

FIRE PENSION BOARD
REGULAR MEETING
MINUTES
May 21, 2009

The Fire Pension Board of Trustees held a Regular meeting on Thursday, May 21, 2009 at 4:00 pm, at the City of New Smyrna Beach Utilities DeBerry Room, 200 Canal Street, 3rd Floor, New Smyrna Beach, Florida. Chairman, Kirk Jones, called the meeting to order at 4:00 pm.

ROLL CALL

The following members were in attendance:

Kirk Jones
Tom Lee
Keith Jones
Lynne Plaskett

James Hathaway was unable to attend. In attendance were Carol Rogers, Finance Director and Claudia Rogers, Recording Secretary.

APPROVAL OF MINUTES

A motion was made by Lynne Plaskett to approve the minutes of the Regular meeting held on February 26, 2009, seconded by Keith Jones. The motion passed unanimously.

PRESENTATION OF 2nd QUARTER RESULTS-SMITH BARNEY

Charlie Mulfinger presented the 2nd Quarter financial results and an economy and stock market overview. The fund value on March 31, 2009 was \$9,737,843.83, sustained a net loss of \$346,856.07 Gross of Fees and \$371,750.12 Net of Fees in the quarter. Detailed information is included in the Quarterly Performance Evaluation report document on file with the City. Mr. Mulfinger informed the Board regarding the formation of a joint venture between Morgan Stanley and Citi. He advised the Board this joint venture will not change their commitment or unbiased objective investment advice. Charlie gave the Board members a copy of the revised Statement of Investment Policy and Objectives. Mr. Dehner looked over the revised Statement of Investment Policy and Objectives and advised the Board if the Protecting Florida's Investments Act (bottom of page 3) is not vetoed it will become effective July 1, 2009. The provision requires the fund to divest any securities or investments in companies with certain business operation in the countries of Sudan and Iran. Mr. Dehner also advised the Board to change the allowable maximum limit of foreign to be 25% not the word allowable. Keith Jones made a motion to accept the revised Statement of Investment Policy and Objectives with the changes noted, seconded by Tom Lee. The motion passed unanimously.

APPROVAL OF FEES

Lynne Plaskett made a motion to approve the February 2009 invoice in the amount of \$463.87, seconded by Keith Jones. The motion passed unanimously.

BOARD MEMBERS REPORT AND COMMUNICATIONS

Kirk Jones addressed the Board regarding a letter received from Joseph Caro. Claudia Rogers advised the Board she had received salary and contribution information from the Division of Retirement and had forward the information to Foster & Foster for them to do an actuarial report. In Mr. Caro's letter he indicated he was not sure if he wanted to take early retirement or withdraw his contributions from the plan. Claudia Rogers also advised the Board she had been in contact with Mr. Caro and had advised him of the progress. Kirk Jones asked Ms. Rogers if she had been able to research the membership in the FPPTA. Ms. Rogers told the Board she had researched the website and had spoken to a representative of FPPTA who advised the Board would have to reapply and pay a membership fee of \$1,500. Ms. Rogers told the Board she had printed and filled out the application for approval by the Board. A motion was made by Keith Jones to rejoin the FPPTA, seconded by Tom Lee. The motion passed unanimously.

CITY REPORTS AND COMMUNICATIONS

None

ATTORNEY REPORTS AND COMMUNICATIONS

Mr. Dehner discussed with the Board the Legislative update and amendments being made to pension plans including Senate Bill 538. This Bill includes the 25% Protection Florida Investments Act, changing trustee terms from 2 years to 4 years, changes is buyback of prior fire service and the transfer of funds from the pension plan to insurance companies. If the Bill is not vetoed it will become effective July 1, 2009. Rule 60T was uniformly opposed by all. Charles Slavin has retired, Patricia Shoemaker said they would be moving forward with the item but it was not on the front burner. While the Division of Retirement is looking for a replacement for Mr. Slavin, they have contracted out the actuary services to a few different actuaries. IRS survey if received must be completed and returned within 90 days, if not received within 90 days the IRS will be contacting the pension plan.

ADJOURNMENT

There being no further business, the meeting was adjourned at 5:25 pm.