BAL HARBOUR
FLORIDA'S PARADISE

Mayor Jean Rosenfield
Assistant Mayor Joni D. Blachar
Councilwoman Patricia Cohen
Councilman Martin Packer
Councilman Jaime M. Sanz
General Employee Representative Sandy Graham
General Employee Representative Theo McPherson

Village Manager Alfred J. Treppeda
Village Clerk Ellisa L. Horvath, MMC
Village Attorneys Weiss Serota Helfman
Pastoriza Cole & Boniske

General Employees Retirement Board

Regular Meeting Agenda
December 21, 2010
7:00 p.m.

Bal Harbour Village Hall
655 – 96th Street
Bal Harbour, Florida 33154

1. Call to Order/Roll Call
2. Approval of Minutes: September 21, 2010 Regular Meeting
3. Request for Approval of October 1, 2009 Actuarial Valuation Report Submitted by James J. Rizzo, Senior Consultant and Actuary – GRS
4. Request for Approval of Yearly Assumption Rate
5. Other Business
6. Adjourn.

The Other Business Section includes public comment. On public comment matters, any person is entitled to be heard by this Board on any matter; however, no action shall be taken by the Board on a matter of public comment, unless the item is specifically listed on the agenda, or is added to the agenda by Board action.

Any person who acts as a lobbyist, pursuant to Village Code Section 2-301 (Lobbyists), must register with the Village Clerk, prior to engaging in lobbying activities before Village staff, boards, committees, and/or the Village Council. A copy of the Ordinance is available in the Village Clerk's Office at Village Hall.

If a person decides to appeal any decision made by the Village Council with respect to any matter considered at a meeting or hearing, that person will need a record of the proceedings and, for such purpose, may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based (F.S. 286.0105).

In accordance with the Americans with Disabilities Act of 1990, all persons who are disabled and who need special accommodations to participate in this proceeding because of that disability should contact the Village Clerk's Office (305-866-4633), not later than two business days prior to such proceeding.

All meeting attendees, including Village staff and consultants, are subject to security screening utilizing a metal detector and/or wand, prior to entering the Council Chamber, Conference Room, or other meeting area located within Village Hall. This is for the safety of everyone. Thanks for your cooperation.

BAL HARBOUR VILLAGE
GENERAL EMPLOYEES RETIREMENT BOARD
REGULAR MEETING MINUTES
SEPTEMBER 21, 2010

A Regular Meeting of the Bal Harbour Village General Employees Retirement Board was held on Tuesday, September 21, 2010, in the Bal Harbour Village Hall Council Chambers (655 – 96th Street, Bal Harbour, Florida).

1. CALL TO ORDER/ROLL CALL: The meeting was called to order at 6:06 p.m. by Mayor Rosenfield. The following were present:

Mayor Jean Rosenfield
Assistant Mayor Joni D. Blachar
Councilwoman Patricia Cohen
Councilman Martin Packer
Councilman Jaime M. Sanz
Sandy Graham, General Employee Representative

Also present: Alfred J. Treppeda, Village Manager
Ellisa L. Horvath, MMC, Village Clerk/Secretary
Richard J. Weiss, Village/Board Attorney
Andrea Greenblatt, Administrative Assistant

Absent: Theo McPherson, General Employee Representative

As a quorum was determined to be present, the meeting commenced.

2. APPROVAL OF MINUTES: ***A motion was offered by Assistant Mayor Blachar and seconded by Councilwoman Cohen to approve the February 16, 2010 Regular Meeting Minutes and the April 20, 2010 Regular Meeting Minutes. The motion carried (6-0).***

3. JOHN MCCANN, PERFORMANCE MONITOR – THISTLE ASSET CONSULTING PRESENTATION OF QUARTERLY REPORT: Mr. McCann distributed and reviewed the Morningstar Portfolio Snapshot (as of June 30, 2010) showing the new Northern Trust asset allocation ($3,908.046.35 Portfolio Value). He reviewed the Morningstar Equity Style Box %, which showed the plan had 32% in value, 31% in core, and 37% in growth. He noted that the plan had 61% in large cap (high quality), 25% in mid cap, and 14% in small cap. He reported that the equity portfolio was nicely diversified. He explained that 17% of the equity portfolio was in international and emerging markets. Mr. Weiss questioned if anything was in fixed income. Mr. McCann explained that 35% was in fixed income, but that the Morningstar report didn't analyze or show it.

Mr. McCann reviewed the Quarterly Report, dated June 30, 2010. He reviewed page 8, which showed the seven asset classes, including cash, which was nicely diversified. He reported the fund having $7.4 million as of June 30, 2010 and $7.9 million as of September 20, 2010 (an increase of $500,000).

Mr. McCann received from Northern Trust that July and August returns were up 1.8% and

as of September 20, 2010, the plan was up 4.8% (from September 1, 2010 to September 20, 2010). He noted that the Fiscal Year to date (October 1, 2009 to June 30, 2010) was up 1.6%. He reported that the Plan was up approximately 8.2% total, which was an excellent return.

Mr. Weiss questioned the assumed rate for the fund. Mr. Treppeda reported it to be 7.5%.

Mr. McCann reviewed page 10 and reported that the fund beat the policy. He noted that if the plan had remained in the index fund then it would have been in the negative. He explained that the fiscal year end was looking very good.

Mr. Weiss questioned the positive and negative with the current allocation. Mr. McCann noted that whatever the policy was at, the return should be slightly better to at least cover the Manager's fees (Northern Trust). Mr. Weiss questioned the total return expected. Mr. McCann reported it to be 7.5%. Mr. Weiss questioned over what period of time the plan would expect to get that. Mr. McCann reported it to be 30 to 35 years. Mr. Weiss questioned in any given year the amount the Plan could expect to be up or down, over the 7.5%. Mr. McCann didn't know but could look at the total volatility of the fund (the standard deviation). He reported the five year standard deviation to be 9.7 (plus or minus). Mr. McCann suggested remaining with the current asset allocation.

4. OTHER BUSINESS: Chris Wallace, Finance Director, requested approval of up to $6,000 for the Actuary, Jim Rizzo - GRS, to study the pension plan design (benefits) and to provide options to the Board and Village regarding saving money. He reported that the Village's current contribution rate was approaching 40% of payroll and he suggested that different options be looked at. Mayor Rosenfield agreed that information was needed, in order to determine the direction to proceed in regarding the pension plan.

A motion was offered by Assistant Mayor Blachar and seconded by Councilwoman Cohen to approve up to $6,000 for Jim Rizzo, Plan Actuary, to study the present pension plans in existence for the purpose of examining options. The motion carried (6-0).

5. ADJOURN: There being no further business, ***a motion was offered by Councilman Packer and seconded by Councilwoman Cohen to adjourn. The motion carried (6-0)*** and the meeting was adjourned at 6:23 p.m.

_____
Mayor Jean Rosenfield, Chair

Attest:

_____
Ellisa L. Horvath, MMC, Village Clerk
Secretary

BAL HARBOUR
FLORIDA'S PARADISE

December 21, 2010

Mr. Charles Slavin, Actuary
Bureau of Local Retirement Systems
P. O. Box 9000
Tallahassee, FL 32315-9000

Re: Bal Harbour Village Pension Plan for General Employees Declaration of Returns

Dear Mr. Slavin:

On December 21, 2010, the Board of Trustees of the Bal Harbour Village General Employees Pension Plan, based on the advice of its investment professionals and/or actuary, determined that the total expected annual rate of investment return for our fund for the next year, the next several years, and the long-term thereafter, shall be _____%, net of investment related expenses. This determination is made in accordance with Section 112.661(9), Florida Statutes.

Sincerely,

Mayor Jean Rosenfield
Chair

cc: James Rizzo, Plan Actuary - Gabriel Roeder Smith & Company
Alfred J. Treppeda, Village Manager