

MINUTES

GENERAL EMPLOYEES' RETIREMENT COMMITTEE MEETING

THURSDAY - FEBRUARY 19, 2009 - 3:00 PM

PRESENT

Councilman John Julien – Chair
Victor Espinal
Larry Gordon
Lori Helton

ABSENT

Councilman Jay Chernoff

ALSO PRESENT

Charlie Mulfinger – Citi
Michael DeGenoa - Citi
Karen Russo – Salem Trust
David Freitas – Salem Trust
Darcee Siegal – City Attorney
Howard Lenard – City Attorney
Martin Lebowitz – Pension Administrator

DEPARTMENT REPRESENTATIVES

Laura Wozniak -Finance
Janice Coakley

Councilman Julien called the meeting to order at 3:00 a.m., followed by a roll call of Trustees.

General Employee' Retirement Committee presented Howard Lenard with a plaque for his dedicated service for over 30 years as City Attorney to City of North Miami Beach General Employees' Pension Board.

I. CITI – INVESTMENT CONSULTANT

Charlie Mulfinger and Michael DeGenova presented the performance report, indicating a total portfolio market value on 12/31/2008 of \$43,314,154 (including accrued income). This represents a net decrease in value from the previous quarter of \$4,860,183. The total asset allocation was reported to be 40.63% invested in domestic equities, 10.53% invested in international, 48.01% in fixed income and .83% in cash and equivalents. The total fund earned -10.04% for the quarter.

For the quarter ended 12/31/2008: Davis Hamilton underperformed Russell 1000 Growth Index -23.51% vs. -22.79%. Buckhead returned -18.07% vs. -22.17% for the Russell 1000 Value Index. Pimco Bond fund returned 6.21% vs. 4.84% for the BC Interm. Govt/Credit. The fund experienced a total return of -17.68% in Templeton International Equities and -19.28% Europacific International Fund vs. -19.96% MSCI EAFE. The Mid-Cap Value fund earned -22.67% vs. -27.19% Russell Mid Value and Small-Cap earned -31.63% vs. -27.44% Russell 2000 Growth.

Plan year results: Total return earned for plan year was -21.94%.

II. SALEM TRUST COMPANY – CUSODIAN – CLASS ACTIONS

Karen Russo and David Freitas presented the current class action report for the quarter ending December 31, 2008.

III. MARTIN LEBOWITZ EMPLOYMENT CONTRACT AND ANNUAL SALARY REVIEW

Martin Lebowitz presented to the committee his Terms of Employment and after discussion the following was agreed to by the committee and Martin Lebowitz, and will be presented to the Police & Fire Pension Board for their approval.

Effective Date: March 1, 2009

Salary Review: Effective March 1, 2009, salary increases to \$80,000 yearly equivalent. 3 ½ % increases each year on anniversary date.

Annual Leave: **Employee is entitled to 96 hours (12 days) of paid annual leave with unlimited accrual.

Sick Leave: ** Employee is entitled to 96 hours (12 days) of paid sick leave with 600 hours cap.

Floating Holiday(s): **Employee is entitled to 2 days per calendar year of floating holidays.

Birthday Holiday: **Employee is entitled to one day per calendar year for a "Birthday Holiday" which need not be taken on employee's actual birthday.

Pension Eligibility: Employer shall make yearly contribution equivalent to 10% of Employee's yearly salary to pension plan (or 401(a) or equivalent retirement plan) based on the calendar year. If Employee leaves employment prior to the completion of the calendar year, the Employer's contributions to Employee's pension plan (or 401(a) or equivalent retirement plan) shall be prorated based on Employee's yearly salary.

Health Insurance: Employer shall provide health insurance at no cost to Employee equivalent to the cost of HMO family coverage.

Dental Insurance: Employer shall provide dental insurance at no cost to Employee equivalent to the cost of DMO family coverage.

Short Term Disability: Employer shall provide Employee with 13 weeks of paid disability at not cost to Employee. **Pending information from Ellen Snow.**

**General Employees' Retirement
Committee Meeting
February 19, 2009
Page 3**

Workers' Compensation: Employer shall provide Employee with workers' compensation insurance at no cost to Employee.

Group Term Life Insurance
With A D & D Rider: Employer shall provide Employee with Group Term Life Insurance With A D & D Rider equivalent to two times Employee's yearly salary up to a maximum \$200,000.

Fair Labor Standard Category: Exempt

Each Pension Board is responsible for half the cost of this contract.

**Employer shall prorate these benefits in accordance with Employee's termination date. Accrued annual leave may be cashed in at Employee's option during the year as per this agreement and/or at termination of employment. This contract shall not effect the employee's prior accrued time.

This Letter of Agreement supersedes all previous employment agreements or arrangements and shall be effective hereafter.

Following discussion, motion by Larry Gordon, seconded by Victor Espinal to accept the Terms of Employment for Martin Lebowitz.

Roll Call Vote:	Councilman John Julien	Yes
	Victor Espinal	Yes
	Lori Helton	Yes
	Larry Gordon	Yes

Motion carried.

IV. WORKERS COMPENSATION POLICY FOR PENSION ADMINISTRATOR

Motion by Larry Gordon, seconded by Victor Espinal to approve payment of Workers Compensation Policy for Martin Lebowitz.

Motion carried unanimously.

V. AUTHORIZATION TO BIND COVERAGE AND PAY PREMIUM

- Fiduciary Liability Insurance: \$5,000 Deductible \$8,092.73 annual premium

Motion by Larry Gordon, seconded by Lori Helton to approve payment of Insurance Policy of \$ 8,092.73 for Fiduciary Liability for one year.

Motion carried unanimously.

VI. APPROVAL OF INVOICES

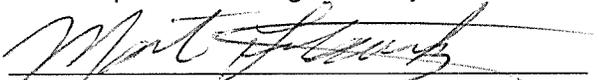
Motion by Larry Gordon, seconded by Victor Espinal, to pay the following invoices:

INVOICES:

Davis Hamilton Jackson – Quarterly Management Fees	\$10,637.31
Buckhead Capital – Quarterly Management Fees	9,328.60
Salem Trust Company – Custodial Fees	4,639.96
Citi Institutional – Consulting Fees	5,625.00
Gabriel Roeder Smith – Actuary Fees	7,595.00
Sugarman & Susskind – Legal Fees	1,080.00
	<u>\$38,905.87</u>

Motion carried unanimously.

The next regularly scheduled quarterly Board meeting will be held on Thursday, May 28, 2009 at 3:00 p.m. Meeting was adjourned at 4.41 p.m.


Martin Lebowitz, Pension Administrator