

MINUTES

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

THURSDAY - NOVEMBER 13, 2008 - 9:00 AM

PRESENT

Sgt. Leo Socorro - Chair
Chief Linda Loizzo
Councilman Philippe DeRose
Officer Michael Pons

ALSO PRESENT

Tom Lowman – Bolton Partners
Bob Sugarman – Sugarman & Susskind
Howard Lenard – City Attorney
Miriam Bensinger – Asst. City Attorney

ABSENT

Mayor Ray Marin

DEPARTMENT REPRESENTATIVES

Bill Dresback – Retired Fiefighter
Kathy Katerman - Police

The meeting was called to order at 9:10 a.m. by Sgt. Socorro and was followed by a roll call of Trustees.

I. BOLTON PARTNERS

MORTALITY TABLE

Tom Lowman has suggested we use an updated Group Annuity Table for calculating retirement benefits for participants who elect Life Annuity, Joint & Survivor or Joint & Contingent. This table does not reflect COLA payments. The General Employees' Retirement Plan is currently utilizing the 1994 Group Annuity Table.

Following discussion, motion by Sgt. Leo Socorro, seconded by Chief Linda Loizzo to use the 1994 Group Annuity Table.

Motion carried unanimously

The members need to vote on the issue to use the 1994 Group Annuity Table.

FIREFIGHTER SUPPLEMENT BENEFIT

After discussion, it was decided to have a separate meeting with Miriam Bensinger, Bob Sugarman, Bill Dresback, Tom Lowman and Martin Lebowitz to review this issue in detail. After the meeting is held the final decision will be presented to the Committee for review for the December 11, 2008 meeting.

II. LEGAL SERVICES AGREEMENT

Motion by Sgt. Leo Socorro, seconded by Chief Linda Loizzo, to approve the contractual agreement with Sugarman and Susskind to be the Pension Attorney for Police & Fire Retirement Plan for the City of North Miami Beach.

Motion carried unanimously

Bob Sugarman discussed whether or not to recommend to the Board either an arbitration case or law suit against Merrill Lynch. Merrill Lynch did a number of things incorrect when they were serving their clients. Some of the things they did wrong based upon the SEC findings are: Off the shelf investment guidelines rather than customized ones; put clients into investments that caused them to pay a finders fee and commission that were not disclosed to the Committee; made money when Merrill Lynch recommended switching investment managers on the buys and sells; may have effected clients' investment performances.

There are two approaches that are being taken against Merrill Lynch, 1) to file an arbitration under FINRO however our contract may not cover arbitration (arbitration usually lasts for 18 months). In arbitration, you get a decision and you cannot appeal. The other alternative is, 2) Lawsuit - would be part of large group lawsuit. The lead lawsuit would be filed in Jacksonville since the Jacksonville P&F Retirement Plan is one of the largest plans in the State of Florida and they used Merrill Lynch. Jacksonville P&F Plan uses Bob Klausner as their pension attorney. Bob Sugarman is talking to Bob Klausner to put together a lawsuit to be filed either in Jacksonville or Miami-Dade.

They would sue Merrill Lynch for violation of the security law and violation of our contract with us for civil theft and fraud. If this goes to trial it could be appealed and would take 4 to 5 years before the case is resolved rather 18 months if you go through arbitration.

Bob Sugarman and Bob Klausner would partner with Bernstein Litowitz which is one of the largest security-fraud law firms. The accusation of Merrill Lynch by Bank of America may change the factors by Bank of America not wanting the adverse publicity. At the moment Bob Sugarman is inclined for litigation and will have final recommendation at the December 11, 2008 meeting.

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Bob Sugarman led a discussion on Rule 60-T. The State originally was going to issue some rules that would have a bad effect on pension plans such as the raising the cost, raising the cost of actuary valuation and many other items.

There is no time table when these changes would be required to be completed, however there could be changes sometime in the future.

III. QUARTERLY MEETING SCHEDULE FOR 2009

The following meeting schedule for the year 2009 was agreed to, subject to any necessary changes due to scheduling conflicts:

Thursday, February 26 th	~	Quarter End	12/31/2008
Thursday, May 28 th	~	Quarter End	3/31/2009
Thursday, August 27 th	~	Quarter End	6/30/2009
Thursday, November 19 th	~	Quarter End	9/30/2009

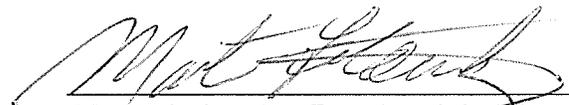
OTHER - APPROVAL TO ATTEND OUT-OF-STATE CONFERENCE

Motion by Sgt. Leo Socorro, second by Chief Linda Loizzo, to authorize normal travel expenses for those wishing to attend the NAPO Conference in January 2009

Motion carried.

A next scheduled meeting is for December 11, 2008.

Meeting was adjourned at 11:00 a.m.


Martin Lebowitz, Pension Administrator