

**MINUTES OF THE MEETING OF THE BOARD OF TRUSTEES  
OF THE  
TAMPA FIREFIGHTERS & POLICE OFFICERS PENSION BOARD  
3001 North Boulevard  
Tampa, FL 33603 (813) 274-8550  
Thursday, January 26, 2006 1:30 p.m.**

The Board of Trustees of the City Pension Fund for Firefighters and Police Officers in the City of Tampa met in the Pension Office Conference Room on Thursday, January 26, 2006 at 1:30 p.m. for a regular meeting with the following members present:

|                              |              |
|------------------------------|--------------|
| Marc Hamlin, Chairman        | Sharon Fox   |
| Patrick Lynch, Vice Chairman | Dan Lombard  |
| John Moors, Secretary        | Jimmy Meier  |
| Mark Bogush                  | Cyndy Miller |
|                              | Tracy Walker |

Also present were James B. Loper - Board Counsel, Jay Bowen – Investment Manager, Mark Lenker – External CPA, Lee Huffstutler, City Chief Accountant, Dr. Cynthia Lewis-Younger, Medical Director, and active and retired plan members.

Minutes

1. Approval of minutes of December 15, 2005 Regular Board Meeting. **It was moved by Mr. Lynch, seconded by Ms. Miller and by unanimous vote to approve the minutes of the December 15, 2005 regular board meeting as written.**

**Consent Agenda** Items on the consent agenda shall be acted upon in one motion. If an item requires additional discussion, that item shall be removed from the consent agenda for discussion. [Items 2 – 7]

**It was moved by Mr. Lynch, seconded by Ms. Miller and by unanimous vote to approve the consent agenda, items 2-7.**

2. Admitted Tampa Police Department members to pension fund effective 1/9/2006 contingent upon:
  - 1) furnishing a list of all medical providers and authorizations to obtain such medical records; and
  - 2) passing a complete medical examination:
    - Candace S. Bush
    - Samantha A. Cerra
    - Darral K. Davis
    - Jean P. Douillard
    - Kelvin S. John
    - Stanley G. Merchant
    - Christopher W. Sheperd
3. Admitted Tampa Fire Rescue members to pension fund effective 2/6/2006 contingent upon: 1) furnishing a list of all medical providers and authorizations to obtain such medical records; and 2) passing a complete medical examination:
  - Larry J. Gray
  - Kenneth E. Nieves
  - Cesar D. Nino

Gregory L. Parker  
Eric A. Pelaez  
Jeremy P. Queen  
Marcus E. Stokes  
Justin S. Thompson  
Ryan P. Trainor  
Scott F. Wright

4. Noted receipt of Bowen, Hanes & Co. Investment Performance report for the month ended December 31, 2005. Investment return so far this fiscal year +1.1%. Market value of *investments* as of 12/31/2005 \$1,347,800,367.
  - a. Noted receipt of narrative Investment Summary dated 1/3/2006.
  - b. Noted receipt of memo dated 1/12/2006 regarding Bond Portfolio as discussed at the December 2005 board meeting.
5. Approved payment to James B. Loper for legal services rendered during December 2005 in the amounts of:
  - a. \$1,166.85 for general counsel services
  - b. \$20,113.35 for retiree's litigation
6. Approved payment to Womble, Carlyle for legal services rendered in connection with Rock Creek Center during the months of:
  - a. November 2005 in the amount of \$1,050.50
  - b. December 2005 in the amount of \$1,261.79
7. Approved payment to Wachovia Insurance Services in the amount of \$57,592 for fiduciary liability insurance for the policy period of 12/12/2005 to 8/8/2006, partial year to coincide with renewals of other policies.

Financial Presentation by Mark Lenker of Nobles, Decker, Lenker & Cardoso

8. Noted receipt of monthly financial statements prepared by Mark Lenker of Nobles, Decker, Lenker & Cardoso for the months ended:
  - a. November 30, 2005 - Total market value of *assets* as of 11/30/2005 \$1,352,998,674.
  - b. December 31, 2005 – Total market value of *assets* as of 12/31/2005 \$1,351,413,262. Mr. Lenker presented the 12/31/05 financial statements, reconciling them to the BH&Co report, which does not include accrued interest and dividends or the pension office building, for example. Mr. Lenker responded to questions from the board.

**It was moved by Mr. Lynch, seconded by Ms. Miller and by unanimous vote to receive and file items 8a and 8b.**

9. DROP Update
  - a. 21 rollovers, including calculations and statements, completed prior to 12/31/2005 as per policy
  - b. 170 statements sent out prior to 12/31/2005 as per policyMr. Lenker reported that the DROP rollovers and statements had been completed on time as per policy and thanked the pension office staff, especially Ms. Bass and Ms. Campbell for their hard work and assistance on helping complete this large amount of work in such a small time frame. Mr. Lenker noted that the DROP administrative expenses for 9/30/2005 captured was within \$520

of actual, validating that the administrative rate adopted by the board was appropriate. Mr. Lenker also noted that as of 9/30/05 there was approximately \$15 million in the DROP account, of which approximately \$2.8 million was paid out on 12/31/05.

### Medical Issues

10. Initial hearing for LOD disability applicant Matthew D. Smith, TPD. Noted receipt of Medical Director's Summary, Medical Board reports, sample letter to Medical Board, disability application, qualifying letter, summary review outline prepared by independent medical case manager, notice of injury(ies), pre-employment physical, job description and disability application timeline. Mr. Smith was sworn in and responded to questions from the board. Board members also posed questions to the Medical Director. After discussion, **it was moved by Mr. Lynch, seconded by Mr. Walker and by unanimous vote that Mr. Smith does have a back disability that permanently incapacitates him from the regular and continuous duties of a police officer. It was moved by Mr. Lynch, seconded by Mr. Moors and by unanimous vote that the disability was incurred in the service. It was moved by Mr. Lynch, seconded by Mr. Walker and by unanimous vote to grant Mr. Smith a line of duty disability effective close of business today.**
11. Authorized referral to two replacement Medical Board members to be recommended by Dr. Lewis-Younger at board meeting for LOD disability applicant K. Gifford, TFR:
  - a. Possible replacement for Dr. Nella Upall – see Medical Board Appointment Feedback form for reasons.
  - b. Dr. Emilio Dominguez – refuses to conduct disability evaluation despite prior arrangements and discussions with Dr. Hillman.Dr. Lewis-Younger advised the board that after a thorough and complete search through multiple counties in the area, the search for a replacement infectious disease panel willing to conduct an Independent Medical Evaluation was unsuccessful. Dr. Lewis-Younger recommended replacing Dr. Nella Upall and Dr. Emilio Dominguez with Dr. Mary Stedman, Psychiatrist and Dr. A. Vijapura, Psychiatrist due to the nature of the disability application citing two disabling causes. Mr. Meier questioned whether this mixture of doctor specialties would be a one-time event, and Dr. Lewis-Younger advised the board that this is an unusual situation wherein an Infectious Disease Panel cannot be established, so moving into the second area of disability applied for is reasonable. Ms. Campbell was asked about past practice and precedent, and advised that there have been mixed specialty medical boards before for catastrophic disabilities crossing multiple medical disciplines (orthopedic, neurologic, psychiatric, etc.). **It was moved by Ms. Miller, seconded by Mr. Lynch to approve Dr. Lewis-Younger's recommendation to approve Dr. Mary Stedman and Dr. A. Vijapura as replacements for the Medical Board for LOD disability applicant K. Gifford, TFR. Upon voting, motion carried by a vote of 8-1 with Ms. Fox, Mr. Hamlin, Mr. Lombard, Mr. Lynch, Mr. Meier, Ms. Miller, Mr. Moors, and Mr. Walker in favor of the motion, and Mr. Bogush opposed to the motion.**
12. Noted receipt of graphic representation of disability applications currently in process. **It was moved by Mr. Lynch, seconded by Mr. Moors and unanimous vote to receive and file item 12.**
13. Authorized referral to specialist to be recommended by Dr. Cynthia Lewis-Younger at board meeting for TPD officer K. Duran. Noted receipt of letter dated 1/6/2006 from Medical Director to TPD. Dr. Lewis-Younger recommended Ms. Duran be seen for an appropriate and complete evaluation, which should include at a minimum an additional sleep study and a possible multiple

sleep latency test (MSLT) to be conducted by Dr. William M. Anderson, who is board certified in sleep medicine. **It was moved by Mr. Lynch, seconded by Ms. Fox to authorize Dr. W. Anderson to conduct the additional sleep study and tests for K. Duran, TPD.** During discussion, Mr. Lynch questioned if these additional sleep study tests would be considered a continuance of approval of Ms. Duran's admittance into the pension plan. Mr. Hamlin clarified that was correct. Ms. Campbell explained to the board that upon hiring, the new hires are conditionally admitted to the pension fund contingent upon: 1) furnishing a list of all medical providers and authorizations to obtain such medical records including additional testing if necessary; and 2) passing a complete medical examination. Ms. Campbell stated the estimated cost to conduct the evaluation recommended by Dr. Lewis-Younger was estimated at \$10,000 or more. Mr. Hamlin stated that this evaluation would assist in determining Ms. Duran's fitness for duty and protect the fund from possible future disability issues in this matter. **After Mr. Hamlin called for the question, the motion carried by unanimous vote.**

14. Noted receipt of memo dated 1/19/2006 from J. Campbell to Board of Trustees regarding Public Safety Issues Identified by Medical Director in Medical Records Review. Recommend referring to Committee #1 (medical guidelines, personnel matters committee generally). Ms. Campbell expressed her concerns on the public safety issues identified by the Medical Director in review of new hire medical records--specifically when the Medical Director notifies the department that a firefighter or police officer should be relieved of duty immediately as a public safety issue, pending further investigation and medical evaluation, the departments are not responding/complying immediately or consistently. Ms. Campbell also expressed her views and feedback that she has received from the respective departments regarding several fitness for duty cases over the past two years. Mr. Hamlin gave a brief background from a police management perspective regarding recent TPD new hires that were investigated for fitness for duty medical clearance involving public safety issues. Dr. Lewis-Younger stated that although it is unpleasant having to recommend that an employee be relieved of duty immediately and evaluated for fitness for duty, she does feel that she is fulfilling her direction from the Board of Trustees as per the Medical Director's contract. Ms. Miller agreed that the Pension board and staff and Medical Director are doing their appropriate due diligence, but since the medical language has been written and negotiated in the pension contract she does not feel this topic is appropriate for Committee #1 to get involved. **It was moved by Ms. Miller, seconded by Mr. Lynch and by unanimous vote to forward Ms. Campbell's memo dated 1/19/06 to both police and fire unions, police and fire department heads, and to the Director of Human Resources, Kimberly Crum.**

#### Old Business

15. Retiree's declaratory action. No action requested. For information purposes only due to pending litigation. Noted receipt of the following:
  - a. Letter dated 12/15/2005 from J. B. Loper regarding Trustees Second Motion to Dismiss for Failure to Join Indispensable Parties
  - c. Letter dated 1/13/2006 from J. B. Loper regarding Trustees Motion to Reopen Case for Submission of Additional Exhibits
  - d. Letter dated 1/17/2006 from J. B. Loper regarding Trustees Motion to Modify Clerk's List of Defendant Exhibits
  - e. Letter dated 1/17/2006 from J. B. Loper regarding Trustees Second Motion to Reopen Case for Submission of Additional Exhibits

- f. Letter dated 1/17/2006 from Carrington & Carrington regarding Coniglio Final Decree and Stipulation as Exhibit.
- g. Letter dated 1/18/2006 from J. B. Loper regarding response to 1/17/2006 letter from Carrington & Carrington.
- h. Letter dated 1/19/2006 from J. B. Loper regarding Notice of Hearing on Trustees Motions. **It was moved by Ms. Miller, seconded by Mr. Lynch and by unanimous vote to receive and file item 15.**

16. Rock Creek Center Committee Chair report

- a. Noted receipt of letter dated 12/15/2005 from RCC Chair regarding counter-offer to Portrait Homes.
- b. Noted receipt of letter dated 12/29/2005 from M. Hendren transmitting response of Portrait Homes.

Mr. Lynch reported that Portrait Homes was disappointed with the Pension Fund's counter-offer due to the disagreement on price per acre. Mr. Lynch explained that the independent commercial property real estate appraisal has been ordered as instructed by the Board and should be available at the next board meeting. After discussion, **it was moved by Ms. Miller, seconded by Mr. Walker to take no action on the Portrait Homes offer/counteroffer until the appraisal has been reviewed and approved by the board and the item is placed on the next month's agenda.**

New Business

17. Request for conversion from longevity to disability under the heart/lung presumption.

- a. Noted receipt of letter dated 1/5/2006 from longevity TFR retiree Oscar Singleton.
- b. Noted receipt of response letter dated 1/19/2006 transmitting applicable pension board policies and procedures. **It was moved by Mr. Lynch, seconded by Mr. Walker and by unanimous vote to receive and file item 17 a-b.**

18. Noted receipt of listing of upcoming conferences. Disclosure of planned attendance, if any. Mr. Walker disclosed that he plans to attend the January 2006 FPPTA Trustees school. Ms. Fox confirmed she would be attending the 6<sup>th</sup> Annual Fire & Police Academy, January 29 – February 1, 2006. Mr. Bogush and Ms. Campbell advised that they plan to attend the Relieving the Pension Tension conference, March 5-8, 2006. Mr. Meier noted that he plans to attend the 5<sup>th</sup> Annual Stars & Stripes conference, April 2-4, 2006. Ms. Miller disclosed her attendance to the NCPERS-Trustee Educational Seminar, April 28-29, 2006. **It was moved by Mr. Lynch, seconded by Mr. Moors and by unanimous vote to receive and file item 18.**

19. Discussion regarding retiree open enrollment and retiree health insurance problems encountered, some of which are ongoing and appear unlikely to be corrected in the near future, outside the control of the F&P pension office. Ms. Campbell advised that there were three types of errors which occurred in this open enrollment cycle, concentrated in the retiree Medicare/Mixed plans (i.e. retiree in Medicare plan, younger spouse in non-Medicare plan) which she felt were not being addressed in a timely fashion. Ms. Campbell used herself as an example, if making no changes to the existing Humana health insurance coverage, then no enrollment form was required—i.e. in Humana HMO last year, staying in Humana HMO for this year, no form required, no data entry change required. In theory, this should have been a simple transaction: first convert (HMO to HMO), then roll over to the new premium tables and prices. Unfortunately, what should have been a seamless and invisible transition was muddled due to the Employee Relations manager arbitrarily

changing insurance parameter codes without communicating that information to Risk Management or either pension offices.

The first example of an open enrollment error outside the control of F&P pension were those retirees making no change to their insurance plan and expecting a premium deduction of only \$85—but \$390 was withheld instead due to an arbitrary parameter code change on the part of Employee Relations. These retirees did precisely as they were instructed in writing in the City booklet and at the insurance meetings, yet were overwithheld by \$305. When Helen Basford was first alerted by a retiree and began investigating, she was instructed by Employee Relations to fix the overwithholding problem herself—to repay the \$305 from the pension plan (even though the deduction had already been withheld from the retiree's check and paid to Risk Management). A variety of creative ways to correct this error were recommended, including manipulating deductions for several consecutive months—all of which Helen appropriately declined. Ms. Campbell stated that we do things accurately and correctly here at F&P, establishing a valid audit trail with appropriate documentation—not manipulating our system to cover someone else's mistake. Since Risk Management had the overwithholdings, F&P requested in writing that the overwithholding be refunded to the affected pensioners so that the money is coming out of the proper account.

The second type of problem were those retirees who made no change but were underdeducted by \$55 at \$335 instead of \$390. Employee Relations suggested to Helen that we create an artificial deduction to double deduct the following two months, and reset the amount back to normal the following month. Helen astutely advised that F&P Pension does not create artificial deductions, period. Not only that, but unless the underlying codes are corrected by Employee Relations, then the problem will continue to recur. Risk Management assumed the responsibility of notifying the affected pensioners in writing, apologizing and requesting that the underpayment be paid directly to Risk Management or else Humana has the option of canceling their coverage for underpayment (even though it is a City mistake).

The third type of problem occurred when the retiree made no change, and the dollar amount of the premium deducted was correct, but due to underlying arbitrary coding changes made by Employee Relations, they were enrolled in a different plan, which means wrong cards, wrong information on cards (copays, deductibles, maximums, etc.). Even though the dollar amount was correct, there is a trickle down effect far beyond what we see here locally, such as being disenrolled from a federal medicare program, which affects the certificates of creditable coverage under HIPAA.

Ms. Campbell stated that in short, it doesn't do any good to make a change to the F&P pension master if the incorrect underlying programming/coding/parameters set by Employee Relations are not corrected immediately. The problem(s) will perpetuate month after month and will continue to be transmitted tape to tape to Humana for non-medicare, which affects our Medicare/Mixed retirees. The message sent loud and clear by the Employee Relations manager was that retirees don't matter and the pension offices don't matter. The complete lack of caring about these problems, complete lack of interest in locating the errors and making corrections, complete lack of customer service from one internal customer to another (Employee Relations to F&P Pension) and refusal to accept any responsibility whatsoever is completely unacceptable, and as Plan Administrator, I am asking the Board of Trustees for help in resolving these matters.

Ms. Campbell distributed an exchange of emails reflecting the breakdown in communications between Employee Relations and Risk Management and distributed an 8+ year history of health insurance premium deductions from F&P pension checks to demonstrate the potential magnitude in dollars of an even small percentage of errors in health insurance premium deductions. Ms. Campbell pointed out that there are several data sources which are not in sync:

|                         |                                    |   |                          |
|-------------------------|------------------------------------|---|--------------------------|
| Pension Master Database | PeopleSoft                         | Humana  | Humana Invoice           |
| (maintained by F&P)     | (maintained by Employee Relations) | (takes tape to tape download From PeopleSoft) | (bill goes to Risk Mgmt) |

As Helen was trying to determine the best course of action to identify the errors, correct them right now, and prevent their recurrence, Employee Relations ran several PeopleSoft reports for F&P to work from. F&P could not reconcile to the PeopleSoft reports, people who should have been on the lists weren't and vice versa; therefore, F&P could not work from the inaccurate PeopleSoft reports and worked from our own database, whose accuracy we have a great deal more confidence in. The concern however is that the non-medicare insurance information is downloaded tape to tape from PeopleSoft to Humana, and if there are data errors in PeopleSoft, they will also occur in Humana, even if the pension master database is accurate, affecting our Medicare/Mixed retirees. Taking it one step further, Humana generates an invoice to Risk Management to pay from, and it is our belief from conversations with Risk Management, that invoice does not get reconciled regularly to a valid, accurate data source. Ms. Campbell referred to the 8+ year history of health insurance premium deductions withheld from F&P pension checks, noting that F&P pension is only a small portion of the total city population with health insurance. Ms. Campbell asked for assistance from the Board in resolving these issues with Employee Relations. **It was moved by Ms. Miller, seconded by Mr. Walker and by unanimous vote that Ms. Miller would hand-deliver agenda item 19 handouts to the Human Resources Director, Kimberly Crum that afternoon.**

20. Plan Administration.

a. 2006 schedule

|                    |                                  |
|--------------------|----------------------------------|
| February 23, 2006  | 1:30 p.m.                        |
| March 23, 2006     | 1:30 p.m.                        |
| April 27, 2006     | 1:30 p.m.                        |
| May 25, 2006       | 1:30 p.m.                        |
| June 22, 2006      | 1:30 p.m.                        |
| July 27, 2006      | 1:30 p.m.                        |
| August 24, 2006    | 1:30 p.m.                        |
| September 28, 2006 | 1:30 p.m.                        |
| October 26, 2006   | 1:30 p.m.                        |
| November 16, 2006  | 1:30 p.m. *early due to holidays |
| December 14, 2006  | 1:30 p.m. *early due to holidays |

21. Noted receipt of Notice of Executive Session of Board of Trustees regarding pending litigation at the conclusion of today's regularly scheduled board meeting, January 26, 2006 with an

approximate start time of 2:45 p.m. **It was moved by Mr. Lynch, seconded by Mr. Moors to receive and file item 21.**

The meeting was adjourned at 2:35 pm.

Notice

Any person who desires to appeal any decision of the Board of Trustees with respect to any matter considered at this Board meeting will need a record of the proceedings and for this purpose, may need to ensure that a verbatim record of the proceedings is made which includes testimony and evidence upon which the appeal is based.

**February 23, 2006 board meeting: It was moved by Mr. Lynch, seconded by Mr. Moors and by unanimous vote to approve the minutes of the January 26, 2006 board meeting as written.**