

**CORAL GABLES RETIREMENT BOARD
EXECUTIVE SUMMARY OF MINUTES**

MEETING DATE: June 22, 2009

MEETING LOCATION: Police Station Basement

Meeting called to order by Chairperson Tom Huston at 8:09 A.M.

Board Members in attendance: Steve Naclerio, Manuel Garcia-Linares, Tom Huston, Sal Geraci, Troy Easley, Victor Goizueta and Wayne Sibley. Board members Agustin Diaz and Les Space were excused. Staff in attendance: Kimberly Groome, Administrative Manager; Donald G. Nelson, Finance Director; Troy Brown and Dave West, The Bogdahn Group. Guests in attendance: Patrick Salerno, City Manager; Elizabeth Hernandez, City Attorney; Marjorie Adler, Human Resources Director and John Paul Lorie.

AGENDA

1. Roll call
2. Approval of the Retirement Board meeting minutes for May 14, 2009
3. Items from the Board attorney
4. Report of Administrative Manager
5. Approval of Employee Benefits
6. Submission of bills
7. Discussion and approval of the actuary's certification of Raul Piñon's amended monthly benefit
8. Investment Issues
9. Old Business
10. New Business

SUMMARY OF MINUTES IN ORDER AS DISCUSSED

AGENDA ITEM #2: Approval of minutes

SUMMARY: The Board requested that the Administrative Manager begin an Executive Summary of the regular meeting minutes. The minutes for May 14, 2009 were unanimously approved.

AGENDA ITEM # 3: Items from the Board Attorney

SUMMARY: The Board Attorney was on an already scheduled vacation and was not in attendance. Chairperson Huston read the Board Attorney's report and most items are discussed in the summaries below.

AGENDA ITEM #6: Discussion and approval of the actuary's certification of Raul Piñon's amended monthly benefit and employee contribution to be funded by the City to the Retirement System.

SUMMARY: The Board approved Mr. Pinon's new monthly benefit amount and retroactive adjustment to July 1, 2007 contingent to the funding of his retirement contributions by the City.

After discussion of Agenda Item #5 Mr. Naclerio commented on the interpretation of the Sunshine Law by the State Attorney General. He requested that the Board Attorney contact the State Attorney General to see if this Board could get relief in regards to being able to participate in a meeting without the Board having a quorum. A motion was made and approved to have the Board Attorney look into getting relief from the State Attorney General's interpretation.

AGENDA ITEM #4: Report of the Administrative Manager.

SUMMARY: The Board approved all items of the Administrative Manager's Report except for Item 9 and Item 10.

The Board discussed Item 9 of the Administrative Manager's Report which was a letter from the Board's actuary regarding the amount of accrued interest by the City.

After discussion of Item 9 the Board moved on to the Investment Issues because the consultants had to leave the meeting by 10:00 A.M.

AGENDA ITEM #7: Investment Issues

SUMMARY: Dave West reported that the fund was up over \$10 million in investments for the month of May 2009. The primary generator for the increase was equities.

The Board asked the Mr. West and Troy Brown their opinion on the fund's actuarial assumption rate of 7.75%. Mr. West indicated that median assumption rate for their clients' was 8%.

Mr. West reviewed the TALF product. The Board decided to not go forward with the TALF product because of the unresolved issues the Board Attorney had with the agreement and the short timeline available to enter the product before it closed on June 30th.

The Board unanimously approved investing the \$1.6 million from the UBS Settlement into the Richmond Capital TIPS portfolio.

A question was asked about investing in commodities. Mr. West informed that commodities are a very volatile asset class and they did not recommend investing in it.

The Board returned to the discussion on Item 10 of the Administrative Manager's report which was a letter from the actuary regarding how to account for the UBS settlement.

The Board approved the City's request that the UBS settlement amount be accounted as current revenue in the fund to offset the contribution from the City for the next year. Chairperson Huston and Mr. Garcia-Linares dissented because they felt the Board should wait on their decision until hearing from the actuary and the Board Attorney on the issue. More discussion on the issue continued after the motion was approved.

AGENDA ITEM #5: Employee Benefits.

SUMMARY: The Board approved the employee benefits of Catherine Swanson (retirement) and Patrick Burns (DROP).

AGENDA ITEM #6: Submission of bills.

SUMMARY: The Board approved the Department of Management Services Division of Retirement and the Stanley Holcombe and Associates invoices.

AGENDA ITEM #9: Old Business.

SUMMARY: The Board briefly discussed the issue regarding action on the \$30,000 the Police Retirement Fund owes the Retirement System. The item was deferred to the next meeting when the Board Attorney will be present.

AGENDA ITEM #10: New Business.

SUMMARY: Chairperson Huston brought up the issue regarding a request by the Mayor at the last workshop asking the Board to come up with ideas in how to help the City with updating the current pension plan. Seven changes were suggested. A number of Board members felt that the Board should not be discussing this since the Board does not have the authority to make changes to the current plan.

The next Retirement Board meeting is scheduled for 8:00 A.M. on August 13, 2009 and will be located in the Police Community Meeting Room in the basement of the Police Station.

There being no further business the meeting adjourned at 10:35 A.M.