

# CITY OF ATLANTIC BEACH

## PENSION BOARD OF TRUSTEES

### PUBLIC NOTICE

NOTICE IS HEREBY GIVEN THAT THE ATLANTIC BEACH GENERAL EMPLOYEES' AND ATLANTIC BEACH POLICE OFFICERS PENSION BOARD OF TRUSTEES WILL MEET AS FOLLOWS:

**PLACE:** COMMISSION CHAMBERS  
800 Seminole Road  
Atlantic Beach, FL 32233

**DATE:** February 16, 2012

**TIME:** 6:30 P.M.

THE ABOVE MEETING IS OPEN TO THE PUBLIC.

In accordance with the Americans with Disabilities Act, persons needing a special accommodation to participate in this proceeding should contact Finance Department, Nelson Van Liere at 247-5807 or at City Hall, 800 Seminole Road.

FOR ADDITIONAL INFORMATION OR QUESTIONS CONTACT:

CITY OF ATLANTIC BEACH  
FINANCE DEPARTMENT  
PHONE 247-5807

Notice Posted: 02/06/12  
Posted by: Nelson Van Liere

**CITY OF ATLANTIC BEACH  
BOARD OF TRUSTEES OF THE ATLANTIC BEACH PENSION FUNDS  
BOARD MEETING AGENDA FOR  
February 16, 2012 at 6:30 P.M.**

1. Call to Order both boards
2. Discuss Harry McNally's Resignation from the General Employees' Pension Trustees' Board
3. Approval of the Minutes for November 17, 2011, Police Officers' board meeting (I)
4. Approval of the Minutes for November 17, 2011, General Employees' board meeting (II)
5. Quarterly Investment Performance Reports for the quarter ended 12/31/11 - to be discussed by Michael O'Shields, Morgan Stanley Smith Barney
6. Discuss Schedule of General Employees Pension Changes (III)
7. Financial Expenditures through December 31, 2011 – Police Officers' Pension Fund (IV)
8. Financial Expenditures through December 31, 2011 – General Employees' Pension Fund (V)
9. Execute Addendum to the Actuarial Services Agreement for Police Officers' with Gabriel, Roeder Smith & Company (VI)
10. Execute Addendum to the Actuarial Services Agreement for General Employees' with Gabriel, Roeder Smith & Company (VII)
11. Discuss Matters of Interest to the General Employees' & Police Officers' Pension Board – Pension Board Attorney Scott Christiansen of Christiansen & Dehner, P.A.
12. Any New Business
13. Adjournment – General
14. Adjournment – Police

**CITY OF ATLANTIC BEACH**  
**BOARD OF TRUSTEES OF THE ATLANTIC BEACH PENSION FUND**  
**POLICE OFFICERS' PENSION BOARD MEETING**  
**MEETING MINUTES**  
**November 17, 2011**

1. **The City of Atlantic Beach General Employees' Pension Board meeting was called to order at 6:38 PM.** The members in attendance were trustees: John Wolfel, Vic Gualillo and Harry McNally. Bob Sternfeld and Brannon Hicks were not present. Nelson Van Liere, Pension Plan Administrator; Pension Board Attorney Scott Christiansen of Christiansen & Dehner, P.A. & Michael O'Shields, Senior Vice President & Institutional Consultant, Morgan Stanley Smith Barney were also in attendance.
2. **The Minutes for August 18, 2011, Police Officers' Pension Board meeting were approved:** the motion was made by Harry McNally, seconded by John Wolfel & unanimously approved.
3. **The following was presented by Michael O'Shields of Morgan Stanley Smith Barney:**
  - i. The Quarterly Investment Performance Report for the quarter ended 09/30/11 had a .82% increase for fiscal year to date as of September 30, 2011.
  - ii. The Board discussed the rebalancing of the investment portfolio. The motion for the rebalancing was made by Vic Gualillo, seconded by Harry McNally & unanimously approved.
4. **The Financial Expenditures through September 30, 2011 for the Police Officers' Pension Plan were approved:** the motion was made by Vic Gualillo, seconded by Harry McNally & unanimously approved.
5. **The Fee for Gabriel, Roeder Smith & Company to calculate changes to the Actuarial Valuation Report for Police Officers' was confirmed:** the motion was made by John Wolfel, seconded by Vic Gualillo & unanimously approved.
6. **The following was discussed by Pension Board Attorney Scott Christiansen of Christiansen & Dehner, P.A.:**
  - i. Status of the Ordinance – has not been reviewed by the City Manager
  - ii. The upcoming legislation was reviewed.
7. **New Business: the Board agreed to renew the FPPTA membership & attend the local conference:** the motion was made by Vic Gualillo, seconded by John Wolfel & unanimously approved for the membership fee & the motion was made by Vic Gualillo, seconded by John Wolfel & unanimously approved for attending the conference in Jacksonville.
8. **Adjournment** – the meeting was adjourned at 7:37 PM.

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**Vic Gualillo**  
Chair

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**Harry McNally**  
Secretary

**CITY OF ATLANTIC BEACH**  
**BOARD OF TRUSTEES OF THE ATLANTIC BEACH PENSION FUND**  
**GENERAL EMPLOYEES' PENSION BOARD MEETING**  
**MEETING MINUTES**  
**November 17, 2011**

1. **The City of Atlantic Beach General Employees' Pension Board meeting was called to order at 6:35 PM.** The members in attendance were trustees: Alan Gleit, Harry McNally, Dennis Roberts and Tim Townsend. Bob Sternfeld was not present. Nelson Van Liere, Pension Plan Administrator; Pension Board Attorney Scott Christiansen of Christiansen & Dehner, P.A. & Michael O'Shields, Senior Vice President & Institutional Consultant, Morgan Stanley Smith Barney were also in attendance.
2. **The Minutes for August 18, 2011, General Employees' Pension Board meeting were approved:** the motion was made by Tim Townsend, seconded by Dennis Roberts & unanimously approved.
3. **The following was presented by Michael O'Shields of Morgan Stanley Smith Barney:**
  - i. The Quarterly Investment Performance Report for the quarter ended 09/30/11 had a 2.2% decrease for fiscal year to date as of September 30, 2011.
  - ii. The Board discussed the rebalancing of the investment portfolio. The motion for the rebalancing was made by Alan Gleit, seconded by Tim Townsend & unanimously approved.
4. **The Schedule of General Employees' Pension Changes was discussed.**
5. **The Financial Expenditures through September 30, 2011 for the General Employees' Pension Plan were approved:** the motion was made by Tim Townsend, seconded by Dennis Roberts & unanimously approved.
6. **The Fee for Gabriel, Roeder Smith & Company to calculate changes to the Actuarial Valuation Report for General Employees' was confirmed:** the motion was made by Tim Townsend, seconded by Harry McNally & unanimously approved.
7. **The following was discussed by Pension Board Attorney Scott Christiansen of Christiansen & Dehner, P.A.:**
  - i. Status of the Ordinance – has not been reviewed by the City Manager
  - ii. The upcoming legislation was reviewed.
8. **New Business: the Board agreed to renew the FPPTA membership & attend the local conference:** the motion was made by Tim Townsend, seconded by Harry McNally & unanimously approved for the membership fee & the motion was made by Tim Townsend, seconded by Harry McNally & unanimously approved for attending the conference in Jacksonville.
9. **Adjournment** – the meeting was adjourned at 7:37 PM.

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**Tim Townsend**  
Chair

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**Alan Gleit**  
Secretary

02/02/12

City of Atlantic Beach  
Schedule of General Employees Pension Changes  
Status Report

Tyner, Barbara	DROP/retired	11/01/11
Deming, James	DROP/retired	11/18/11

City of Atlantic Beach  
Pension Expense Analysis  
Police Officers  
FY 2011/2012  
1st Quarter

G/L Account #	Vendor Name	Transaction Type	Transaction Date	Transaction #	Amount	Description of Services
601-8010-513.31-02	MorganStanley SmithBarney	AJ	12/31/11	1043	40.14	ADR Fees
	MorganStanley SmithBarney	AJ	11/30/11	789	127.35	ADR Fees
	MorganStanley SmithBarney	AJ	10/31/11	625	8,796.96	Consulting fees for 10/01/11 - 12/31/11
					<u>8,964.45</u>	
601-8010-513.31-03	Christiansen & Dehner, P.A.	AP	12/31/11	103387	137.38	Preparation of addendum to Actuarial Services Agreement with GRS
	Christiansen & Dehner, P.A.	AP	12/31/11	103387	1,397.78	Preparation & attendance at City Commission workshop, travel time & expense
	Christiansen & Dehner, P.A.	AP	11/30/11	103123	491.86	Preparation & attendance at Pension Board quarterly meeting, travel time & expense
	Christiansen & Dehner, P.A.	AP	11/30/11	103123	203.52	Preparation of response to auditor
					<u>2,230.54</u>	
601-8010-513.45-00	Public Risk Insurance Agency	AP	09/16/11	102321	<u>3,253.95</u>	Casualty & Surety Insurance 10/01/11-09/30/12
601-8010-513.47-00	Innovative Graphics	AP	12/16/11	103255	<u>10.67</u>	1099-R forms & envelopes
601-8010-513.54-00	Florida Public Pension Trustees Association	AP	12/22/11	103299	30.00	CPPT re-certification fee - H. McNally
	Florida Public Pension Trustees Association	AP	12/15/11	103248	600.00	2012 Membership fee
					<u>630.00</u>	
601-8010-513.55-00	Florida Public Pension Trustees Association	AP	12/06/11	103250	225.00	Registration for H. McNally for Trustees School 02/06-08/12
	Harry McNally	AP	12/06/11		15.00	Travel expense for H. McNally for Trustees School
					<u>240.00</u>	
601-8010-513.56-00	City Internal Service Allocations	AJ	12/01/11	771	427.67	
	City Internal Service Allocations	AJ	11/01/11	767	427.67	
	City Internal Service Allocations	AJ	10/01/11	440	427.67	
				Sub-Total	<u>1,283.01</u>	
601-8010-518.36-07	Pension Benefits	AJ	12/01/11	551	33,850.53	Service Retired Pay
	Pension Benefits	AJ	11/01/11	282	33,850.53	Service Retired Pay
	Pension Benefits	AJ	10/03/11	6	33,850.53	Service Retired Pay
				Sub-Total	<u>101,551.59</u>	

City of Atlantic Beach  
Pension Expense Analysis  
Police Officers  
FY 2011/2012  
1st Quarter

<u>G/L Account #</u>	<u>Vendor Name</u>	<u>Transaction Type</u>	<u>Transaction Date</u>	<u>Transaction #</u>	<u>Amount</u>	<u>Description of Services</u>
601-8010-518.36-08	Pension Benefits	AJ	12/01/11	551	8,350.32	Disability Retired Pay
	Pension Benefits	AJ	11/01/11	282	8,350.32	Disability Retired Pay
	Pension Benefits	AJ	10/03/11	6	8,350.32	Disability Retired Pay
				Sub-Total	<u>25,050.96</u>	
	Pension Benefits	AJ	12/01/11	551	3,620.23	DROP Pay
	Pension Benefits	AJ	11/01/11	282	3,620.23	DROP Pay
	Pension Benefits	AJ	10/03/11	6	3,620.23	DROP Pay
				Sub-Total	<u>10,860.69</u>	
601-8010-518.38-00	Pension Refunds	AJ	12/01/11	551	<u>573.95</u>	Pension Refund - W. Broom
				Total	<u>154,649.81</u>	

City of Atlantic Beach  
Pension Expense Analysis  
General Employees  
FY 2011/2012  
1st Quarter

G/L Account #	Vendor Name	Transaction Type	Transaction Date	Transaction #	Amount	Description of Services
603-8030-513.31-02	MorganStanley SmithBarney	AJ	12/31/11	1044	102.18	ADR Fees
	MorganStanley SmithBarney	AJ	11/30/11	790	190.69	ADR Fees
	MorganStanley SmithBarney	AJ	10/31/11	626	15,449.45	Consulting fees for 10/01/11 - 12/31/11
					<u>15,742.32</u>	
603-8030-513.31-03	Christiansen & Dehner, P.A.	AP	12/31/11	103387	137.38	Preparation of addendum to Actuarial Services Agreement with GRS
	Christiansen & Dehner, P.A.	AP	12/31/11	103387	1,397.78	Preparation & attendance at City Commission workshop, travel time & expense
	Christiansen & Dehner, P.A.	AP	12/31/11	103387	33.80	Phone conference with Tim Townsend
	Christiansen & Dehner, P.A.	AP	11/30/11	103123	491.86	Preparation & attendance at Pension Board quarterly meeting, travel time & expense
		AP	10/31/11	102810	102.12	Preparation of response to auditor
					<u>2,162.94</u>	
603-8030-513.45-00	Public Risk Insurance Agency	AP	09/16/11	102321	3,253.95	Casualty & Surety Insurance 10/01/11-09/30/12
603-8030-513.47-00	Innovative Graphics	AP	12/16/11	103255	32.03	1099-R forms & envelopes
603-8030-513.54-00	Florida Public Pension Trustees Association	AP	12/22/11	103299	30.00	CPPT re-certification fee - H. McNally
	Florida Public Pension Trustees Association	AP	12/22/11	103299	100.00	CPPT re-certification fee - T. Townsend
	Florida Public Pension Trustees Association	AP	12/15/11	103248	600.00	2012 Membership fee
					<u>730.00</u>	
603-8030-513.55-00	Florida Public Pension Trustees Association	AP	12/06/11	103249	450.00	Registration fee for conference 02/06-08/12 for Tim Townsend
	Florida Public Pension Trustees Association	AP	12/06/11	103250	225.00	Registration fee for conference 02/06-08/12 for Harry McNally
	Harry McNally	AP	12/15/11		15.00	Parking advance for Harry McNally
					<u>690.00</u>	
603-8030-513.56-00	City Internal Service Allocations	AJ	12/01/11	771	832.08	
	City Internal Service Allocations	AJ	11/01/11	767	832.08	
	City Internal Service Allocations	AJ	10/01/11	440	832.08	
				Sub-Total	<u>2,496.24</u>	

City of Atlantic Beach  
Pension Expense Analysis  
General Employees  
FY 2011/2012  
1st Quarter

<u>G/L Account #</u>	<u>Vendor Name</u>	<u>Transaction Type</u>	<u>Transaction Date</u>	<u>Transaction #</u>	<u>Amount</u>	<u>Description of Services</u>
603-8030-518.36-07	Pension Benefits	AJ	12/01/11	551	36,714.70	Service Retired Pay
		AJ	11/01/11	282	34,634.21	Service Retired Pay
		AJ	10/03/11	6	33,054.84	Service Retired Pay
				<u>Sub-Total</u>	<u>104,403.75</u>	
603-8030-518.36-08	Pension Benefits	AJ	12/01/11	551	4,697.93	Disability Retired Pay
		AJ	11/01/11	282	4,697.93	Disability Retired Pay
		AJ	10/03/11	6	4,697.93	Disability Retired Pay
				<u>Sub-Total</u>	<u>14,093.79</u>	
603-8030-518.36-09	Pension Benefits	AJ	12/01/11	551	7,367.33	Beneficiary Pay
		AJ	11/01/11	282	7,367.33	Beneficiary Pay
		AJ	10/03/11	6	7,367.33	Beneficiary Pay
				<u>Sub-Total</u>	<u>22,101.99</u>	
603-8030-518.36-10	Pension Benefits	AJ	12/01/11	551	1,998.98	DROP Pay
		AJ	11/01/11	282	4,079.47	DROP Pay
		AJ	10/03/11	6	5,658.84	DROP Pay
				<u>Sub-Total</u>	<u>11,737.29</u>	
				<u>Total</u>	<u>177,444.30</u>	

Law Offices  
Christiansen & Dehner, P.A.

63 Sarasota Center Blvd. Suite 107 Sarasota, Florida 34240 • 941-377-2200 • Fax 941-377-4848

November 30, 2011

Mr. James J. Rizzo  
Gabriel, Roeder, Smith & Company  
One East Broward Blvd., Suite 505  
Fort Lauderdale, Florida 33301

Re: City of Atlantic Beach Police Officers' Retirement System

Dear James:

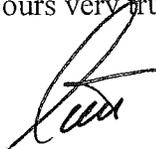
As directed by the Board of Trustees, please find, in triplicate, an original Addendum to the Actuarial Services Agreement between Gabriel, Roeder, Smith & Company and the Board of Trustees of the City of Atlantic Beach Police Officers' Retirement System. Please review this addendum, and should it meet with your approval, execute all three copies and return all three originals to,

Mr. Nelson Van Liere  
Atlantic Beach Police Officers' Retirement System  
800 Seminole Road  
Atlantic Beach, FL 32233-5455,

for execution by the Chairman and Secretary of the Board. The Board of Trustees has already authorized the Chairman and Secretary to sign this addendum. Once these are signed by the Board, a fully-executed copy will be returned to you for your file, a copy provided to our office and a copy retained in the Board's files.

Should you have any questions regarding the enclosed, please do not hesitate to contact me.

Yours very truly,



Scott R. Christiansen

SRC/ksh  
enclosure

cc: Nelson Van Liere, with enclosure

**ADDENDUM TO ACTUARIAL SERVICES AGREEMENT**

**BETWEEN**

**THE BOARD OF TRUSTEES OF THE CITY OF ATLANTIC BEACH  
POLICE OFFICERS' RETIREMENT SYSTEM**

**AND**

**GABRIEL, ROEDER, SMITH & COMPANY**

Paragraph 4 of the Actuarial Services Agreement dated December 1, 2010 between the above parties, and is hereby amended effective November 17, 2011 to read as follows:

4. In consideration of the satisfactory performance of services and delivery of work products as provided in paragraphs 1 and 2 of this contract, the Board agrees to pay the Actuary an annual fee of \$7,500.00 for 2010. This annual fee, as well as the hourly rates provided in Section 7. below, shall be increased each year beginning October 1, 2011 in accordance with the change in the Consumer Price Index. It is agreed that this annual fee amount shall be the total compensation to Actuary for performance of the services in paragraphs 1 and 2, including all expenses. The annual fee is based upon laws, regulations, and accounting rules in effect at the time this contract is executed. Additional fees for time incurred to comply with new local, state, federal or accounting rules will be based on the hourly rates in paragraph 8. In addition, there shall be an additional \$750.00 supplemental valuation fee for the Calculation of Liabilities Using the Florida Retirement System Interest Rate (Currently 7.75%), if this calculation is necessary.

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Except as provided in this Addendum, all of the terms, conditions, covenants, contracts, and understandings contained in the Agreement shall remain unchanged and in full force and effect, and the same are hereby ratified and confirmed by the parties.

**GABRIEL, ROEDER, SMITH & COMPANY**

**BOARD OF TRUSTEES OF THE CITY  
OF ATLANTIC BEACH POLICE  
OFFICERS' RETIREMENT SYSTEM**

By: \_\_\_\_\_  
As

By: \_\_\_\_\_  
As Chairman

**ATTEST:**

**ATTEST:**

By: \_\_\_\_\_  
As Secretary

By: \_\_\_\_\_  
As Secretary

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Law Offices

Christiansen & Dehner, P.A.

63 Sarasota Center Blvd. Suite 107 Sarasota, Florida 34240 • 941-377-2200 • Fax 941-377-4848

November 30, 2011

Mr. James J. Rizzo  
Gabriel, Roeder, Smith & Company  
One East Broward Blvd., Suite 505  
Fort Lauderdale, Florida 33301

Re: City of Atlantic Beach General Employees' Retirement System

Dear James:

As directed by the Board of Trustees, please find, in triplicate, an original Addendum to the Actuarial Services Agreement between Gabriel, Roeder, Smith & Company and the Board of Trustees of the City of Atlantic Beach General Employees' Retirement System. Please review this addendum, and should it meet with your approval, execute all three copies and return all three originals to,

Mr. Nelson Van Liere  
Atlantic Beach General Employees' Retirement System  
800 Seminole Road  
Atlantic Beach, FL 32233-5455,

for execution by the Chairman and Secretary of the Board. The Board of Trustees has already authorized the Chairman and Secretary to sign this addendum. Once these are signed by the Board, a fully-executed copy will be returned to you for your file, a copy provided to our office and a copy retained in the Board's files.

Should you have any questions regarding the enclosed, please do not hesitate to contact me.

Yours very truly,



Scott R. Christiansen

SRC/ksh  
enclosure

cc: Nelson Van Liere, with enclosure

**ADDENDUM TO ACTUARIAL SERVICES AGREEMENT**

**BETWEEN**

**THE BOARD OF TRUSTEES OF THE CITY OF ATLANTIC BEACH  
GENERAL EMPLOYEES' RETIREMENT SYSTEM**

**AND**

**GABRIEL, ROEDER, SMITH & COMPANY**

Paragraph 4 of the Actuarial Services Agreement dated December 1, 2010 between the above parties, and is hereby amended effective November 17, 2011 to read as follows:

4. In consideration of the satisfactory performance of services and delivery of work products as provided in paragraphs 1, 2 and 3 of this contract, the Board agrees to pay the Actuary an annual fee of \$8,100.00 for 2010. This annual fee, as well as the hourly rates provided in Section 7. below, shall be increased each year beginning October 1, 2011 in accordance with the change in the Consumer Price Index. It is agreed that this annual fee amount shall be the total compensation to Actuary for performance of the services in paragraphs 1 and 2, including all expenses. The annual fee is based upon laws, regulations, and accounting rules in effect at the time this contract is executed. Additional fees for time incurred to comply with new local, state, federal or accounting rules will be based on the hourly rates in paragraph 8. In addition, there shall be an additional \$750.00 supplemental valuation fee for the Calculation of Liabilities Using the Florida Retirement System Interest Rate (Currently 7.75%), if this calculation is necessary.

\*\*\*\*\*

Except as provided in this Addendum, all of the terms, conditions, covenants, contracts, and understandings contained in the Agreement shall remain unchanged and in full force and effect, and the same are hereby ratified and confirmed by the parties.

**GABRIEL, ROEDER, SMITH & COMPANY**

**BOARD OF TRUSTEES OF THE CITY  
OF ATLANTIC BEACH GENERAL  
EMPLOYEES' RETIREMENT SYSTEM**

By: \_\_\_\_\_  
As

By: \_\_\_\_\_  
As Chairman

**ATTEST:**

**ATTEST:**

By: \_\_\_\_\_  
As Secretary

By: \_\_\_\_\_  
As Secretary

Date: \_\_\_\_\_

Date: \_\_\_\_\_