

**The City of Mobile, Alabama
Police and Firefighters Retirement Plan
Regular Meeting
February 27, 2013**

The Board of Trustees for The City of Mobile, Alabama Police and Firefighters Retirement Plan met in regular session at 9:00 a.m. on Wednesday, February 27, 2013 in the City Council Pre-Conference room on the first floor of the south tower in Government Plaza.

Present:

Deputy Police Chief James Barber, Chairman
Retired Fire Service Captain Terry Lilley, Vice-Chairman
Fire Service Captain Bo McLarty
Ms. Barbara Malkove
Police Lieutenant Roy Hodge
Mr. Joe Connick
Fire Service Captain James Connick
Mr. Michael Druhan
Ms. Joyce Collier
Ms. Wanda Cochran, Counsel
Ms. Mary Berg, Secretary

Absent:

Guests:

Fire Service Captain Bryan Lee, Mobile Fire Department
Mr. Bob Hubbard, Gray & Co.
Mr. John Thompson
Mr. Paul Weiss
Mr. Joel Daves
Mr. Sandy Stimpson
Mr. Scott Mullett, GW Capital, Inc.
Mr. David Durham, Morgan Dempsey Capital Management, LLC
Mr. Michael Cross, SouthernSun Asset Management

The chairman, Deputy Police Chief Jim Barber, called the meeting to order at 9:00 a.m.

The chairman presented for hearing, the application of Fire Service Captain William L. Carroll, Mobile Fire Department, for a service-connected disability retirement. Ms. Cochran conducted the hearing. The City of Mobile did not enter an appearance at the hearing. By agreement, all medical records and other documents on file were made part of the record at the request of Ms. Cochran. Captain Carroll was not in attendance. The hearing concluded.

Captain Connick made a motion to grant a service-connected disability to Fire Service Captain William L. Carroll, based on the recommendation of the Board's physician. The motion was seconded by Lieutenant Hodge, and it carried. Captain Carroll will receive a service connected disability benefits on the basis of 60.00% of his final salary.

The chairman presented a Personnel Action Notice of DROP retirement effective March 1, 2013 submitted by **Fire Service Driver Raymond W. Dahlmann, Mobile Fire Department**. As of February 28, 2013 Driver Dahlmann will be 55 years of age and will have served 25.85 years. He has elected the 100% joint and survivor annuity option with the 'pop-up' feature. *Captain Connick motioned for approval, Captain McLarty seconded the motion, and the motion carried.*

The chairman presented items 4 and 5 on the agenda for approval. *Ms. Malkove moved for approval, seconded by Ms. Collier, the Board approved the following:*

Personnel Action Notice of **Deputy Fire Service Chief Richard F. Brannon**, of his intent to leave the Fire Department and withdraw from the DROP to enter active retirement, effective February 28, 2013; and

Personnel Action Notice of **Police Sergeant Mark S. Ward** of his intent to leave the Police Department and withdraw from the DROP to enter active retirement, effective February 16, 2013.

The chairman presented items 6 through 12 on the agenda for approval. *On a motion by Mr. Druhan, seconded by Captain Connick, the Board approved the following:*

Invoice No. 005434 dated January 30, 2013 in the amount of \$5,208.33 submitted by Gray & Company for investment performance analysis for January 2013;

Invoice dated January 31, 2013 in the amount of \$23,833.43 submitted by Advisory Research, Inc. for professional smid cap income investment services for the period ending December 31, 2012;

Payment in the amount of \$8,423.54 to Orleans Capital Management for professional fixed income investment services for the quarter ending December 31, 2012;

Payment in the amount of \$13,756.54 to Energy Opportunities Capital Management for investment services for the quarter ending December 31, 2012;

Invoice No. SSgABA1475537 dated February 12, 2013 in the amount of \$5,547.35 submitted by State Street Global Advisors for professional index investment management services for the quarter ending December 31, 2012;

Invoice No. 009-0113 dated January 30, 2013 in the amount of \$12,500.00 submitted by Southern Actuarial Services Company, Inc. for actuarial valuation as of October 1, 2012; and

Invoice in the amount of \$450.00 submitted by National Association of Public Pension Attorneys (NAPPA) for membership dues for the year 2013.

The secretary provided each Board member with a list of the **requests for refund**. *On a motion by Captain Connick, seconded by Ms. Malkove, the Board approved refunds totaling \$28,088.55 as follows:*

<i>Jennifer Miles</i>	<i>MPD</i>	<i>\$903.70</i>
<i>William H. Tomberlin</i>	<i>MPD</i>	<i>14,431.10</i>
<i>Bezell Westbrook</i>	<i>MPD</i>	<i>12,753.75</i>
<i>Total Refunds</i>		<i>\$28,088.55</i>

The chairman acknowledged the consultant, Mr. Bob Hubbard, and turned the meeting over to him. Mr. Hubbard discussed the option of terminating Century Capital and Advisory Research. *Captain Connick moved to place both Century and Advisory on notice that they are being terminated. Mr. Druhan seconded the motion and it carried.*

Captain Connick moved to place \$11,000,000 in a mid-cap index with State Street, Ms. Malkove seconded the motion, and it carried.

Mr. Hubbard then introduced the small cap manager candidates:

Mr. Scott Mullet gave a short presentation on behalf of GW Capital, Inc. He answered questions posed by the Board and Ms. Cochran. *The chairman thanked Mr. Mullet on behalf of the Board, and he departed.*

Mr. David Durham gave a short presentation on behalf of Morgan Dempsey Capital Management, LLC. He answered questions posed by the Board and Ms. Cochran. *The chairman thanked Mr. Durham on behalf of the Board, and he departed.*

Mr. Michael Cross gave a short presentation on behalf of SouthernSun Asset Management. He answered questions posed by the Board and Ms. Cochran. *The chairman thanked Mr. Cross on behalf of the Board, and he departed.*

Chief Barber moved to split \$11,000,000 between Morgan Dempsey and SouthernSun pending Ms. Cochran reviewing their contracts and with Board approval. Captain Connick seconded the motion and it carried.

Mr. Chuck Carr presented a summary of the **actuarial valuation** as of October 1, 2012. He responded to questions posed by the Board and other individuals that were in attendance.

Unfinished business:

- *Mr. Druhan moved to have the Board undo the motion to set up a committee to meet with Personnel Board representatives within the month. Mr. Lilley seconded the motion and the motion carried.*

New business:

There being no further business to come before the Board, on a motion by Chief Barber, and seconded by Captain Connick, the meeting adjourned at approximately 12:15 p.m.

James H. Barber, Chairman

Mary A. Berg, Secretary