

**KEY BISCAYNE POLICE OFFICERS' & FIREFIGHTERS'  
RETIRMENT PLAN**

Village Council Chambers  
560 Crandon Blvd., Key Biscayne, Fl 33149  
REGULAR MEETING OF SEPTEMBER 23<sup>RD</sup>, 2010

**1. Call to Order** – Chairman Michael Haring called the meeting of the Key Biscayne Police Officers' & Firefighters' Retirement Plan to order at 5:30 P.M.

**Roll Call**

Present

Servando M. Parapar, Secretary  
Michael Haring, Chairman  
Sherry L. Reed  
Steve Liedman

Absent

Jose L. Monteagudo

**OTHERS PRESENT:** Burgess Chambers from Burgess Chambers & Associates, Deputy Fire Chief Eric Lang, Stephen H. Cypen, Esq., from Cypen & Cypen, Attorneys for the Fund and Joan L. Wall, Administrator.

**2. Additions/Deletions to Agenda.** Two invoices from Burgess Chambers & Associates were received after the agenda was posted. They were for \$875 each, one for performance monitoring of the SHARE Plan and one for the DROP Plan. Servando Parapar moved to add the total of \$1,750 to the agenda under item 4. Steve Liedman seconded the motion. The motion carried unanimously.

**3. Approval of Minutes for July 22, 2010.** Chairman Haring presented the minutes from the previous meeting for approval. Servando Parapar moved to approve. Steve Liedman seconded the motion. The motion carried unanimously.

**4. Approval of Invoices.** Chairman Haring presented the invoices listed on the agenda in addition to the two added under agenda item 2 for approval and payment. Steve Liedman moved to approve payment. Servando Parapar seconded the motion. The motion carried unanimously, authorizing payment of the following:

Burgess Chambers & Associates, Inc., Third Qtr Performance Monitoring	\$ 3,750.00
Gabriel Roeder Smith & Company, Invoice #112845 dated 9/13/10	\$ 2,918.00
Holland & Knight, Invoice #2544076 dated 7/30/10	\$ 155.00
Holland & Knight, Invoice #2552533 dated 8/23/10	\$ 154.40
<u>TOTAL</u>	\$ 309.40

SunTrust Bank, Invoice #219038 dated 7/27/10	\$ 210.44	
SunTrust Bank, Invoice #219039 dated 7/27/10	<u>\$17,352.05</u>	
<u>TOTAL</u>		\$17,562.49
Joan L. Wall, Admin., 7/15 – 9/3/10, 22 ½ hrs, plus expenses		\$ 1,064.40
Burgess Chambers & Associates, SHARE Plan monitoring	\$ 875.00	
Burgess Chambers & Associates, DROP Plan monitoring	<u>\$ 875.00</u>	
<u>TOTAL</u>		\$ 1,750.00

**5. UNFINISHED BUSINESS – None**

**NEW BUSINESS**

**6. a) Burgess Chambers & Associates**

- **Performance Report for the Quarter Ending June 30<sup>th</sup>, 2010.** Mr. Chambers stated that diversification continues to be critical in managing the volatility and uncertainty of the markets caused by the return of fear. While equity markets were down significantly, bonds had an excellent quarter. Interest rates have degraded over the past few years. When interest rates do go up, it will create a hardship. Convertible bonds have a lower downside. Mr. Chambers was considering them as an alternative investment and due diligence was currently being done on three firms. Mr. Chambers did not make any recommendations for action at this time, but he is continuing to watch the small cap growth product. He did recommend bringing both international and real estate allocations in line with the targets. Asset allocation as of 6/30/10 was 49.2% domestic equity, 9.1% international, 1.2% REIT, 38.2% domestic fixed and 2.3% cash for a total market value of \$12,143,208.70. The returns gross of fees were -5.8% for the quarter, 11.8% for the one year, -1.6% for three years and 3.6% for five years.
- **Review of Current Offerings/Discussion/Adoption of possible changes for investment selections for the DROP and SHARE Plans for the following calendar year** (*participants have from November 15<sup>th</sup> to December 15<sup>th</sup>, 2010 to make changes for the next calendar year*). After review of the current offerings Steve Liedman stated he would like to see information about lifestyle funds with the cost associated to monitor these funds. The trustees proposed meeting again on Thursday, October 28<sup>th</sup>, 2010 at 5:30 P.M. to make a decision. The matter was continued.

The question came up as to how the fund should be reimbursed for the costs of monitoring the DROP and SHARE Plans. Attorney Cypen asked the administrator to review the Ordinance and Rules & Regulations and report back at the November meeting.

**6. b) SunTrust Bank Letter of September 13<sup>th</sup>, 2010 regarding changes to account/Selection of Money Market Fund.** Attorney Cypen stated he had

reviewed this and had no objections. Steve Liedman moved to authorize the chairman sign on behalf of the board. Servando Parapar seconded the motion. The motion carried unanimously.

**6. c) Schools & Conferences**

- FPPTA, Trustees' School, September 26 – 29<sup>th</sup>, 2010, PGA National Resort, West Palm Beach, FL
- Division of Retirement – 42<sup>nd</sup> Annual Police & Fire Conference, October 11 – 13<sup>th</sup>, 2010, Florida Hotel, Orlando, FL

**7. Trustees' Concerns – None.**

**8. REPORTS**

- **Attorney** – None
- **Administrator** – None
- **Other** – Included with the agenda packages were the following:
  - June & July Commission Recapture Reports
  - July & August Securities Monitoring Reports

**9. Input from Active/Retired Members – None.**

**10. Next Meeting Date/Adjournment.** Chairman Haring announced a special meeting would be held on Thursday, October 28<sup>th</sup>, 2010 at 5:30 P.M. and the next regular meeting would be held on Thursday, November 18<sup>th</sup>, 2010 at 5:30 P.M.

There being no further business before the board, Steve Liedman moved to adjourn at 6:55 P.M. Servando Parapar seconded the motion. The motion carried unanimously.

Respectfully submitted,

Servando Parapar, Secretary