

The City of Mobile, Alabama
Police and Firefighters Retirement Plan
Regular Meeting
May 23, 2007

The Board of Trustees for The City of Mobile, Alabama Police and Firefighters Retirement Plan met in rescheduled regular session at 9:00 a.m. on Wednesday, May 23, 2007 in the City Council pre-Conference room on the first floor of the south tower of Government Plaza.

Present:

Fire Service Captain Bryan Lee, Chairman
Police Deputy Chief James Barber, Vice Chairman
Retired Fire Service Captain Terry Lilley
Police Lieutenant Michael Morgan
Ms. Barbara Malkove
Fire Service Captain James Connick
Mr. Michael Druhan
Ms. Wanda Cochran
Ms. Mary Berg, Secretary
Ms. Deborah Blackburn, Office Assistant III

Absent:

Mr. Briley Shirah
Retired Police Lieutenant George Goodwin

Guests:

Ms. Gwelda Swilley-Burke, Gray & Company
Mr. Jeff Amy, Mobile Press Register Reporter

The chairman, Captain Bryan Lee, called the meeting to order at 9:03 a.m.

The chairman presented the **minutes of the regular Board meeting of October 25, 2006 and regular meeting of November 15, 2006.** *On a motion by Lieutenant Morgan seconded by Mr. Druhan, the minutes were approved as written and distributed.*

The chairman presented items 3 and 4 on the agenda for consideration. *On a motion by Deputy Chief Barber seconded by Mr. Druhan, the Board approved the following:*

Personnel Action Notice submitted by **Fire Service Inspector Joseph P. Dowling**, Mobile Fire Department, of his intent to leave the department and withdraw from the DROP to enter active retirement, effective May 31, 2007; and

Personnel Action Notice submitted by **Office Assistant I Patricia Y. Smith**, Mobile Police Department, of her intent to leave the department and withdraw from the DROP to enter active retirement, effective May 26, 2007.

The chairman presented a Personnel Action Notice submitted by **Police Lieutenant Matthew G. Brannan**, Mobile Police Department, of his intent to enter the DROP effective June 1, 2007. As of May 31, 2007 Lieutenant Brannan will be 50 years old and will have served 30.93 years. He has elected the 100% joint and survivor annuity option with the 'pop-up' feature. *Deputy Chief Barber moved for approval, Mr. Druhan seconded the motion, and it carried.*

The chairman presented a Personnel Action Notice submitted by **Police Corporal Victor G. O’Shea**, Mobile Police Department, of his intent to retire effective May 23, 2007 with benefits deferred to June 23, 2017, at which time he will be 50 years of age. Corporal O’Shea has served 20.00 years entitling him to retirement benefits on the basis of 50.00% of his final average salary. *Deputy Chief Barber moved for approval, Mr. Druhan seconded the motion, and it carried.*

The chairman presented items 7 through 12 for consideration. *On a motion by Mr. Druhan seconded by Deputy Chief Barber, the Board approved the following:*

Payment of Invoice No. 003434 dated April 27, 2007 in the amount of \$5,000.00 submitted by Gary & Company for investment performance analysis ending April 30, 2007;

Payment of Invoice No. 31578 dated May 7, 2007 in the amount of \$17.50 submitted by D. Charles Holtz for legal services rendered through April 30, 2007;

Payment in the amount of \$19,057.00 to LSV Asset Management for professional smid cap income investment services for the quarter ending March 31, 2007;

Payment of Invoice No. SSgABA392290 dated May 9, 2007 in the amount of \$5,145.74 submitted by State Street Global Advisors for professional index investment management services for the quarter ending March 31, 2007;

Payment of Invoice dated May 2, 2007 in the amount of \$31,647.10 submitted by Julius Baer Investment Management LLC, for international equity investment services for the quarter ending March 31, 2007; and

Payment of Invoice dated May 8, 2007 in the amount of \$18,420.56 submitted by Evergreen Investments, for professional equity investment services for the quarter ending March 31, 2007.

The chairman presented items 13 through 15 for consideration. *On a motion by Deputy Chief Barber seconded Captain Connick, the Board approved the following:*

Payment in the amount of \$48,000.00 to Levine Leichtman Capital Partners, Inc. for capital contribution requested for current investment;

Payment in the amount of \$90,000.00 to Levine Leichtman Capital Partners, Inc. for capital contribution requested for current investment; and

Payment in the amount of \$120,000.00 to Levine Leichtman Capital Partners, Inc. for capital contribution requested for current investment.

The secretary provided each Board member with a list of the **requests for refund**. *On a motion by Captain Connick seconded by Deputy Chief Barber, the Board approved refunds totaling \$36, 513.39 as follows:*

<i>Ernest E. Dixon</i>	\$ 5,793.97
<i>Harold G. Everhart</i>	3,070.68
<i>Stephen R. Powell</i>	9,474.37
<i>Patrick D. Sanders</i>	18,174.37
<i>Total Refunds</i>	\$ 36,513.39

The chairman acknowledged the consultant, Ms. Gwelda Swilley-Burke and turned the meeting over to her. Ms. Swilley-Burke presented a performance review of the Fund.

Unfinished business:

- Ms. Cochran reported on the **ALFA Insurance** legal proceedings.
- The chairman presented 2 requests from Levine Leichtman Capital Partners, Inc. concerning unrelated business taxable income options on 2 of their current investments for consideration. After a brief discussion, *Mr. Druhan moved to authorize Ms. Cochran to consult with tax counsel and to make proper selection based on his recommendation. Deputy Chief Barber seconded the motion, and it carried.*

New business:

- The chairman presented a request from the City of Mobile Legal Department for reimbursement of Ms. Cochran's salary. Before discussion of this item, Ms. Cochran excused herself from the meeting. *On a motion by Mr. Druhan seconded by Deputy Chief Barber, with Mr. Lilley voting no, the Board approved reimbursing the City of Mobile Legal Department for the salary of Ms. Cochran and to move forward with Ms. Cochran as legal counsel for the Board, paying her salary from the line item that all Board legal expenses are paid from.*
- The chairman presented a request from Julius Baer to authorize them to withdraw their quarterly investment management fees from the account funds and to provide the Board with a breakdown of the fees. *On a motion by Captain Connick seconded by Mr. Druhan, the Board approved their request.*

There being no further business to come before the Board, on a motion by Captain Connick, the meeting adjourned at approximately 10:10 a.m.

Bryan T. Lee, Chairman

Mary A. Berg, Secretary