

**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, June 25, 2009 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, June 25, 2009 at 1:30 p.m. for a regular meeting with the following members present:

Patrick Lynch, Chairman
Mark Bogush, Vice Chairman
John Moors, Secretary
Wes Adwell
Sharon Fox

P.J. Gray
Mark McRae
Jimmy Meier
Cynthia Miller

Also present were Mr. Ron Cohen, Board Counsel, Mr. Mark Lenker, CPA, and active and retired plan members.

Mr. Wes Adwell was welcomed as the newly elected firefighter trustee who will be serving the remainder of Tracy Walker's term through 10/31/2009.

Chairman Lynch was congratulated on his recent promotion to Sergeant.

1. Approved the minutes of the May 28, 2009 board meeting. **It was moved by Mr. Moors, seconded by Ms. Fox and by unanimous vote to approve the minutes of the May 28, 2009 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 – 5] Mr. Bogush requested that item 5 be removed from the consent agenda for further discussion. **It was moved by Ms. Miller, seconded by Mr. Moors and by unanimous vote to approve consent agenda items 2 through 4.**

2. Ratified pension benefits.
3. Noted receipt of independent performance measurement report prepared by IPS for the quarter ended 3/31/2009.
4. Noted receipt of investment performance report for the month ended 5/31/2009. Market value of *investments* as of 5/31/2009 was \$1,147,641,030.40. Investment return as of 5/31/2009 has been -14.6% so far this fiscal year.
 - a. Addendum distributed at meeting. Market value of *investments* as of 6/24/2009 was \$1,132,651,486. Investment return as of 6/24/2009 has been -15.7% so far this fiscal year.

[Item 5 removed from consent agenda for discussion.]

5. Approved payment to Counsel R. Cohen for legal services rendered during May 2009 in the amounts of:
 - a. \$17,047.62 General Counsel
 - b. \$6,525.00 Parker lawsuit
 - c. \$28.76 Pena lawsuit

Mr. Bogush expressed concerns that on the general counsel bill there were charges for personnel issues and he has heard no explanation as to why that doesn't fall under typical expenditure protocol. He noted that invoice had almost \$12,000 in charges, but he was not aware of any special assignments. Mr. Bogush related his understanding that the Chairman has the authority to approve expenses up to \$10,000, but anything above that, he felt the board should be notified and make a decision whether to approve the expenditure or not. Mr. Lynch stated that this is a confidential matter that cannot be discussed in a public forum. Mr. Bogush said that this is too big of an expenditure for him to approve without knowing more about it. Ms. Miller requested that board counsel meet with or talk to, by telephone, board members individually to brief them on this issue without violating Sunshine since the nature is such that it is inappropriate for a public meeting. Mr. Cohen agreed to do so. **It was moved by Ms. Miller, seconded by Mr. Bogush and by unanimous vote to approve the invoices in 5a, b, c contingent upon Board Counsel conducting one-on-one briefings with trustees so interested.**

Old Business

6. Noted receipt of letter dated 6/17/2009 from J. Beattie, Actuary from Buck Consultants regarding cost neutrality of proposed retiree remarriage after retirement benefit, as long as it is based upon actuarial equivalence. **It was moved by Ms. Miller, seconded by Mr. Moors and by unanimous vote to receive and file item 6 and to distribute it to the Unions and the City Administration.**

New Business

7. Noted receipt of listing of upcoming conferences. Disclosure of planned attendance, if any.

Mr. Meier disclosed for the FPPTA 25th Annual conference and thanked the staff for making his attendance possible on such short notice. Ms. Miller requested that the "State and Local Government Accounting Conference" be added to the upcoming conference list so that she may disclose for it at the next meeting. Mr. McRae disclosed tentatively for the 17th Annual Guns and Hoses conference. Mr. Adwell disclosed for the FPPTA Trustees School in October.

F&P staff member, Tiffany Corry asked the members of the board for assistance in making travel arrangements. Ms. Corry asked that the board disclose for conferences as soon as possible in order to receive the room block rates instead of waiting until the last minute when the conference hotel is either booked up, or the prevailing rate is double or even triple the blocked rate. She also asked trustees to make any special requests of staff the day of

disclosure or very soon thereafter and to announce if they will be speaking at the conference, when registration is typically waived for speakers, so that she can save the pension fund money. Also, if cancellation is necessary, to please let her know as soon as possible in order to receive a full refund. Ms. Campbell thanked Ms. Corry for reminding everyone of his or her fiduciary responsibility to the plan, and Mr. Lynch thanked Ms. Corry for fulfilling his special requests when arranging his travel. **It was moved by Mr. Gray, seconded by Mr. Adwell and by unanimous vote to receive and file item 7.**

8. Noted receipt of newspaper article entitled “Pension fund raises issues” from *St. Petersburg Times* dated 6/14/2009.
 - a. Noted receipt of letter dated 6/15/2009 from Jay Bowen of Bowen, Hanes & Co.
It was moved by Ms. Miller, seconded by Ms. Fox and by unanimous vote to receive and file item 8.

Mr. Moors asked for clarification on the issue of a single money manager. He said that one of the issues beyond Mr. Bowen’s excellent performance is that there are individual contracts that say “**a**” money manager. Mr. Moors asked that if the board were to change that, would they have to change each contract? Mr. Lynch said that he believes that a change to the contract would require a special act. Mr. Moors went on to ask, what more is involved than a policy change? Mr. Cohen responded that the board has historically read that provision as only allowing one nationally recognized investment manager. Mr. Cohen stated that he has expressed privately to certain trustees, when asked, that his tentative opinion is that the board could interpret that provision differently and hire more than one investment manager, but that doesn’t mean that the board has to. Mr. Cohen reiterated that this is not a formal legal opinion, but there may be good reasons why the board shouldn’t hire multiple managers. Mr. Lynch asked if there has ever been a formal written legal opinion on this before? Ms. Campbell advised that there was a written legal opinion from a city attorney and other attorneys that have worked for the board who interpret “a” to mean one and only one. Mr. Gray went on to say that both unions are in contract negotiations now, so how can we hurt ourselves by asking to have that changed in order to give us the ability to have more than one investment manager in the future? Can the Board coordinate with the union to ask that to be changed? Ms. Campbell responded that the board has asked the City and the Unions more than once; however, the request tends to fall through the cracks because it’s not that big of an issue to them, like a multiplier increase, but we can recirculate that request. Ms. Miller asked that this discussion be put on a future agenda.

It was moved by Ms. Miller, seconded by Mr. Gray and by unanimous vote to recirculate the memo asking the Unions and the City Administration to change the pension contract from “a nationally recognized professional investment counsel” to language meaning more than one.

9. Chair’s call for any new business items from trustees to be placed on next agenda.

Ms. Miller asked the discussion of changing “a” to mean one or more nationally recognized investment manager to be placed on a future agenda. [See above.]

[Brief recess from 1:47 p.m. to 1:52 p.m. for Public Comment cards to be turned in.]

10. Chair's report.

Mr. Lynch congratulated the Fire & Police Pension Office for their green initiative for discontinuing distribution of paper copies of minutes for web-based minutes. Mr. Lynch also noted receipt of a letter dated June 17, 2009 from Major George McNamara of the Tampa Police Department commending Ms. Campbell for her outstanding assistance and courtesy (see item 12e).

11. Attorney's report.

Mr. Cohen announced that he would report under litigation.

Mr. Meier asked the board's permission for the PBA to work with Mr. Cohen -- at no cost to the board or pension fund -- about pension contract language issues such as remarriage after retirement and buy back. Ms. Campbell pointed out that Mr. Cohen's contract says that permission has to be granted by the Board in order for Board Counsel to work with the PBA, which permission may be arbitrarily withheld. Mr. Meier clarified that the union wants to make sure that the proposed language is technically correct for changes to the contract early in the process rather than at the end. **It was moved by Ms. Fox, seconded by Mr. Gray and by unanimous vote to grant permission for the PBA to work with Mr. Cohen on potential plan changes at no cost to the fund.**

Ms. Miller went on the record to request that if Mr. Cohen felt there was any ethical prohibition, he would so disclose at the next meeting. Mr. Cohen agreed and assured the board that they have his undivided loyalty. Ms. Fox commended the union on the wisdom of ensuring technical accuracy and the spirit of teamwork working with the Board and its professionals on this to prevent poorly written language.

12. Plan Administration.

- a. 2009 Board meeting schedule:
 - July 23, 2009
 - August 27, 2009
 - September 24, 2009
 - October 22, 2009
 - November 19, 2009 *early due to holidays
 - December 17, 2009 *early due to holidays
- b. F&P pension office priorities, projects, deadlines.
- c. Noted receipt of trustee election results:

Wes Adwell	117
James Gilligan	42
Dan Lombard	41
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Total votes cast 201 out of 1,193 eligible -- a 17% turnout

- d. Discussion of consistent poor voter turnout for trustee elections and discussion of alternatives, such as full absentee/mail-in balloting in lieu of multiple poll locations open for extended hours staffed by poll workers.
- e. Letter dated 6/23/2009 from Major George M. McNamara distributed at the meeting.

Ms. Campbell discussed the results of the trustee elections and placed emphasis on handout 12d which shows a brief cost analysis and cost per vote. She referred to P&P 806-Pension Board Elections from 1976 regarding trustee elections and absentee ballots and requested permission to try complete mail-in voting for the upcoming police election. She explained that the current method for elections costs \$4,000-5,000 per election and continues to have a poor turnout. The proposed test election would involve amending the absentee ballot policy so that we could provide everyone with a mail-in ballot. All of the current postings and notifications would continue, and the appropriate fraud prevention procedures would continue in place. This could reduce costs to about \$1,500 per election and give us a better chance for increased participation at a substantially lower cost. Ms. Campbell went on to explain that we would hold an election one day in the office during regular business hours staffed with two poll workers to count the mailed in or hand delivered ballots and ratify the results at the end of the day. Discussion took place about the proposal regarding the measure of a good turnout and other elections that use the mail-in method. Mr. Meier stated that he thought that this is a very doable plan. Mr. Bogush agreed that the idea is good, but requested that Ms. Campbell set up the program and make a presentation to the board. Mr. Cohen expressed concern that the pension contract can be read to allow voting only at meetings; however, the board is entitled to a great deal of discretion on this. The word "meeting" assumes that the trustees actually convene a meeting with agenda, notice, posting, quorum, and minutes. Ms. Campbell pointed out that if that strict interpretation is the case, then every election since 1976 and possibly before was invalid. Discussion then took place regarding the length and locations of the elections under the current process and ways to alter them. **It was moved by Ms. Miller, seconded by Ms. Fox and by unanimous vote to defer this issue to the next meeting.**

Public Comments Limited to two (2) minutes per person and maximum of ten (10) persons.

None.

Litigation

13. Parker Lawsuit, Case No. 07-007198, John N. Parker, for himself and all others similarly situated vs. the Board of Trustees of the City Pension Fund for Firefighters and Police Officers in the City of Tampa. Updated by board counsel, if any. Mr. Cohen announced that mediation has been scheduled for July 24, 2009. The mediator, Emery H. Rosenbluth, Jr., is from Orlando and neither Mr. Cohen nor Mr. Gonyea knows him personally or professionally and he was acceptable to all parties. Mr. Cohen stated that this mediation is not open to the public and has strict limitations on what can be said afterwards. Mr. Cohen announced that the place is to be determined. Mr. Bogush asked if board members are permitted to attend? Mr. Cohen responded that only Mr. Lynch and Ms. Campbell are permitted to attend and that there will not be any final decisions made at mediation – the Board would be the approving body.

14. Pena Lawsuit, Case No. 08-013997, Fred Pena, for himself and all others similarly situated vs. the Board of Trustees of the City Pension Fund for Firefighters and Police Officers in the City of Tampa. Noted receipt of letter from J. Townsend dated 5/19/2009 received by F&P pension office 5/27/2009. **It was moved by Ms. Miller, seconded by Ms. Fox and by unanimous vote to receive and file item 14.**

Motion to adjourn was made by Ms. Miller at 2:10 p.m.

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.

Persons needing a special accommodation to participate in this meeting should contact the F&P pension office at (813) 274-8550 or (888) 335-8550 – toll free, or the Florida Relay Service at (800) 955-8770 – toll free, or dial 711 from any phone (regular phone/land line or cell phone) for the Florida Relay Service. Please make your requests at least five (5) working days before this meeting.

Patrick S. Lynch, Chairman

John Moors, Secretary

Tiffany S. Corry
Recording Secretary