

**MINUTES**

**POLICE OFFICERS' & FIREFIGHTERS'  
RETIREMENT COMMITTEE MEETING**

**TUESDAY - OCTOBER 14, 2008 - 9:00 AM**

**PRESENT**

Sgt. Leo Socorro – Chair  
Chief Linda Loizzo  
Mayor Raymond Marin  
Councilman DeRose  
Police Officer Michael Pons

**ALSO PRESENT**

Charlie Mulfinger – Citi  
Michael DeGenoa - Citi  
Howard Lenard – City Attorney  
Martin Lebowitz – Pension Administrator

**ABSENT**

**DEPARTMENT REPRESENTATIVES**

A number of Sworn Police Officers  
Lori Helton – IT

Sgt. Socorro called the meeting to order at 9:10 a.m., followed by a roll call of Trustees.

**I. PLAN ATTORNEY DECISION**

Roll Call Vote:	Mayor Marin	Yes
	Chief Loizzo	Yes
	Sgt. Socorro	Yes
	P.O. Pons	Yes

Following discussion, motion by Sgt. Leo Socorro, seconded by Mayor Raymond Marin, to enter into a contractual agreement with Bob Sugarman of Sugarman & Susskind to serve as the Plan Attorney for the City of North Miami Beach Police & Fire Retirement Plan.

Motion Approved

**II. CITI – INVESTMENT CONSULTANT**

Charlie Mulfinger and Michael DeGenova presented the performance report, indicating a total portfolio market value on 9/30/2008 of \$51,823,723 (including accrued income). This represents a net decrease in value from the previous quarter of \$4,527,552. The total asset allocation was reported to be 50.16% invested in equities, 11.91% invested in international, 34.91% in fixed income and 3.02% in cash and equivalents. The total fund earned -7.96% for the quarter.

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For the quarter ended 9/30/2008: Davis Hamilton's total return was -6.65%, with AllianceBernstein at -4.39%. In equity, Davis Hamilton returned -10.59% and AllianceBernstein returned -8.79% for the same period. Additionally, the Bond Fund returned -1.36% by Davis Hamilton and AllianceBernstein at -.81%. The fund experienced a total return of -18.04% in international equities. And the Mid-Cap Value fund earned -9.88 and Small-Cap earned -14.30%.

Plan year results: Total return earned for plan year was -14.83%.

Charlie Mulfinger handed out to the committee recommendation to change the Statement of Investment Policy Goals and Guidelines.

Motion by Sgt. Socorro, seconded by Chief Loizzo, to accept the proposed changes recommended by Citi for the Statement of Investment Policy Goals and Guidelines as discussed with the exception of page 5 section 4 will remain the same. Also, this is subject to review by legal.

Motion Approved

The manager changes that Citi has proposed will require a transition broker to reallocate the assets. Citi has recommended Bank of NY for this project.

Also, for Davis Hamilton and AllianceBernstein we need to open separate custodial accounts for the fixed income portion of their portfolios. This will make investment performance numbers more accurate for reporting.

Charlie Mulfinger is not recommending any changes for Davis Hamilton, but will place them on a "watch list" due to the fact that senior Manager Catherine Woodruff has left the firm.

Charlie Mulfinger has recommended replacing AllianceBernstein with a new Large Cap Value Manager. At this time Charlie Mulfinger has not researched other Investment Managers to replace AllianceBernstein, but will have a list of proposed managers at the next meeting.

Motion by Chief Loizzo, seconded by Sgt. Socorro to have Citi search for a new Investment Manager to replace AllianceBernstein.

Motion Approved

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Charlie Mulfinger handed out to the committee Investment Managers Firm Information. He is recommending replacing mutual funds holding with the following managers:

**Small/Mid Cap Value Managers:**

Anchor Capital  
Golden Capital  
GW Capital

**Small/Mid Cap Growth Managers:**

MDT Advisors  
Voyageur Asset Mgmt  
Wells Capital

**International Growth Managers:**

Harding Loevner  
Henderson Global  
Renaissance

**International Value Managers:**

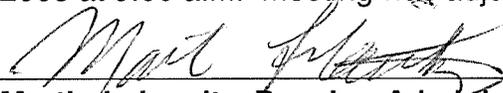
Delaware Investments  
Philadelphia Investment Advisors  
Templeton Portfolio Advisors  
Thornburg Investment Mgmt.

Motion by Michael Pons, seconded by Chief Linda Loizzo to have Citi search for a new Investment Managers to replace the Mutual Funds with an Active Managers.

Motion Approved

After reviewing the Investment Managers to replace the Mutual Funds, Charlie Mulfinger will arrange for the Managers to be interviewed for the November meeting.

The next regularly scheduled quarterly Board meeting will be held on Thursday, November 13, 2008 at 9:00 a.m. Meeting was adjourned at 11.50 a.m.

  
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**Martin Lebowitz, Pension Administrator**