

**CITY PENSION FUND FOR FIREFIGHTERS AND POLICE OFFICERS
IN THE CITY OF MIAMI BEACH**

919TH BOARD OF TRUSTEES MEETING

January 16, 2020

***COPIES OF MINUTES ARE BEING
PROVIDED WITHOUT ATTACHMENTS.***

***ALL ATTACHMENTS ARE AVAILABLE
FOR REVIEW AT THE FIRE & POLICE
PENSION OFFICE.***

**919TH MEETING OF THE BOARD OF TRUSTEES
CITY PENSION FUND FOR FIREFIGHTERS AND POLICE OFFICERS
IN THE CITY OF MIAMI BEACH**

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CALL TO ORDER

Meeting was called to order at 8:33 AM by Chairman Frazier.

Board members present were as follows:

FIRE DEPARTMENT

David J. Frazier, Jr.
Paul D. Johnson
Dwight M. Nicholas

POLICE DEPARTMENT

Eric M. Garcia
Elise Spina Taylor

ADMINISTRATION

Hernan D. Cardeno
Eric T. Carpenter
Tameka Otto Stewart

Absent was:

James D. Nolan - Police Department

Present were:

Robert D. Klausner, Esq. - Attorney, Klausner, Kaufman, Jensen & Levinson (KKJL)
Donna Brito - Executive Director
Clara La Rosa - Office Manager

Also present were:

Israel J. Diaz - CPA, Audit Director, KSDT
Eric J. Leventhal - CPA, CVA, Partner, KSDT
Kevin J. Millan - President, Fraternal Order of Police, City of Miami Beach
Dann Smith - Director, Wells Fargo Asset Management
Lauren van Biljon - CFA, Portfolio Manager & Sovereign Analyst, WFAM Global Fixed Income

MINUTES

Regular Meeting of the Board of Trustees – December 19, 2019

Minutes from the regular board meeting were distributed as part of the agenda packet. Trustee Johnson made a motion to approve the minutes. The motion was seconded by Trustee Carpenter and unanimously carried.

DEFERRED RETIREMENT OPTION PLAN (DROP) – APPROVAL OF ENTRY

Police Officer Angel A. Piedra retired under the DROP program effective January 1, 2020, in accordance with the Miami Beach Code, Section 66(a) and Section 79. Officer Piedra had 16 years and 4 months of pension service time and met the eligibility for retirement by Tier 1 and attainment of age 50. In addition, Officer Piedra purchased the 6% multiplier.

Police Officer Victor A. Silot retired under the DROP program effective January 1, 2020, in accordance with the Miami Beach Code, Section 66(a) and Section 79. Officer Silot had 23 years and 2 months of pension service time and met the eligibility for retirement by Tier 1 and attainment of age 50.

Secretary Garcia made a motion to approve the pension service retirement for Officer Piedra and Officer Silot and grant entry into the Deferred Retirement Option Plan (DROP). The motion was seconded by Trustee Spina Taylor and unanimously carried. (Attachment #1-1 Schedule A)

DECEASED

Beneficiary Barbara L. Miller, widow of retired Chief of Police Emmett R. Miller, passed away on November 9, 2019. Her pension has been discontinued as of December 2019 as there are no other beneficiaries under the Plan.

Trustee Nicholas made a motion to stop the monthly pension for Barbara L. Miller. The motion was seconded by Trustee Carpenter and unanimously carried. (Attachment #1-1 Schedule A)

FINANCIAL REPORT FOR JANUARY 2020

The Financial Warrants were distributed by Director Brito.

The Director mentioned that the check to USPS for postage was paid earlier in the month to meet a payment deadline.

Trustee Johnson made a motion to accept the Financial Warrants as presented. The motion was seconded by Trustee Spina Taylor and unanimously carried. (Attachment #1)

COUNSEL

KKJL Memorandum regarding the Secure Act and IRS Limits for 2020

Attorney Robert Klausner discussed memorandum dated January 15, 2020, regarding the Secure Act and IRS Limits for 2020. The new law is primarily intended to expand opportunities to increase individual retirement savings. Of most interest to governmental retirement systems is that effective January 2020 the Secure Act increases the age to begin required minimum distributions from 70½ to 72. In addition, the memorandum updates the 2020 contribution and benefit limits for qualified plans. (Attachment #2)

Legislative Update

Attorney Klausner provided a legislative update regarding a bill being discussed in the Florida legislature. The bill would require all pension board trustees to have five (5) hours of governance training. KKJL will keep the Board informed if this bill should pass.

Cypen & Cypen Newsletters

1. December 12, 2019
2. December 19, 2019
3. December 26, 2019
4. January 2, 2020

ISRAEL J. DIAZ, CPA – AUDIT DIRECTOR
ERIC J. LEVENTHAL, CPA, CVA – PARTNER
KABAT, SCHERTZER, DE LA TORRE, TARABOULOS & CO. (KSDT)

Tentative Financial Report - Financial Statements year ended September 30, 2019

Eric Leventhal presented the tentative audited Financial Statements as of September 30, 2019. In connection with the audit, as evidenced by the report, Mr. Leventhal indicated that KSDT has rendered an unmodified opinion that the financial statements were presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.

Mr. Leventhal discussed in detail the Statement of Fiduciary Net Position, the Statement of Changes in Fiduciary Net Position and the Schedule of Investment and Administrative Expenses for the period ending September 30, 2019.

Mr. Leventhal reviewed the Compliance and Other Matters Report stating that KSDT was not specifically engaged to look at the effectiveness of internal control nor to give an opinion on the effectiveness of internal control. However, if during the course of the audit KSDT would have found anything of concern regarding internal control, they would have been required to share that information with the Board. Given these limitations, he reported that:

- There were no identifiable deficiencies in internal control that were considered to be material weaknesses.*
- There were no significant difficulties encountered in performing the audit.*
- There were no disagreements with management.*
- The testing results disclosed no instances of non-compliance or other matters that are required to be reported under Government Auditing Standards.*

Trustee Johnson made a motion to approve the audited Financial Statements for the year ending September 30, 2019, and to authorize the Chairman and the Director to execute and deliver the management representation letter. The motion was seconded by Trustee Cardeno. (Attachments #3 and #4)

There were various discussions about when to present the financial statements in order to allow for sufficient review time while considering external requirements. Attorney Klausner commented that he reviewed the entire report and was satisfied that there were no observed failures in the accounting systems, in record keeping or security information.

A vote was taken and the motion unanimously carried.

WELLS FARGO ASSET MANAGEMENT
DANN SMITH, DIRECTOR
WFAM GLOBAL FIXED INCOME
LAUREN VAN BILJON, CFA, PORTFOLIO MANAGER & SOVEREIGN ANALYST

Portfolio Review

Visiting from London once again was Lauren van Biljon, CFA, and Portfolio Manager for the Wells Fargo Global Fixed Income team who manages the Board's international assets.

Dann Smith and Ms. Van Biljon reviewed in detail the Fire and Police Pension International Bond Fund Portfolio as of December 31, 2019.

DIRECTOR'S REPORT

2019 Affidavits

Director Brito advised that the 2019 affidavit for retiree Kevin D'Avignon and retiree John Geary has not been received to date. Therefore, their pension benefit for January 2019 will be stopped.

Investment Education Symposium, New Orleans, LA, February 19 - 21, 2020

Trustee Johnson expressed interest in attending the Investment Education Symposium, scheduled to take place in New Orleans, LA, from February 19 - 21, 2020. The Opal Group is hosting this event in conjunction with the Louisiana Trustee Education Council (LATEC).

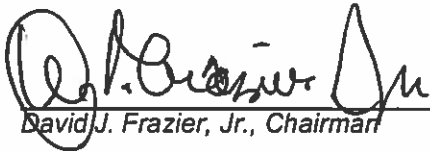
Trustee Spina Taylor made a motion to allow for up to two Trustees to attend the Investment Education Symposium, scheduled to take place in New Orleans, LA, from February 19 - 21, 2020, and to allow for additional travel days on Tuesday, February 18, and Saturday, February 22. The motion was seconded by Trustee Nicholas and unanimously carried.

For the Board's information, the following items were distributed as either part of the agenda or meeting packet:

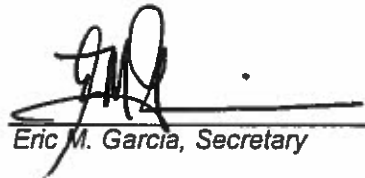
- A. Administrative Budget

ADJOURNMENT

Trustee Cardeno made a motion to adjourn the meeting. The motion was seconded by Trustee Johnson and unanimously carried. The meeting was adjourned at 9:52 AM.



David J. Frazier, Jr., Chairman



Eric M. Garcia, Secretary