FIREFIGHTERS' PENSION BOARD

MINUTES

January 29, 2009

The Meeting was called to order by Chairman, Phil Milner.

Pledge of Allegiance

Roll Call

PRESENT

Michael Handoga
Phil Milner, Chairman
Kenneth Clark, Secretary
Keith Beattie
Bruno Falkenstein

APPROVAL OF MINUTES

The Minutes from the October 23, 2008, Meeting were not available due to staff shortages.

PAYMENT OF INVOICES

A motion was made, seconded and carried by unanimous voice roll call that all invoices listed on the Agenda are to be paid.

It was noted that Bruno Falkenstein had now arrived at the Meeting.

REPORTS

Tim Nash of Bogdahn Consulting was present to give the quarterly report. Mr. Clark asked that the reports not be sent to the Board by FedEx because the members receive them via email and then print them out.

The market is rather bleak at this time however Mr. Nash reported that he had taken a look at past markets and there had been 21 recessions after WWII and the average duration was 16 months. The current recession began in December of 2007 and we are now 13 months into it. He stated that we should be through it by the end of 2009.

At the present time, Mr. Nash recommended that we remain status quo with no re-allocations. Cash flow is down \$790,000 for the quarter which puts us in the top 21st percentile. CMA is in the top 10 percentile and is doing a good job for us. Snow Capital

Management is at the bottom of the pack; 1 year 92 percentile, 2 year 89 percentile, 3 year 80 percentile. Overall, 5 year above percentile.

Mr. Nash recommended that we change value manager. Three out of ten plans recently changed. Mr. Clark endorses a change as soon as possible.

A motion was made, seconded and unanimously approved by voice roll call that we proceed post haste to replace Snow Capital Management.

Mr. Nash presented a list of six possible replacements, i.e. Anchor Capital, Dana Investment Advisors, Westwood Advisors, Heartland Opportunistic Values, Cornerstone Investment Advisors and River Source.

It was decided that a Special Meeting would be held February 20, 2009, at 1:00 pm to interview prospective managers. The other Plans have chosen Dana and So. Pasadena Fire Fighters also chose Dana to replace Snow Capital Management.

It was agreed that three managers would be invited to come to the Special Meeting. They are Dana Investment Advisors, Anchor Capital and Westwood Advisors.

Lynn Skinner reported that pensioners had each received 2 1099Rs and that was because of the change in service providers.

Patrick Dolan reported on the Experience Study requested by the Board.
The first matter was the reduction of salary increases from 6% to 5.5%.
Next was extension of retirement dates to 56 years and/or 26 years.
He will send a new report to the Board with these changes.

A motion was made by Michael Handoga, seconded by Bruno Falkenstein and approved by unanimous voice roll call that salary increases will be reduced to 5.5% and also extending retirement dates by one year.

A motion was made by Michael Handoga, seconded by Keith Beattie and approved by unanimous voice roll call that the salary scale and retirement change be applied to the 2008 calculation.

Patrick Dolan will do a new Evaluation Report prior to the February Special Meeting.

ATTORNEY REPORT

Lee Dehner gave a quarterly report and reminded Board Members to get their financial disclosure information for 2008 filed before July 1, 2009.

Mr. Dehner reported that Tallahassee was holding discussions on a proposal amending 99.1, the state provision for benefit improvements. Part of the money could be used for current funding requirements because of the bad times we are in.

SHARE PLAN

Mr. Milner hasn't made copies for the Board yet but will have them available at the February Special Meeting and will discuss it at the next regular quarterly Meeting.

ADJOURNMENT

Upon motion made, seconded and unanimously carried by voice roll call, the Meeting was adjourned.

Phil Milner, Chairman

ATTEST:

Theresa McMaster, City Clerk