

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

936TH BOARD OF TRUSTEES MEETING

October 21, 2021

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

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

**936TH MEETING OF THE BOARD OF TRUSTEES
CITY PENSION FUND FOR FIREFIGHTERS AND POLICE OFFICERS
IN THE CITY OF MIAMI BEACH**

October 21, 2021

CALL TO ORDER

Meeting was called to order at 8:30 AM by Acting Chairman Frazier.

Board members present were as follows:

FIRE DEPARTMENT

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

POLICE DEPARTMENT

Steven L. Feldman
Daniel D. Molina

ADMINISTRATION

Eric T. Carpenter

Absent were:

Hernan D. Cardeno	- Administration
James D. Nolan	- Police Department
Tameka Otto Stewart	- Administration

Present were:

Stuart A. Kaufman, Esq.	- Attorney, Klausner, Kaufman, Jensen & Levinson (KKJL)
Donna Brito	- Executive Director
Myriame Jean-Baptiste	- Pension Administrator
Clara La Rosa	- Office Manager
Antoinette Roman	- Accounting Manager

Also present were:

Denise A. D'Entremont	- General Partner, President, RhumbLine Advisers
Jeff D. Kusmierz	- Portfolio Manager, RhumbLine Advisers
Meg Florian Skinner	- Wife of William T. Skinner
William T. Skinner	- Retired Police Captain, City of Miami Beach
Seth LaVey, Esq.	- Attorney for William T. Skinner

DISCUSSION ON THE STATUS OF PENSION BENEFITS FOR WILLIAM T. SKINNER

Letter dated July 6, 2021, from William T. Skinner

Mrs. Meg Florian Skinner and Attorney Seth LaVey were present via Zoom. William T. Skinner joined the meeting via telephone conference. Before Mr. Skinner presented his case, Attorney Kaufman advised him that only six of nine Trustees were in attendance and an affirmative vote of at least five out of six would be needed for the Board to take any action. After a private discussion with his attorney, Mr. Skinner returned to the meeting stating that he preferred to defer this item to a future board meeting when more trustees may be present. The item has been postponed until further notice. (Attachment #2)

MINUTES

Regular Meeting of the Board of Trustees – August 19, 2021

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 Feldman and unanimously carried.

DEFERRED RETIREMENT OPTION PLAN (DROP) – APPROVAL OF ENTRY

The following members retired under the DROP program effective September 1, 2021, and October 1, 2021, respectively, in accordance with the Miami Beach Code, Section 66(a) and Section 79.

NAME	CLASSIFICATION	DROP ENTRY	SERVICE	ELIGIBILITY	BUYBACK PURCHASED
Dimitri Gotsis	Police Officer	09/01/21	20 years 4 months	Tier 1 Age 50	6% Multiplier
Mario D. Pena	Police Officer	09/01/21	19 years 3 months	Tier 1 Age 50	2 Years PEPSS
Gustavo Villamil	Police Officer	09/01/21	10 years 8 months	Tier 2 Age 50	6% Multiplier
Arley Flaherty	Police Sergeant	10/01/21	17 years 7 months	Tier 1 Age 50	6% Multiplier
Damon Keller	Firefighter	10/01/21	16 years 8 months	Tier 1 Age 50	6% Multiplier
Lisa Lobello	Police Officer	10/01/21	13 years 2 months	Tier 1 Age 50	3.5% Multiplier
Duane A. Rezende	Police Sergeant	10/01/21	22 years	Tier 1 Rule of 70 (min. age 47)	6% Multiplier

Trustee Feldman made a motion to approve the pension service retirement for Officer Gotsis, Officer Pena, Officer Villamil, Sergeant Flaherty, Firefighter Keller, Officer Lobello, Sergeant Rezende and grant entry into the Deferred Retirement Option Plan (DROP). The motion was seconded by Trustee Carpenter and unanimously carried. (Attachment #1-1 Schedule A)

COMMENCEMENT OF PENSION

The following members were retired under the DROP program and resigned from City employment effective August 31, 2021, and September 30, 2021, respectively. They are eligible to commence their monthly pension in accordance with the Miami Beach Code, Section 66(a) and Section 79.

CLASSIFICATION	NAME OF MEMBER	DROP DATE OF RETIREMENT	DATE OF RESIGNATION	COMMENCEMENT OF MONTHLY PENSION
Police Officer	Alfredo S. Alvarez	08/01/18	08/31/21	09/01/21
Firefighter	Jeffrey S. Boyer	02/01/16	08/31/21	09/01/21
Police Officer	Manuel G. Chorens	09/01/15	08/31/21	09/01/21
Police Officer	Kerry R. Humphry	09/01/15	08/31/21	09/01/21
Police Officer	Frantz Marcelin	09/01/15	08/31/21	09/01/21
Police Sergeant	Enrique Mestre	09/01/15	08/31/21	09/01/21
Police Sergeant	Harvey Middleton	09/01/15	08/31/21	09/01/21
Police Officer	Mariana J. Garcia	04/01/21	09/30/21	10/01/21
Fire Lieutenant	Nelson G. Gonzalez	02/01/16	09/30/21	10/01/21

Trustee Molina made a motion to approve the commencement of pension for Officer Alvarez, Firefighter Boyer, Officer Chorens, Officer Humphry, Officer Marcelin, Sergeant Mestre, Sergeant Middleton, Officer Garcia and Lieutenant Gonzalez. The motion was seconded by Trustee Johnson and unanimously carried. (Attachment #1-1 Schedule A)

SERVICE RETIREMENT

Police Officer Joel Gonzalez retired effective September 16, 2021, with 17 years and 7 months of service in accordance with the Miami Beach Code, Section 66(a). Officer Gonzalez met the eligibility for retirement by Tier 1 and attainment of age 50.

Trustee Feldman made a motion to grant service retirement to Officer Gonzalez. The motion was seconded by Trustee Molina and unanimously carried. (Attachment #1-1 Schedule A)

DECEASED

Retired Police Officer John Sallie passed away on August 13, 2021. His pension has been discontinued as of September 1, 2021, as there are no beneficiaries under the Plan.

Trustee Johnson made a motion to stop the monthly pension for John Sallie. The motion was seconded by Trustee Carpenter and unanimously carried. (Attachment #1-1 Schedule A)

DROP Retiree Police Officer Edward L. Perez passed away on August 19, 2021. Widow Linda Perez will receive a benefit under the Code of the City of Miami Beach, Section 69(a)(1)(A). She will be entitled to 100% of his monthly pension benefit for one year and thereafter 75% of the benefit until remarriage or death. Starting in 2023, she will also be entitled to a 2½ % cost of living increase each July.

Retired Police Officer John J. Krolak passed away on August 27, 2021. Widow Donna M. Krolak will receive a benefit under the Code of the City of Miami Beach, Section 69(a)(1)(A). She will be entitled to 100% of his monthly pension benefit for one year and thereafter 75% of the benefit until remarriage or death. She will also be entitled to a 2½ % cost of living increase each October.

Retired Police Major Fred C. Wooldridge passed away on September 19, 2021. Widow Madeleine G. Wooldridge will receive a benefit under the Code of the City of Miami Beach, Section 69(a)(1)(A). She will be entitled to 100% of his monthly pension benefit for one year and thereafter 75% of the benefit until remarriage or death. She will also be entitled to a 2½ % cost of living increase each October.

Retired Assistant Fire Chief James W. Baker passed away on September 23, 2021. Widow Barbara D. Baker will receive a benefit under the Code of the City of Miami Beach, Section 69(b)(1)(A). She will be entitled to 100% of his monthly pension benefit for one year and thereafter 50% of the benefit until remarriage or death. She will also be entitled to a 2½ % cost of living increase each October.

Trustee Nicholas made a motion to approve the commencement of pension for Linda Perez, Donna M. Krolak, Madeleine G. Wooldridge and Barbara D. Baker. The motion was seconded by Trustee Molina and unanimously carried. (Attachment #1-1 Schedule A)

Beneficiary Ann Moorehead, widow of retired Police Officer Robert F. Moorehead, passed away on September 3, 2021. Her pension has been discontinued as there are no other beneficiaries under the Plan.

Beneficiary Dorothy T. Jones, widow of retired Firefighter Robert W. Jones, passed away on September 25, 2021. Her pension has been discontinued as there are no other beneficiaries under the Plan.

Trustee Johnson made a motion to stop the monthly pension for Ann Moorehead and Dorothy T. Jones. The motion was seconded by Trustee Feldman and unanimously carried. (Attachment #1-1 Schedule A)

FINANCIAL REPORT FOR SEPTEMBER 2021

The Financial Warrants were emailed to the Board for their review prior to the meeting.

Director Brito advised that since the September 2021 board meeting had to be cancelled, Financial Warrants #5095-5102 have to be ratified for September 2021.

Trustee Johnson made a motion to approve the ratification of Warrants #5095-5102. The motion was seconded by Trustee Feldman and unanimously carried. (Attachment #1, September 2021)

FINANCIAL REPORT FOR OCTOBER 2021

The Financial Warrants were emailed to the Board for their review prior to the meeting.

The Director advised that one additional invoice was received after the Warrants file was emailed on Tuesday, October 19, 2021; therefore, Warrant #5112 is being presented for ratification.

Trustee Carpenter made a motion to amend the October Warrants to include Warrant #5112 and to accept the Financial Warrants as presented during the meeting. The motion was seconded by Trustee Nicholas and unanimously carried. (Attachment #1, October 2021)

BUYBACKS COVERING THE PERIOD OF AUGUST 13, 2021, THROUGH OCTOBER 14, 2021, INCLUDING ITEMS RELATED TO THE BUYBACK WINDOW FROM JULY 1, 2021, THROUGH SEPTEMBER 30, 2021

Director Brito provided a status report for the July 1, 2021, through September 30, 2021, buyback window.

The following buyback schedules included in the agenda packet were processed from August 13, 2021, through October 14, 2021:

- *Buybacks of probationary service time with interest at 3%*
- *Buybacks of pre-employment public safety service*
- *Buybacks of additional multiplier*

Trustee Feldman made a motion to approve the buybacks shown on the schedules. The motion was seconded by Trustee Molina and unanimously carried. (Attachment #3)

Motion required to request written legal opinion from the Florida Attorney General regarding purchase of pre-employment public safety service

In reference to an action requested from the August 2021 Board Meeting, Attorney Kaufman advised that his request for a written legal opinion from the Division of Retirement will not be granted to a municipal pension fund. The next viable option is to request a written legal opinion from the State of Florida Attorney General. One of the requirements to file this type of request is to get affirmative direction from the governing body stating the specific issue under discussion. Attorney Kaufman emphasized that although the Attorney General's opinion is not binding, it is persuasive in court. Trustee Carpenter commented that even though the State's opinion is not binding, the opinion is still beneficial to help the Board make an informed decision.

Trustee Carpenter made a motion to request a written legal opinion directly from the State of Florida Attorney General stating that receipt of employer contributions from a defined contribution plan is a clear violation of Chapter 175 and Chapter 185 and that the State's premium tax money would be withheld.

Additionally, if members were to return the employer contributions to their prior employer, would the State's opinion change. The motion was seconded by Trustee Feldman and unanimously carried.

On another note, Director Brito mentioned that in August a motion passed to allow members to use any combination of sick and/or annual leave, cash and deferred compensation funds to purchase a probationary buyback. This motion did not include members who are eligible to purchase pre-employment military time in the future.

There were various discussions regarding the buyback of pre-employment military time.

Trustee Feldman made a motion to allow members to use any combination of sick and/or annual leave, cash and deferred compensation funds to purchase a pre-employment military buyback. The motion was seconded by Trustee Molina and unanimously carried.

COUNSEL

Attorney Kaufman advised that the legislative session will begin in January 2022. He will keep the Board abreast on a bill pre-filed in the Florida legislature with regard to public safety officers and a possible COVID in line of duty presumption.

RHUMBLINE ADVISERS
DENISE D'ENTREMONT - PARTNER
JEFF KUSMIERZ – PORTFOLIO MANAGER

Portfolio Review

Ms. D'Entremont and Mr. Kusmierz provided a report on the following markets:

- S&P Mid-Cap 400
- Large Cap Value
- International Equity

In addition, Mr. Kusmierz reviewed in detail the Fire and Police Pension S&P Mid-Cap 400 Index Fund, the Russell 1000 Value Pooled Index Fund and the International Equity Pooled Index Fund as of September 30, 2021.

PROPOSED ADMINISTRATIVE BUDGET 10/01/21 – 09/30/22

The Director presented the Board with the following:

- Proposed Administrative Budget for Fiscal Year 10/01/21 – 09/30/22 (Attachment #4)

Director Brito discussed the budget in detail. Regarding Payroll Wages, the Director advised that she intends to retire in November 2024 so she has increased the budget to include money to hire and train her successor. She will present a plan to the Board within the next three to four months.

Trustee Carpenter responded that he was not comfortable approving the Payroll Wages category as presented. He suggested that once the succession plan is discussed, a mid-year amendment can be approved if necessary.

*936th Meeting of the Board of Trustees
October 21, 2021*

After various discussions, Trustee Johnson made a motion to approve the proposed administrative budget for 2021-2022 as presented. The motion was seconded by Trustee Nicholas and a vote was taken as follows:

NAME OF TRUSTEE	VOTE
<i>Trustee Carpenter</i>	<i>N</i>
<i>Trustee Feldman</i>	<i>N</i>
<i>Secretary Frazier</i>	<i>Y</i>
<i>Trustee Johnson</i>	<i>Y</i>
<i>Trustee Molina</i>	<i>Y</i>
<i>Trustee Nicholas</i>	<i>Y</i>

It takes 5 votes to carry a motion, therefore, the motion failed 4-2.

After additional discussions, Trustee Carpenter made a motion to approve the proposed administrative budget for 2021-2022 including a reduction in the Payroll Wages line item to \$410,000, with a mid-year adjustment if needed. The motion was seconded by Trustee Feldman and a vote was taken as follows:

NAME OF TRUSTEE	VOTE
<i>Trustee Carpenter</i>	<i>Y</i>
<i>Trustee Feldman</i>	<i>Y</i>
<i>Secretary Frazier</i>	<i>Y</i>
<i>Trustee Johnson</i>	<i>Y</i>
<i>Trustee Molina</i>	<i>Y</i>
<i>Trustee Nicholas</i>	<i>Y</i>

The motion unanimously carried.

DIRECTOR'S REPORT

Email dated September 14, 2021, from the State approving the 2020 Annual Report

An email from the State dated September 14, 2021, provided confirmation that the 2020 Annual Report for the City Pension Fund for Firefighters and Police Officers in the City of Miami Beach has been reviewed and approved. (Attachment #5)

Letter dated September 16, 2021, from Douglas E. Beckendorf, Actuary, Florida Department of Management Services, regarding state accepted actuarial reports and impact statements through 10/01/2020

The Director advised that Mr. Beckendorf's letter dated September 16, 2021, confirms that all prior actuarial valuations and impact statements through October 1, 2020, are considered to be state-accepted. (Attachment #6)

The Director confirmed that the City's required contribution of \$45,416,048 and the Share Plan's required combined contribution of \$120,549 for FY 2021-2022 have been received as of October 1, 2021.

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

A. Administrative Budget

OTHER BUSINESS

Trustee Carpenter suggested that since John McCann, AndCo Consulting Senior Consultant, was retiring at the end of the year, this would be a good time to evaluate other investment consulting firms to see what the market has to offer. After some discussion, the Board agreed to add a discussion to the December 2021 agenda regarding an RFP process.

ADJOURNMENT

Trustee Carpenter made a motion to adjourn the meeting. The motion was seconded by Trustee Feldman and unanimously carried. The meeting was adjourned at 10:20 AM.



James D. Nolan, Chairman



David J. Frazier, Jr., Secretary