

The City of Mobile, Alabama
Police and Firefighters Retirement Plan
Regular Meeting
March 25, 2009

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, March 25, 2009 in the Multi-Purpose room on the first floor of the north tower of Government Plaza.

Present:

Fire Service Captain Bryan Lee, Chairman
Ms. Barbara Malkove
Retired Fire Service Captain Terry Lilley
Fire Service Captain James Connick
Retired Police Sergeant Joe Connick
Deputy Police Chief James Barber
Mr. Michael Druhan
Mr. Peter D'Olive
Ms. Wanda Cochran, Counsel
Ms. Mary Berg, Secretary
Ms. Debbie Blackburn, Office Assistant III

Absent:

Police Lieutenant Mike Morgan

Guests:

Ms. Gwelda Swilley-Burke, Gray & Company
Fire Service Chief Steve Dean, Mobile Fire Department
Mr. William McLain, Retired Fire Service Driver, Mobile Fire Department
Fire Service Captain LeAnn Tacon, Mobile Fire Department
Quartermaster Robert Gay, Mobile Fire Department
Deputy Fire Service Chief Rick Brannon, Mobile Fire Department
Fire Service Captain Paul Cumbaa, Mobile Fire Department
Fire Service District Chief R. E. Morgan, Jr., Mobile Fire Department
Mr. John S. Gallop, Advisory Research, Inc.
Mr. Matthew K. Swaim, Advisory Research Inc.
Mr. Harris Swenson, Cramer, Rosenthal & McGlynn, LLC
Mr. John C. Dodd, Security Global
Mr. Jim Schier, Security Global

The chairman, Captain Bryan Lee, called the meeting to order at 9:05 a.m.

The chairman presented items 2 through 6 on the agenda for approval. *On a motion by Captain Connick, seconded by Deputy Chief Barter, the Board approved the following:*

Personnel Action Notice submitted by **Fire Service Driver Douglas E. Harlan** of his intent to leave the Fire Department and withdraw from the DROP to enter active retirement, effective March 31, 2009;

Personnel Action Notice submitted by **Firefighter Dean L. Johnson** of his intent to leave the Fire Department and withdraw from the DROP to enter active retirement, effective March 31, 2009;

Personnel Action Notice submitted by **Assistant Fire Service Marshall Samuel L. Stephens, Jr.**, of his intent to leave the Fire Department and withdraw from the DROP to enter active retirement, effective March 31, 2009;

Personnel Action Notice submitted by **Firefighter Teddie G. Waddill**, of his intent to leave the Fire Department and withdraw from the DROP to enter active retirement, effective March 31, 2009; and

Personnel Action Notice of DROP retirement effective April 1, 2009 submitted by **Police Lieutenant Sybil M. Thomas**, Mobile Police Department. As of March 31, 2009 Lieutenant Thomas will be 53 years old and will have served 22.32 years. She has elected the maximum option with no benefits payable to a survivor.

The chairman presented items 7 through 10 on the agenda for approval. *On a motion by Ms. Malkove, seconded by Captain Connick, the Board approved the following:*

Payment of Invoice No. 003974 dated February 27, 2009 in the amount of \$5,000.00 submitted by Gray & Company for investment performance analysis ending February 28, 2009;

Payment of invoice dated January 9, 2009 in the amount of \$13,121.64 submitted by Evergreen Investments, for professional equity investment services for the quarter ending December 31, 2008;

Payment of Invoice No. SSgABA667937 in the amount of (\$576.16) submitted by State Street Global Advisors for professional index investment management services for the quarter ending December 31, 2008; and

Payment of Invoice No. 009-0309 dated March 2, 2009 in the amount of \$13,100.00 submitted by Southern Actuarial Services Company, Inc. for actuarial valuation as of October 1, 2008 and a special studies report requested by the Board.

The chairman presented items 11 and 12 on the agenda for approval. *On a motion by Mr. Druhan, seconded by Captain Connick, the Board approved the following, with Captain Lee abstaining:*

Request of Captain Lee for reimbursement in the amount of \$1,020.22 for travel expenses incurred while attending the NCPERS 2009 Annual Legislative Conference in Washington, DC on February 1-3, 2009; and

Request of Captain Lee for reimbursement in the amount of \$523.11 for travel expenses incurred while attending the LATEC Investment Education Symposium, New Orleans on February 18-20, 2009.

The chairman presented the **request of Firefighter Phillip Davis** to purchase prior service, October 28, 2006 through September 18, 2008 which is 1 year 10 months 20 days. Firefighter Davis has presented a check in the amount of \$4,023.89. *Ms. Malkove motioned to approve the purchase of service, Deputy Chief Barber seconded the motion, and it carried.*

The **revised special studies letter from Southern Actuarial Services** was discussed, *Captain Connick made a motion to approach the Mayor and City Council with this information as a path toward beginning a discussion on combining the two plans, Mr. Connick seconded the motion, and it carried.*

On a motion by Mr. Druhan, seconded by Captain Connick, the Board voted to table discussion of the Revised October 1m 2008 Actuarial Report.

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 \$22,908.26 as follows:*

William K. Stoffle *\$22,908.26*

Total Refunds *\$22,908.26*

The chairman acknowledged the consultant, Ms. Gwelda Swilley-Burke, and turned the meeting over to her. Ms. Swilley-Burke gave a comprehensive review of the Fund. After Ms. Swilley-Burke's presentation, the candidates in the Small/Mid Value Manager search made their presentations to the Board:

Mr. John S. Gallop and Mr. Matthew K. Swaim gave a presentation on behalf of **Advisory Research, Inc.** They answered questions posed by the Board, Ms. Cochran and Ms. Swilley-Burke. *The chairman thanked them on behalf of the Board, and they departed.*

Mr. Harris Swenson gave a presentation on behalf of **Cramer, Rosenthal & McGlynn, LLC**. He answered questions posed by the Board, MS. Cochran and Ms. Swilley-Burke. *The chairman thanked Mr. Harris on behalf of the Board, and he departed.*

Mr. John C. Dodd and Mr. Jim Schier gave a presentation on behalf of **Security Global**. They answered questions posed by the Board, Ms. Cochran and Ms. Swilley-Burke. *The chairman thanked them on behalf of the Board, and they departed.*

Mr. Druhan motioned to hire Advisory Research, Inc., the motion was seconded by Captain Connick. After discussion, the motion was amended to terminate Transamerica Investment Management and hire Advisory Research, Inc. with both and the amended motion carried.

Unfinished business:

- After discussion of the resolution for Police Captain Amelia Brown, Ms. Cochran will add a payment deadline of May 1, 2009. *Ms. Malkove motioned to adopt the revised resolution, Mr. Druhan seconded the motion, and it carried.*
- *Mr. Lilley motioned, with a second from Mr. Connick to bring the Robert Gay issue off the table for discussion. After discussion by the Board, Mr. Lilley motioned to release Mr. Gay's DROP money effective February 28, 2009, the motion was seconded by Deputy Chief Barber, and it carried.*
- Captain Lee and Ms. Cochran discussed the Pension Bailout letter. Both are watching the Federal Stimulus news for the possibility of the Plan receiving Federal funds from this economic package.
- *Captain Connick motioned to table the report from CSSC Investment Advisory Services, Ms. Malkove seconded the motion, and it carried.*

New Business:

- The chairman presented a letter dated March 25, 2009 that he had sent to the City's Comptroller, Ms. Patricia Aldrich, regarding the funds owed to the Plan by the City.

Minutes of Regular Meeting – March 25, 2009 *(Continued)*

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

Bryan T. Lee, Chairman

Mary A. Berg, Secretary