Mr. Lepa, to approve the request as presented.

Vote: Voice vote showed: AYES: Mayor Romano, Ms. Costello, Officer Bouchard, and Mr. Vespo. NAYS: None.

B. Police Retirement Board:

None.

C. Employees' and Police Retirement Boards:

- 1. Schedule a joint workshop meeting for the Trustees of the Employees', Police, and Firefighters' Retirement Boards, to review Actuarial Valuation Report for year ended September 30, 2003, with Gabriel, Roeder, Smith & Company (Stephen Palmquist, Actuary)**

CONSENSUS was to request Board Secretary to schedule a joint workshop meeting for the Trustees of the Employees', Police, and Firefighters' Retirement Boards, to review Actuarial Valuation Report for year ended September 30, 2003, with Gabriel, Roeder, Smith & Company (Stephen Palmquist, Actuary).

2. Discuss how Merrill Lynch gets compensated

Mr. Lepa asked how Merrill Lynch is paid, which of our money managers have financial arrangements with them, and are all fees being disclosed. He said he wants to see 10-year and 15-year performance on all money managers.

The Board Attorney explained that letters are sent out annually requesting fee disclosure.

Action: Motion made by Officer Bouchard and seconded by Mr. Vespo, to request Board Attorney to draft a letter to Merrill Lynch and money managers asking for total fee disclosure, requesting information on the relationship between Merrill Lynch and money managers, if any, requesting 10-year and 15-year performance on money managers, and requesting Mike Callaway, Merrill Lynch and Janna Woods, Davis Hamilton Jackson & Associates to attend the meeting on October 28, 2004.

Vote: Voice vote showed: AYES: Mayor Romano, Ms. Hurley, Ms. Costello, Mr. Lepa, and Mr. Kahant. NAYS: None.

Action: Motion made by Officer Bouchard and seconded by Mr. Vespo, to request Board Attorney to draft a letter to Merrill Lynch and money managers asking for total fee disclosure, requesting information on the relationship between Merrill Lynch and money managers, if any, requesting 10-year and 15-year performance on money managers, and requesting Mike Callaway, Merrill Lynch and Janna Woods, Davis Hamilton Jackson & Associates to attend the meeting on October 28, 2004.

Vote: Voice vote showed: AYES: Mayor Romano, Ms. Costello, Officer Bouchard, and Mr. Vespo. NAYS: None.

Mayor Romano exited at 2:14 p.m.

V. CONSENT AGENDA:

A. Employees' Retirement Board:

- 1. Authorize payment of invoice from Sugarman & Susskind, dated August 11, 2004, in amount of \$992.25**

2. **Authorize payment of invoice for final payment of October 1, 2003 Actuarial Valuation Report (\$4,718) and individual employee benefit statements (\$1,123) from Gabriel, Roeder, Smith & Company, dated July 31, 2004, in amount of \$5,841**
3. **Authorize payment of invoice for period April 1, 2004 – June 30, 2004, from Davis Hamilton Jackson & Associates, dated August 3, 2004, in amount of \$15,579.70**
4. **Authorize payment of invoice for period April 1, 2004 – June 30, 2004, from Lazard Asset Management, dated August 9, 2004, in amount of \$16,226.51**

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

Vote: Voice vote showed: AYES: Ms. Hurley, Ms. Costello, Mr. Lepa, and Mr. Kahant. NAYS: None.

B. Police Retirement Board:

1. **Authorize payment of invoice from Sugarman & Susskind, dated August 11, 2004, in amount of \$1,488.38**
2. **Authorize payment of invoice for final payment of October 1, 2003 Actuarial Report (\$2,049) and individual employee benefit statements (\$280) from Gabriel, Roeder, Smith & Company, dated July 31, 2004, in amount of \$2,329**
3. **Authorize payment of invoice for period April 1, 2004 – June 30, 2004, from Davis Hamilton Jackson & Associates, dated August 3, 2004, in amount of \$4,992.40**
4. **Authorize payment of invoice for period April 1, 2004 – June 30, 2004, from Lazard Asset Management, dated August 9, 2004, in amount of \$5,233.44**

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

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

C. Employees' and Police Retirement Boards:

- 1. Approve minutes of July 27, 2004, joint meeting, as presented**
- 2. Ratify refunds of pension contributions as reported by Finance Department**

Employees' Pension Fund:

Checks Disbursed 06-24-04

Lloyd Gibb, Water Distribution, 8 Years/6 Months/1 Day, \$19,954.58, separated April 20, 2004

Nicole Wilson, Police Dispatch, 4 Years/5 Months/11 Days, \$9,521.62, separated June 6, 2004

Harold Drummond, Transmission & Distribution, 1 Year/9 Months/5 Days, \$6,783.59, separated June 14, 2004

Checks Disbursed 07-30-04

Christel Dawson, Pool & Beach, 8 Months/1 Day, \$1,019.87, separated June 26, 2004

John Hennesey, Customer Data Processing, 1 Year/2 Months/13 Days, \$4,443.26, separated May 7, 2004

Robert Walker, Public Works Administration, 1 Year/3 Months/4 Days, \$7,272.66, separated June 25, 2004

John Long, Pool & Beach, 20 Days, \$24.14, separated June 17, 2004

Diane Holtz, Customer Operations, 1 Month/15 Days, \$92.60, separated June 25, 2004

Roland Chales, Refuse Collection & Disposal, 7 Days, \$10.69, separated November 10, 2003

Darnell Harvey, Public Works – Parks, 1 Month/7 Days, \$68.94, separated January 23, 2003

Bruce Sutherland, Pool & Beach, 1 Month/13 Days, \$159.95, separated May 15, 2003

Police Pension Fund:

Check Disbursed 06-24-04

Cleobis Sierra, Police, 2 Years/30 Days, \$4,950.88, separated June 12, 2004

Check Disbursed 07-08-04

James Jordan, Police, 1 Year/5 Months/2 Days, \$3,372.66, separated June 30, 2004

Action: Motion made by Mr. Lepa and seconded by Ms. Costello, to approve Consent (C), in its entirety, as presented.

Vote: Voice vote showed: AYES: Ms. Hurley, Ms. Costello, Mr. Lepa, and Mr. Kahant. NAYS: None.

Action: Motion made by Officer Bouchard and seconded by Mr. Vespo, to approve Consent (C), in its entirety, as presented.

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

D. Board Attorney's Report:

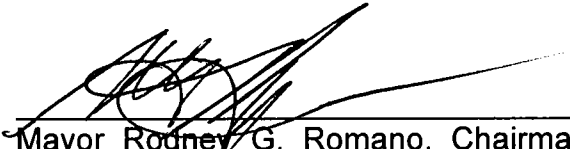
The Board Attorney gave a brief update regarding DROPs and roll-overs. He said the IRS is looking at them more closely and might be proposing more legislation regarding them.

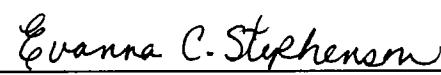
He reminded the Board of Trustees about the FPPTA School in St Petersburg in October and the Division of Retirement School in Orlando in October.

VI. ADJOURNMENT:

Meeting adjourned at 3:03 p.m.

MINUTES APPROVED: 9-28-04



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.