

The City of Mobile, Alabama
Police and Firefighters Retirement Plan
Regular Meeting
September 24, 2008

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, September 24, 2008 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 Lieutenant Mike Morgan, Vice Chairman
Retired Fire Service Captain Terry Lilley
Fire Service Captain James Connick
Mr. Michael Druhan
Retired Police Sergeant Joe Connick
Police Deputy Chief James Barber
Ms. Wanda Cochran, Counsel
Ms. Mary Berg, Secretary
Ms. Debbie Blackburn, Office Assistant III

Absent:

Ms. Barbara Malkove

Guests:

Fire Service Captain Lee Ann Tacon, Mobile Fire-Rescue

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

The chairman presented the **minutes of the regular Board meetings of July 23, 2008 and August 27, 2008**. *On a motion by Lt. Morgan, seconded by Mr. Druhan, the minutes were approved as written and distributed.*

The chairman presented the **financial statements for the month of July, 2008**. *Captain Connick moved for approval, the motion was seconded by Lt. Morgan, and the motion carried.*

The chairman presented items 4 and 5 on the agenda for approval. *On a motion by Deputy Chief Barber, seconded by Lt. Morgan, the Board approved the following:*

Personnel Action Notice of retirement effective October 4, 2008 submitted by **Police Officer I Richard E. Chenoweth, Mobile Police Department**. As of October 3, 2008 Officer Chenoweth will be 54 years of age and will have served 22.17 years. He has elected the 100% joint and survivor annuity option with the "pop-up" feature; and

Personnel Action Notice of retirement effective September 27, 2008 submitted by **Police Officer I David M. Jenkins, Mobile Police Department**. As of September 26, 2008 Officer Jenkins will be 52 years of age and will have served 23.56 years. He has elected the 50% joint and survivor annuity option with the "pop-up" feature.

The chairman presented items 6 through 9 on the agenda for approval. *On a motion by Mr. Druhan, seconded by Deputy Chief Barber, the Board approved the following:*

Payment of Invoice No. 003808 dated August 29, 2008 in the amount of \$5,000.00 submitted by Gray & Company for investment performance analysis ending August 31, 2008;

Payment in the amount of \$84,000.00 to Levine Leichtman Capital Partners, Inc. for call requested for current investment;

Payment in the amount of \$3,388.00 submitted by DLJ Real Estate for professional real estate management fees for the period January 1, 2008 through June 30, 2008; and

Payment of invoice in the amount of \$150.00 to National Conference on Public Employee Retirement Systems for 2009 membership fees.

The secretary provided each Board member with a list of the **requests for refund**. *On a motion by Lt. Morgan, seconded by Deputy Chief Barber, the Board approved refunds totaling \$74,167.03 as follows:*

<i>Jonathan T. Geary</i>	<i>\$17,558.21</i>
<i>Bradley M. Grandquest</i>	<i>3,653.72</i>
<i>Josh T. Himes</i>	<i>5,878.77</i>
<i>Bristol T. Hines</i>	<i>12,881.95</i>
<i>Christopher L. Moye</i>	<i>9,595.71</i>
<i>Richard E. Rehwinkel</i>	<i>15,676.36</i>
<i>Clifton W. Wimberly</i>	<i>8,922.31</i>
<i>Total Refunds</i>	<i>\$74,167.03</i>

The Board spoke with the consultant, Ms. Gwelda Swilley-Burke, via conference call. Along with giving a comprehensive performance review of the Fund, Ms. Swilley-Burke reported that Wall Street was, indeed, jittery about the bail-out proposed by the Federal government. The amount, or lack, of the bail-out could affect all types of lending. Consensus among those involved with finance and investments is that no one has ever seen the market climate this bad. Ms. Swilley-Burke gave the Board some encouraging news as she explained that due to the structure of the Fund, the assets have had limited exposure to market drops.

Unfinished business:

- Ms. Cochran reported that she had spoken with Mr. Chuck Carr regarding Police Captain Amelia Brown's request to purchase service time. Mr. Carr reported that it would take approximately \$30,000.00 per year for Captain Brown to buy back her time. Mr. Carr has two concerns in allowing this particular purchase of time: (1) IRS regulations on the purchase of time could be problematic; (2) the fact that it will take legislative action to allow it. However, if the Board decides to approach the legislature, he has models that could ease the way. *Mr. Connick moved to table a decision until the Board has move definitive information, Captain Connick seconded the motion, and it carried with Captain Lee opposing. At this time Captain Connick motioned to have Mr. Carr give the Board an exact figure for Captain Brown's purchase of her time. Mr. Lilley seconded the motion and it carried.*

New business:

- The Board heard a request from Mr. Lilley to seek an IRS determination letter for Heart & Lung Disability Retirees. *Mr. Lilley motioned to request letter, it was seconded by Deputy Chief Barber, and the motion carried.* Ms. Cochran will call tax attorney, Ron Davis, for help with drafting the letter to the IRS. If possible, Ms. Cochran will go ahead with the letter. If not, she will report on the status of the request at the next meeting.
- Captain Connick asked that the Board request the actuary to calculate the cost of the following: (1) Base calculation of benefits on total compensation as opposed to base salary; (2) Continuation of contributions past the 30 year mark with benefits still being accrued; (3) Continue the 8% employee contribution while in the DROP and put those contributions in their DROP account. *Deputy Chief Barber moved to request the studies from the actuary, Captain Connick seconded the motion, and it carried.*
- Deputy Chief Barber reported that he had approached the legislative delegation regarding dedicating fines from the proposed red light cameras on Airport Blvd. to the Pension Fund.

There being no further business to come before the Board, on a motion by Captain Connick, and seconded by Deputy Chief Barber, the meeting adjourned at approximately 10:30 a.m.

Bryan T. Lee, Chairman

Mary A. Berg, Secretary