

The City of Mobile, Alabama
Police and Firefighters Retirement Plan
Regular Meeting
January 22, 2014

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, January 22, 2014 in the City Council Pre-Conference room on the first floor of the south tower in Government Plaza.

Present:

Retired Fire Service Captain Terry Lilley, Vice-Chairman
Fire Service Captain Bo McLarty
Mr. Paul Wesch
Police Lieutenant Roy Hodge
Retired Police Sergeant Joe Connick
Fire Service Captain James Connick
Ms. Joyce Collier
Mr. Michael Druhan
Ms. Wanda Cochran, Counsel
Ms. Mary Berg, Secretary
Ms. Debbie Blackburn, Office Assistant III

Absent:

Police Chief James Barber, Chairman

Guests:

Fire Service Captain Bryan Lee, Mobile Fire Department
Police Corporal John Mitchell, Mobile Police Department
City Councilmember Joel Daves
Fire Service District Chief Aubrey Bishop, Mobile Fire Department
Mr. Scott Owens, Morgan Stanley
Mr. Greg Burchell, Morgan Stanley
Mr. Randy Johnston, Morgan Stanley
Mr. Ron Partain, The Bogdahn Group
Mr. Timothy Nash, The Bogdahn Group
Mr. Joseph Bogdahn, The Bogdahn Group
Mr. Bob Hubbard, Gray & Co.
Mr. Christopher Kuhn, Gray & Co.

The vice-chairman, Mr. Terry Lilley, called the meeting to order at 9:05 a.m.

The vice-chairman called Mr. Randy Johnston, Mr. Greg Burchell and Mr. Scott Owens representing Morgan Stanley before the Board to begin the consultant presentations:

Mr. Owens, Mr. Burchell and Mr. Johnston gave a short history of the company, and a brief summary of the staff. They went over the presentation booklets that had been presented to the Board, and took questions from the Board and Ms. Cochran. *The vice-chairman thanked the gentlemen, and they departed.*

Next were Mr. Ron Partain, Mr. Timothy Nash, and Mr. Joseph Bogdahn from The Bogdahn Group. Mr. Bogdahn gave a short history of the company. Mr. Nash and Mr. Partain went over the presentation booklet that had been presented to the Board. All three gentlemen took questions from the Board and Ms. Cochran. *The vice-chairman thanked the gentlemen, and they departed.*

The last presenters were Mr. Bob Hubbard and Mr. Christopher Kuhn representing Gray & Company. Mr. Hubbard gave a brief history of the company since they are the present consultant for the Plan. They

both went over the presentation booklets that had been presented to the Board and answered questions from the Board and Ms. Cochran. *The vice-chairman thanked Mr. Hubbard and Mr. Kuhn, and they departed.*

The vice-chairman next presented the **minutes of the regular Board meeting of December 18, 2013**. *Mr. Connick moved for approval of the minutes. Mr. Druhan seconded the motion, and the minutes were approved as written and distributed.*

The vice-chairman presented items 4 through 6 on the agenda for approval. *On a motion by Captain McLarty, seconded by Captain Connick, the Board approved the following:*

Personnel Action Notice of **Police Sergeant Ronal G. Yokley** of his intent to leave the Police Department and withdraw from the DROP to enter active retirement, effective January 31, 2014;

Personnel Action Notice of DROP retirement effective February 1, 2014 submitted by **Police Major Curley L. Rogers, Mobile Police Department**. As of January 31, 2014 Major Rogers will be 62 years old and will have served 40.28 years. He has elected the 50% joint and survivor annuity option with the ‘pop-up’ feature; and

Personnel Action Notice of DROP retirement effective February 1, 2014 submitted by **Fire Service Captain William P. Vereen, III, Mobile Fire Department**. As of January 31, 2014 Captain Vereen will be 50 years old and will have served 29.45 years. He has elected the 100% joint and survivor annuity option with the ‘pop-up’ feature;

The vice-chairman presented **Invoice No. 005845 dated December 30, 2013 in the amount of \$5,208.33 submitted by Gray & Company** for investment performance analysis for December 2013. *Captain Connick moved for approval, seconded by Mr. Druhan, the motion was approved.*

The vice-chairman presented items 8 through 11 on the agenda for approval. *On a motion by Captain Connick, seconded by Ms. Collier, the Board approved the following:*

Approved payment in the amount of \$21,763.00, to Morgan Dempsey Capital Management, for professional investment services for the quarter ending December 31, 2013;

Invoice dated January 15, 2014 in the amount of \$27,211.87 submitted by Allianz Global Investors for professional international investment services for the quarter ending December 31, 2013;

Approved payment in the amount of \$970.00 to DLJ Real Estate for professional real estate management fees for the period July 1, 2013 through December 31, 2013; and

Approved payment in the amount of \$2,500.00 for filing fee for IRS Tax Determination Letter.

The vice-chairman presented **Invoice No. 29325 dated December 31, 2013 in the amount of \$731.50 submitted by Benefits Law Group (Patricia K. Keesler)** for legal services (ongoing IRS determination letter process) rendered through December 20, 2013. *On a motion by Captain McLarty, seconded by Captain Connick, the motion was approved.*

The secretary provided each Board member with a list of the **requests for refund**. *On a motion by Captain Connick, seconded by Captain McLarty, the Board approved refunds totaling \$11,466.00 as follows:*

<i>Brandon M. Lami</i>	<i>MFD</i>	<i>\$8,491.38</i>
<i>Christopher J. Theall</i>	<i>MPD</i>	<i>\$2,974.62</i>
<i>Total Refunds</i>		<i>\$11,466.00</i>

The chairman acknowledged the consultant, Mr. Bob Hubbard, and turned the meeting over to him. Mr. Hubbard went over the Flash Report as of December 31, 2013. Mr. Hubbard also recommended withdrawing \$5,000,000.00 from State Street, and putting it into cash. *Mr. Druhan moved to accept the recommendation of the consultant. The motion was seconded by Captain Connick, and it was approved.*

Mr. Hubbard discussed SouthernSun being acquired by another firm (AMG). *Mr. Druhan moved to accept the recommendation to authorize the chair to sign the SouthernSun consent form. Mr. Connick seconded the motion, and it was approved.*

Comment consent by the Board to award the Consultant contract at the February meeting.

Unfinished business:

- *Amended and Restated Plan. Mr. Connick moved to table, seconded by Mr. Druhan, and it was approved.*

There being no further business to come before the Board, on a motion by Captain Connick, seconded by Captain McLarty, the meeting adjourned at approximately 11:45 a.m.

Terry Lilley, Vice-Chairman

Mary A. Berg, Secretary