

**The City of Mobile, Alabama  
Police and Firefighters Retirement Plan  
Regular Meeting  
March 23, 2011**

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 23, 2011 in the conference room of the City of Mobile Fine Arts Museum.

**Present:**

Retired Fire Service Captain Terry Lilley, Chairman  
Deputy Police Chief James Barber  
Fire Service Captain Bo McLarty  
Ms. Joyce Collier  
Police Lieutenant Roy Hodge  
Ms. Wanda Cochran, Counsel  
Ms. Mary Berg, Secretary  
Ms. Debbie Blackburn, Office Assistant III

**Absent:**

Ms. Barbara Malkove  
Mr. Mike Druhan  
Fire Service Captain James Connick  
Retired Police Sergeant Joe Connick

**Guests:**

Mr. Bob Hubbard, Gray & Co.  
Corporal John Mitchell, Mobile Police Dept.  
Fire Service Captain Jason Browne, Mobile Fire Department  
Miss Sadie Browne  
Fire Service Captain Bryan Lee, Mobile Fire Department  
Fire Service Chief Steve Dean, Mobile Fire Department  
Mr. Louis Crane, Orleans Capital Management  
Mr. Gary Welchel, Orleans Capital Management

The chairman, Mr. Terry Lilley, called the meeting to order at 9:06 a.m.

The chairman presented the **minutes of the regular Board meeting of January 26, 2011**. *On a motion by Deputy Chief Barber, seconded by Ms. Collier, the minutes were approved and distributed.*

The chairman presented the Personnel Action Notice of Sergeant Michael H. Smith of his intent to leave the Police Department and withdraw from the DROP to enter active retirement, effective March 22, 2011. *Deputy Chief Barber motioned for approval, Ms. Collier seconded the motion, and it passed.*

The chairman presented the Personnel Action Notice of DROP retirement effective April 1, 2011 submitted by Police Sergeant Eddie J. Carr Mobile Police Department. As of March 31, 2011 Sergeant Carr will be 58 years old and will have served 33.06 years. He has elected the maximum option with no benefits payable to a survivor.

The chairman presented items 5 through 8 on the agenda for approval. *On a motion by Deputy Chief Barber, seconded by Captain McLarty, the Board approved the following:*

**Invoice No. 004651 dated February 28, 2011 in the amount of \$5,000.00 submitted by Gray & Company** for investment performance analysis ending February 28, 2011;

**Payment of invoice dated January 1, 2011 in the amount of \$19,581.66 submitted by Century Capital Management LLC**, for professional equity investment services for the quarter ending December 31, 2010;

**Payment of invoice in the amount of \$390.00** for membership in the National Association of Public Pension Attorneys (NAPPA) for the year 2011; and

**Invoice No. 009-0211 dated February 18, 2011 in the amount of \$12,500.00 submitted by Southern Actuarial Services Company, Inc.** for actuarial valuation as of October 1, 2010.

The secretary provided each Board member with a list of the **requests for refund**. *On a motion by Deputy Chief Barber, seconded by Ms. Collier, the Board approved refunds totaling \$15,453.23 as follows:*

<i>Timothy M. Johnson</i>	<i>\$13,117.26</i>
<i>Wesley G. Smith</i>	<i>2,335.97</i>
<i>Total Refunds</i>	<i>\$15,453.23</i>

The consultant, Mr. Bob Hubbard, reported on the Fund. Mr. Hubbard recommended that possible replacements for Artio make presentations at next month's meeting. This is based on the fact of Artio consistently lagging against benchmarks, and not keeping up with the rally in the market that was taking place prior to the disaster in Japan. *Based on the advice of the consultant Deputy Chief Barber moved to invite potential international managers to the April meeting for interviews. The motion was seconded by Captain McLarty, and the motion carried.*

Mr. Gary Welchel of Orleans Capital Management discussed the market after the effects resulting from the earthquake in Japan. The Japanese economy was severely damaged. He believes that the Japanese supply chain problems will not be a problem for the Orleans portfolio. However, high tech products will bear the hardest effects. Mr. Louis Crane spoke about the energy markets and Orleans offering in that sector. The Board requested that Mr. Hubbard include energy sector investments in the asset allocation policy revision undertaken by Gray & Company for the Plan.

**Unfinished business:**

- *Motion by Lieutenant Hodge seconded by Captain McLarty to reconsider the motion to grant a 2.5% raise to the one service-connected disability retiree from the Police Department who makes less than \$11,000.00 per year (national poverty level). After a brief discussion on the proper procedure for granting a raise, by unanimous consent of the Board the raise will not be granted until further research on this matter is completed.*
- Ms. Cochran presented the following resolution for the Board's approval:

**CITY OF MOBILE, ALABAMA POLICE AND FIREFIGHTERS'  
RETIREMENT PLAN BOARD**

**RESOLUTION**

**Whereas**, the Article 7 of Act 97-689, 1997 Ala. Acts designates the Board as the administrative authority for a retirement plan established for the benefit of the police officers and firefighters for the City of Mobile, Alabama (the "Plan");

**Whereas**, the Plan received a favorable determination from the Internal Revenue Service in March 1998 entitling the Plan to certain favorable tax treatment;

**Whereas**, on January 28, 2011 a proposed revised plan was submitted to the Internal Revenue Service for consideration;

**Whereas**, by letter dated March 7, 2011 to the Board's General Counsel the IRS requested that the proposed amendments be signed and dated;

**NOW, THEREFORE, BE IT RESOLVED by the City of Mobile Police and Firefighters' Retirement Plan Board:**

1. That the Chairman and Secretary are hereby authorized and directed to execute and attest, respectively, for and on behalf of the Board the attached proposed plan amendments for transmittal to the IRS.

Done This \_\_\_\_\_ Day of March, 2011

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Terry Lilley  
Chairman

ATTEST:

\_\_\_\_\_  
Mary Berg, Executive Secretary

*Deputy Chief Barber motioned to accept the resolution as written for the chairman's and executive secretary's signature. Ms. Collier seconded the motion and the motion carried.*

*There being no further business to come before the Board, on a motion by Captain McLarty, and seconded by Lieutenant Hodge the meeting adjourned at approximately 11:13 a.m.*

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*James T. Lilley, Jr., Chairman*

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*Mary A. Berg, Secretary*