

Minutes of the Firefighter's Pension Board Meeting

Chairman Ronald Glass called the meeting to order on Thursday, December 17, 2009 at 9:00 a.m., 2nd floor, agenda conference room, City Hall at 400 S. Orange Avenue, Orlando, Florida. There was a quorum.

Members Present:

Ronald Glass, Chairman
John Miller, Vice-Chair
Michael Droege, Secretary
Mario A. Garcia, Trustee
Rebecca W. Sutton, Trustee (absent)

Also Present:

Christopher P. McCullion, Executive Director
James B. Loper, Board Attorney (via telephone)
Rochelle L. Burlon, Pension Coordinator
Michael Clelland, Attorney for C. Bates
Collette Bates, Disability Applicant
Amanda Green, Department Advocate
Katie Zuccarini, Employee Benefits

1 TCW

At a Special Business Meeting with the PAC and the Police Pension Board, Kevin Leonard, Investment Consultant from NEPC, addressed issues concerning TCW Asset Management, the investment manager for the plans' mortgage portfolio and their acquiring Metropolitan West Asset Management on December 4, 2009. Kevin also updated all of us that Jeffrey Gundlach, Chief Investment Officer who was the lead portfolio manager who handled our account for many years was terminated.

C. McCullion advised that on December 11, 2009, he gave direction to TCW to manage the City of Orlando's Operating Portfolio and Pension accounts in a defensive manner until further notice. They were instructed not to make additional purchases and only to sell existing earnings in order to prevent a material loss. Additionally, they were advised not to reinvest interest earnings or proceeds received from the sale of existing assets.

K. Leonard recommended that we hold off on making any further decision until we meet again on February 3, 2010.

A MOTION TO PERMIT TCW TO MANAGE OUR ACCOUNT IN A DEFENSIVE MANNER UNTIL FURTHER NOTICE AND WE WILL DISCUSS THIS WITH NEPC ON FEBRUARY 3, 2010 was made by M. Droege and seconded by M. Garcia; MOTION CARRIED UNANIMOUSLY.

2 COLLETTE BATES

J. Loper reviewed new evidence he received after the disability hearing from Mike Clelland, attorney for Collette Bates. C. Bates and M. Clelland were in attendance. Discussion ensued.

A MOTION THAT AFTER REVIEWING SAID NEW EVIDENCE, THE BOARD OF TRUSTEES WILL STAY WITH THEIR DECISION ON DECEMBER 4, 2009 TO GRANT COLLETTE BATES A LINE OF DUTY DISABILITY was made by M. Droege and seconded by J. Miller; MOTION CARRIED UNANIMOUSLY.

3. ORDINANCE ENACTING IRS CHANGES

J. Loper reviewed the ordinance amending chapter 12, Article III (Firefighters Pension Fund) by amending Section 5, "General Powers of the Board"; By amending Section 10, "Pension for Death Not in Line of Duty"; By amending Section 34, "Optional Forms of Retirement Income"; providing for severability and providing retroactive effective

date. Discussion ensued. J. Loper will prepare a new draft with all changes and staff will share this with the legal department.

A MOTION TO INCLUDE THAT A CHANGE IN A JOINT PENSIONER WILL NOT BE CHARGED FOR THE COSTS INVOLVED FROM THE ACTUARY UNLESS IT IS THE THIRD TIME IT IS BEING CHANGED was made by M. Droege and seconded by J. Miller; MOTION CARRIED UNANIMOUSLY.

A MOTION TO AUTHORIZE STANLEY, HOLCOMBE TO PREPARE AN ACTUARIAL IMPACT STATEMENT TO GO WITH THIS AMENDED ORDINANCE was made by M. Droege and seconded by J. Miller; MOTION CARRIED UNANIMOUSLY.

4. **SHARE PROGRAM**

J. Loper and R. Glass reviewed the changes in the Share Program.

A MOTION TO HAVE GERRY KASPER FILL OUT A DESIGNATION OF BENEFICIARY FORM FOR THE SHARE PROGRAM AS SOON AS POSSIBLE, was made by M. Droege and seconded by R. Glass; MOTION CARRIED UNANIMOUSLY.

A MOTION TO AUTHORIZE STANLEY HOLCOMBE TO START ON THE CALCULATIONS FOR THE SHARE PROGRAM AS SOON AS ALL DATA IS FINALIZED AND TO BILL THIS SEPARATELY FROM NORMAL ACTUARIAL FEES was made by R. Glass and seconded by M. Droege; MOTION CARRIED UNANIMOUSLY.

A MOTION TO APPROVE THE SHARE PROGRAM AS PRESENTED WITH CHANGES DISCUSSED TODAY AND STAFF WILL HAVE THE LEGAL DEPARTMENT AND LABOR RELATIONS REVIEW ONCE COMPLETED, was made by M. Droege and R. Glass, MOTION CARRIED UNANIMOUSLY.

5. **NEW/GENERAL APPEARANCE**

a. **CONTRACT WITH BOARD ATTORNEY**

A MOTION TO RENEW JAMES B. LOPER'S CONTRACT FOR THE REMAINING YEAR OF HIS CONTRACT AT A RATE OF \$260 PER HOUR EFFECTIVE JANUARY 1, 2010; was made by R. Glass and seconded by M. Droege; MOTION CARRIED UNANIMOUSLY.

b. **BOARD MEMBERSHIPS**

A MOTION TO RENEW FPPTA AND NCPERS MEMBERSHIPS FOR 2010 was made by M. Droege and seconded by M. Garcia; MOTION CARRIED UNANIMOUSLY.

Meeting Adjourned at 11:30 am.

Respectfully submitted,

Shelly Burlon

Rochelle (Shelly) L. Burlon
Pension Coordinator