

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

**938<sup>TH</sup> BOARD OF TRUSTEES MEETING**

**December 16, 2021**

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

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

**938<sup>TH</sup> MEETING OF THE BOARD OF TRUSTEES  
CITY PENSION FUND FOR FIREFIGHTERS AND POLICE OFFICERS  
IN THE CITY OF MIAMI BEACH**

**December 16, 2021**

**CALL TO ORDER**

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

Board members present, via a quorum physically present and videoconference, were as follows:

**FIRE DEPARTMENT**

David J. Frazier, Jr.  
Dwight M. Nicholas

**POLICE DEPARTMENT**

Steven L. Feldman  
Daniel D. Molina  
James D. Nolan

**ADMINISTRATION**

Hernan D. Cardeno  
Eric T. Carpenter  
Tameka Otto Stewart

Absent was:

Paul D. Johnson

- Fire Department

Present were:

Stuart A. Kaufman, Esq.  
Donna Brito  
Myriame Jean-Baptiste  
Clara La Rosa

- Attorney, Klausner, Kaufman, Jensen & Levinson (KKJL)  
- Executive Director  
- Pension Administrator  
- Office Manager

Also present were:

Digna Abello  
Sean J. Conroy  
Andy Preda

- Assistant Fire Chief, City of Miami Beach  
- Managing Director, Client Group, GCM Grosvenor  
- Managing Director, Investments, GCM Grosvenor

**MINUTES**

**Regular Meeting of the Board of Trustees – November 18, 2021**

Minutes from the regular board meeting were distributed as part of the agenda packet. Secretary Frazier made a motion to approve the minutes. The motion was seconded by Chairman Nolan and unanimously carried.

**DEFERRED RETIREMENT OPTION PLAN (DROP) – APPROVAL OF ENTRY**

Police Lieutenant Jair Armatrading retired under the DROP program effective December 1, 2021, in accordance with the Miami Beach Code, Section 66(a) and Section 79. Lieutenant Armatrading had 20 years and 8 months of pension service and met the eligibility for retirement by Tier 1, Rule of 70 and attainment of at least age 47. In addition, Lieutenant Armatrading purchased the 6% multiplier.

Police Sergeant Luis C. Corps retired under the DROP program effective December 1, 2021, in accordance with the Miami Beach Code, Section 66(a) and Section 79. Sergeant Corps had 20 years and 1 month of pension service and met the eligibility for retirement by Tier 1, Rule of 70 and attainment of at least age 47. In addition, Sergeant Corps purchased 2 years of pre-employment public safety service time.

Police Officer Elpidio Y. Garcia retired under the DROP program effective December 1, 2021, in accordance with the Miami Beach Code, Section 66(a) and Section 79. Officer Garcia had 19 years and 7 months of pension service and met the eligibility for retirement by Tier 1, Rule of 70 and attainment of at least age 47. In addition, Officer Garcia purchased 2 years of pre-employment military time.

*Trustee Cardeno made a motion to approve the pension service retirement for Lieutenant Armatrading, Sergeant Corps and Police Officer Garcia and grant entry into the Deferred Retirement Option Plan (DROP). The motion was seconded by Secretary Frazier and unanimously carried. (Attachment #1-1 Schedule A)*

**LUMP SUM REFUND**

*Former Police Officer Louis G. Lergier's last day of work was October 27, 2021. He had less than 5 years of pension service time, so he was not vested. Mr. Lergier requested a lump sum refund of his employee contributions with interest.*

*Secretary Frazier made a motion to approve the lump sum refund of employee contributions with interest to Louis G. Lergier. The motion was seconded by Chairman Nolan and unanimously carried. (Attachment 1-1 Schedule A)*

**FINANCIAL REPORT FOR DECEMBER 2021**

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

*Secretary Frazier made a motion to accept the Financial Warrants as presented. The motion was seconded by Trustee Feldman and unanimously carried. (Attachment #1-1 Schedule A)*

*Trustee Nicholas joined the meeting at 8:36 AM.*

**COUNSEL**

***Discussion on the Status of Pension Benefits for William T. Skinner***

*Attorney Kaufman advised that on November 30, 2021, the final order formally denying Mr. Skinner's request to eliminate his death provision status and restore his status as a regular member of the pension was served to Mr. Skinner through his Counsel, Seth LaVey. Mr. Skinner now has 30 days to file an appeal contesting the denial of the claim.*

**GCM GROSVENOR  
SEAN J. CONROY – MANAGING DIRECTOR, CLIENT GROUP  
ANDY PREDA – MANAGING DIRECTOR, INVESTMENTS**

***Investment Performance Review***

*Sean Conroy and Andy Preda discussed in detail the Grosvenor Institutional Partners Fund of Funds for the Fire and Police Pension Hedge Fund portfolio as of September 30, 2021.*

**DISCUSSION AND POSSIBLE ACTION ON THE NEED TO ISSUE A REQUEST FOR PROPOSAL (RFP)  
FOR INVESTMENT CONSULTING SERVICES**

*During the October board meeting, the Board briefly discussed that since John McCann was retiring at the end of December 2021, it may be a good time to evaluate other investment consulting firms to see what the market has to offer.*

*Secretary Frazier commented that he appreciates the Board's relationship with AndCo Consulting and made a motion to table the discussion on issuing an RFP.*

*There were various discussions such as:*

- how the RFP process works*
- what benefit does AndCo Consulting provide that other consultants cannot provide*
- should the evaluation process be fee-based, qualifications-based, or both*
- and the Board has a responsibility to periodically explore alternative options which may either solidify the relationship with AndCo Consulting or prompt a change*

*Based on AndCo Consulting services through the years and their guidance to get the Fund to over \$1 billion, the Board agreed to provide Brendon Vavrica the opportunity to continue to lead the Fund through the upcoming months.*

*Secretary Frazier amended his original motion to table the discussion on issuing an RFP until the August 2022 board meeting. The motion was seconded by Trustee Nolan and unanimously carried.*

*Attorney Kaufman advised that he and the Director will work on a draft RFP based on the number of money managers, asset classes and the fund's specific needs.*

## **DIRECTOR'S REPORT**

### ***Discussion and possible action regarding a succession plan for the Executive Director position***

*The Director's succession plan was emailed to the Board prior to the meeting. Director Brito made a recommendation to offer Frank Estevez, Compensation Manager with the City of Miami Beach, the opportunity to transfer to the Fire and Police Pension to become the Assistant Director with the goal that he would be promoted to the Executive Director upon her retirement.*

*Attorney Kaufman remarked that, if hired, there is nothing that locks Mr. Estevez into being the actual successor. There is a long period of time to evaluate whether or not he will be able to step into the role of Executive Director.*

*Secretary Frazier made a motion to hire Frank Estevez as Assistant Director. Trustee Otto Stewart seconded the motion commenting that usually she is in favor of competition to fill a position, but Frank Estevez would be a great addition to the Fire and Police Pension team, even though his transfer would be a loss to the City.*

*There were various discussions regarding administrative overhead costs and staff count. Trustee Carpenter supported reclassifying the available Accounting Manager position to Assistant Director, as long as it is an "overfill" and not a permanent position.*

*Trustee Cardeno reminded the Board of the motion made in November allowing the Director to make staff decisions. Selecting an Assistant Director falls within her purview. He supports her judgement and recommendation for who that Assistant Director should be but agreed the succession plan is not guaranteed.*

*Secretary Frazier amended his motion to hire Frank Estevez as Assistant Director with the understanding that the position is an "overfill" and not a permanent position. Additionally, the Board will make the final decision when the time comes to fill the Executive Director position. The motion was seconded by Trustee Otto Stewart and unanimously carried.*

The Director invited Frank Estevez to join the meeting and introduced him to the Trustees. Frank Estevez thanked the Board for the opportunity.

**2021 Affidavits**

Director Brito mentioned that 43 affidavits are still outstanding. Clara La Rosa continues to work daily with retirees to obtain their affidavits. If the executed affidavits are not received by December 31, 2021, the pension benefit for January 2022 will be held in abeyance.

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

- A. Email dated December 16, 2021, from Brendon Vavrica, AndCo Consulting (Attachment #2)
- B. Letter dated December 6, 2021 – Actuarial Valuation 10/01/2021 – Balancing of Pension Members and Pension Payroll (Attachment #3)
- C. Letter dated December 6, 2021 – Actuarial Valuation 10/01/2021 – Balancing of Active Members (Attachment #4)
- D. Administrative Budget

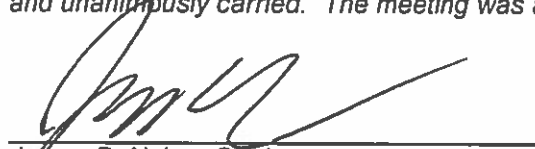
**OTHER BUSINESS**

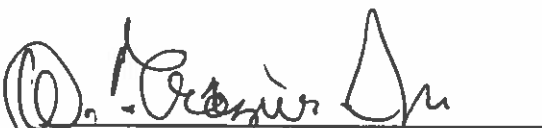
Trustee Feldman asked the Board to consider two requests that would require a future ordinance change. The first request is to stagger the Pension Board of Trustees' elections between the Police Department and the Fire Department to avoid the risk of a full Fire and Police election turnover. The second request is to extend the current 2-year term to a 4-year term. The additional length of time would provide the Board with more stability as the Trustees continue to gain valuable knowledge.

Attorney Kaufman agreed with both requests and asked the Board to allow him to draft a proposed revision to the pension ordinance. The Board agreed.

**ADJOURNMENT**

Secretary Frazier made a motion to adjourn the meeting. The motion was seconded by Trustee Feldman and unanimously carried. The meeting was adjourned at 9:44 AM.

  
James D. Nolan, Chairman

  
David J. Frazier, Jr., Secretary