

**ATU LOCAL 1596 PENSION FUND
MINUTES OF MEETING HELD
NOVEMBER 27, 2009**

Board Members Present:

Robert Doane – Union Appointee
Frank Luna – Chairman, Union Appointee
Lisa Darnall - Secretary, LYNX Appointee
Bert Francis - LYNX Appointee
Frank Lacock - Union Appointee
Edward Johnson - LYNX Appointee

Others Present

Nick Schiess - Plan Administrator
Robert Sugarman - Plan Attorney
Burgess Chambers – Investment Consultant
Brian Anderson – LYNX Liaison

Agenda Item	Discussion	Decision	Status	Follow-up
1.	The meeting was called to order at 10:35 A.M. in the LYNX Boardroom, Lynx Central Station, 455 N. Garland Av. Orlando, FL 32801.			
2.	<p>Burgess Chambers appeared before the Board on behalf of Burgess Chambers & Associates to provide a report on the investment performance of the portfolio for the quarter ending September 30, 2009. The investment return for the quarter was 11.1% versus 10.8% for the index and fiscal year return was 1.1% versus 0.6% for the index. Mr. Chambers discussed market and economic factors contributing to the market recession and recent rally in equity values.</p> <p>Mr. Chambers reviewed the performance of the individual investment products in great detail noting all was satisfactory. He then reviewed the asset allocation noting that current allocation was appropriate. Mr. Chambers then reviewed compliance checklist noting that all was satisfactory except some performance objectives had not been met, which was attributable to the recent market downturn.</p>			

	Nick Schiess requested clarification on whether the Administrator should accept direction between meetings from the Investment Consultant for rebalancing the portfolio.	Bert Francis made a motion for the Administrator to accept direction from the Investment Consultant to rebalance the portfolio as necessary between meetings within the guidelines of the Investment policy Statement along with notification to the Board within three business days. Lisa Darnall seconded the motion, approved by the Trustees 6-0.	Closed	None
*	The meeting recessed at 12:06 P.M. for lunch and reconvened at 12:35 P.M.			
3.a.	Nick Schiess reported that a mailing had been completed to active participants regarding the change in employee contribution rates for the 2010 fiscal year. He provided the Board with a report on the recent share and enhanced benefit enrollment.		Closed	None
3.b.	Robert Sugarman presented an Agreement for legal services with Sugarman & Susskind for execution.	Edward Johnson made a motion to execute the Agreement for legal services. Bert Francis seconded the motion, approved by the Trustees 6-0. The Board requested a proposal for an all-inclusive retainer.	Closed Open	None Board
3.c. 8.a.	Nick Schiess reported that the issue with the active payroll data had been resolved and the data for the entire fiscal year had received. He advised that the production of the annual benefits statement was now possible and would be completed as soon as possible.	Nick Schiess was directed to schedule the annual benefit statement distribution with Frank Luna and Brian Anderson.	Open	Nick Schiess
3.d.	Robert Sugarman reported that proposed Amendments Six and Nine had been forwarded to the Union and LYNX. While the Union expressed no objection to either Amendment, LYNX objected and asserted its right to collective bargain both Amendments. In regards to Amendment Six, he reported that LYNX had expressed concerns over the definition of disability, the crediting of benefit credits and the financial impact that the shifting of costs would have upon the disability insurance premiums			

	for Orange County but these issues would likely be addressed during collective bargaining. Mr. Sugarman reported that LYNX had expressed concerns regarding Amendment Nine over any potential costs. It was noted that there were not any internal costs for the record keeping by the Administrator and the money market interest return was net of expense. Mr. Sugarman recommended revising the Amendment to include a provision that in the event that a cost should arise that it would be the responsibility of the DROP participants. A discussion arose regarding the selection of a money market fund. Mr. Sugarman advised that the Board must now await the collective bargaining process. He requested permission to consult with either LYNX or the Union jointly via teleconference if necessary and the Board agreed.	<p>The Board directed Mr. Sugarman to revise Amendment Nine to provide that any costs including those unforeseen would be the responsibility of the DROP Participants.</p> <p>The Board agreed that the money market fund selected should be the least risky governmental bond fund available from the custodian.</p>	<p>Open</p> <p>Closed</p>	Robert Sugarman Board
3.e.	Nick Schiess presented quotes for the renewal of fiduciary liability insurance in the annual premium amount of \$14,731 for coverage from the Traveler's Insurance Company and \$11,944 for similar coverage the Hudson Insurance Company. The Board reviewed and compared information on the coverage, insurers and premiums. It was noted that the Trustees were not covered by under any of LYNX's insurance coverage.	Robert Doane made a motion to obtain fiduciary liability insurance coverage from the Hudson insurance Company. Bert Francis seconded the motion, approved by the Trustees 6-0.	Closed	None
3. f.	As a follow up to the last meeting, Nick Schiess reported researching the scope of older payroll records available from LYNX with specific attention to the verification of service and earnings for Jose Rios. Mr. Schiess provided the Board with calendar year earnings information that was missing years 1999 and 1992 noting that this was the extent of the older payroll information archived by LYNX.	<p>The Board directed the administrator to inquire with Mr. Rios whether he had any records of his earnings for the missing years and if not request him to inquire to the Internal Revenue Service for this information.</p> <p>Once the missing information was obtained, the Board requested Mr. Schiess to collaborate with Brian Anderson to develop recommendations to the Trustees for the crediting of service credit for Mr. Rios.</p>	Open	Board Nick Schiess Brian Anderson
3.g.	Nick Schiess reported that a mailing had been completed			

	to all participants lacking a designation of beneficiary, however, a significant number of active participants had failed to respond. He noted that a similar mailing had been completed in the year 2007. It was noted that in the event of a lack of beneficiary, then the spouse would default as beneficiary and then children. A discussion arose regarding what additional measures can be taken to obtain the still missing designations.	A majority of the Trustees determined that more than a reasonable effort had been extended to resolve the matter and no additional measures were warranted.	Closed	None
3. h.	Brian Anderson confirmed that the employee contribution rate had been revised within the payroll system for the 2010 fiscal year.		Closed	None
3.i.	Bert Francis and Frank Lacock discussed the findings on their committee meeting to review the existing Trustee Travel Expense Policy. Mr. Francis advised that the only provision in need of revision is the food allowance during educational conferences and he discussed different alternatives.	The Board tabled the matter until the next meeting.	Open	Board
3.j.	Nick Schiess provided the Board with a report of securities litigation proceeds received by the Administrator on behalf of the Plan for the last three years and also a report the from the Plan's former custodian, SunTrust Bank.		Closed	None
8.e.	Robert Sugarman provided the Board with a memorandum to assist active participants and their ex-spouses with the legal implications of divorce on the benefits of governmental pension plans. He recommended that he Board adopt the policy of distributing the memorandum to divorcing members and their spouses.	Frank Lacock made a motion to adopt the policy of distributing the divorce memorandum to divorcing members and their spouses. Robert Doane seconded the motion, approved by the Trustees 6-0.	Closed	None
7.	Mr. Sugarman provided a revised Special Tax Notice for distribution.		Closed	None
8.c.	Robert Sugarman reviewed the proposed Audit Engagement Letter from Cherry Bekaert & Holland noting that several provisions must be revised or a replacement auditing firm must be engaged. He agreed to negotiate the required changes with the firm.		Open	Robert Sugarman

8.b.	The Board discussed holding the annual holiday dinner to express gratitude to those who have served the Plan.	The Trustees decided to forego the annual holiday dinner for budgetary reasons.	Closed	None
8.d.	As a follow up to the last meeting wherein it was identified that active participants who have missed service while out on worker's compensation are permitted to receive service credit, Nick Schiess reported that the information on participants who had been out on disability within the last two years had been ordered. He agreed to provide a complete report at the next meeting.		Open	Nick Schiess Board
4.	The Board reviewed the minutes of the meetings held on August 25, 2009 and September 1, 2009 and a correction was noted on both sets of minutes.	Robert Doane made a motion to approve the minutes of the meeting held on August 25, 2009 as corrected. Bert Francis seconded the motion, approved by the Trustees 6-0. Edward Johnson made a motion to approve the minutes of the meeting held on September 1, 2009 as corrected. Bert Francis seconded the motion, approved by the Trustees 6-0.	Closed	None
5.a.	The Trustees reviewed the list of disbursements presented for approval.	Robert Doane made a motion to approve the disbursements as presented. Bert Francis seconded the motion, approved by the Trustees 6-0.	Closed	None
5.b.	Un-audited statements of the balance sheet and income and expense were provided to the Board.	The Trustees received and filed the financial statements.	Closed	None
6.a.	The Trustees reviewed the list of benefit approvals presented for approval.	Lisa Darnall made a motion to approve the benefit approvals as presented. Robert Doane seconded the motion, approved by the Trustees 6-0.	Closed	None
9.	It was noted that the Union had reappointed Robert Doane and LYNX had reappointed Edward Johnson as Trustees for another three-year term.		Closed	None
10.	The meetings for the year 2010 were scheduled for February 23, May 25, August 24, and November 30, 2010.		Closed	None
	The meeting adjourned at 2:45 P.M.		Closed	None

Respectfully submitted,

Secretary