

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

961ST BOARD OF TRUSTEES MEETING

April 18, 2024

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

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

**961st 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 8:30 AM by Chairman Johnson.

Board members physically present were as follows:

FIRE DEPARTMENT

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

POLICE DEPARTMENT

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

ADMINISTRATION

Hernan D. Cardeno
Eric T. Carpenter
Tameka Otto Stewart

Present were:

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

Also present were:

Shelly Jones	- Consultant and Actuary, Gabriel Roeder Smith & Company
Brendon Vavrica, CFP	- Senior Institutional Advisor, Mariner

MINUTES

Regular Meeting of the Board of Trustees – March 21, 2024

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

DEFERRED RETIREMENT OPTION PLAN (DROP) – APPROVAL OF ENTRY

Fire Division Chief Juan L. Meizoso retired under the DROP program effective April 1, 2024, in accordance with the Miami Beach Code, Section 66(a) and Section 79. Division Chief Meizoso had 10 years of pension service and met the eligibility for retirement by Tier 3 and attainment of age 50. In addition, Division Chief Meizoso purchased the 6% multiplier.

Trustee Frazier made a motion to approve the pension service retirement for Division Chief Meizoso and grant entry into the DROP. The motion was seconded by Trustee Nicholas and unanimously carried. (Attachment #1-1 Schedule A)

DEFERRED VESTED SERVICE RETIREMENT – PAYABLE AT AGE 50

Firefighter Kristopher D. Schaefer resigned with vested rights on March 13, 2024. Mr. Schaefer had 16 years and 3 months of pension service time. Mr. Schaefer will be eligible for pension benefits at age 50 on April 2, 2024.

VESTED SERVICE RETIREMENT

Vested Firefighter Kristopher D. Schaefer, upon attainment of age 50 on April 2, 2024, is eligible to receive pension benefits (vested rights – last day of work 03/13/2024) in accordance with the Miami Beach Code, Section 66(a)(b)(g). Mr. Schaefer had 16 years and 3 months of service.

Trustee Frazier made a motion to approve the commencement of pension for Mr. Schaefer. The motion was seconded by Trustee Nicholas and unanimously carried. (Attachment #1-1 Schedule A)

COMMENCEMENT OF PENSION

Police Officer Luis E. Alsina, who was retired under the DROP program, resigned from City employment effective March 31, 2024. He is eligible to commence his monthly pension in accordance with the Miami Beach Code, Section 66(a) and Section 79.

Secretary Feldman made a motion to approve the commencement of pension for Officer Alsina. The motion was seconded by Trustee Nolan and unanimously carried. (Attachment #1-1 Schedule A)

FINANCIAL REPORT FOR APRIL 2024

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

Trustee Frazier made a motion to accept the Financial Warrants #5336-5343 as presented. The motion was seconded by Trustee Nolan and unanimously carried. (Attachment #1)

VOLUNTARY RENUNCIATION OF FIRE CAPTAIN FRANCOIS BETANCOURT'S ADDITIONAL MULTIPLIER BUYBACK, REDUCED FROM 6% TO 3%

Director Brito advised that pursuant to the motion made on April 20, 2023, to approve Fire Captain Betancourt's request to reduce his additional multiplier buyback from 6% to 3%, Captain Betancourt has signed a statement relinquishing any rights, status or title to his enhanced benefit and accumulated leave. The voluntary renunciation changes the date when Captain Betancourt will attain his 85% maximum pension benefit from May 2024 to February 2025. (Attachment #2)

COUNSEL

Status of recovery of overpayment for deceased Police Officer William F. Guillem

Attorney Kaufman reported that there continues to be no response from Mr. Guillem's family regarding the three demand letters previously sent. He and the pension office staff will continue to try to make contact with the family.

Update on disability applications

Attorney Kaufman advised that KKJL is in the process of gathering medical records for Police Officer Christopher A. Marin and Police Sergeant Michelle M. Sayegh's service-connected disability applications. Individual medical exams will be scheduled once all medical records have been obtained. This process may take a few months to be completed.

**GABRIEL ROEDER SMITH & COMPANY
SHELLY JONES, ASA, EA, FCA, MAAA – CONSULTANT AND ACTUARY**

Draft of 10/01/2023 Actuarial Valuation – Discussion and possible action

Shelly Jones provided the draft of the Actuarial Valuation as of October 1, 2023, and discussed the results in detail.

In summary, the Actuarial Valuation develops the required minimum Retirement Fund payment under the Florida Protection of Public Employee Retirement Benefits Act and for Fire and Police Retirement Chapters 175 and 185. The minimum payment consists of payment of annual normal costs including amortization of the components of the unfunded actuarial accrued liability over various periods as prescribed by law. The minimum required contribution for fiscal year ending September 30, 2025, is \$63,903,945.

This total cost of \$63,903,945 is to be met by member, City and State (Share Plan) contributions. It is anticipated that member contributions will be \$8,764,291, the State (Share Plan) will contribute \$120,549 and the resulting minimum required City contribution will be \$55,019,105.

For informational purposes only, the minimum required City contribution without the Maximum Benefit Limitations under Internal Revenue Code (IRC 415) would have been approximately \$55,027,000. The net minimum required City contribution to the Fund was lowered by approximately \$7,000 due to the requirements of the IRC 415.

Actuarial Standards of Practice No. 4 (ASOP No. 4) was revised and reissued in December 2021 by the Actuarial Standards Board (ASB). This year, a new calculation called a low-default-risk obligation measure (LDROM) has been prepared as required for all defined benefit pension plans. The annual LDROM is a market-based measurement of the pension obligation. It estimates the amount the plan would need to invest in low default risk securities. This measure may not be appropriate for assessing the need for or amount of future contributions. This measure may not be appropriate for assessing the sufficiency of plan assets to cover the estimated cost of settling the plan's benefit obligation.

Pursuant to a motion made at the March 16, 2023, board meeting, the investment return assumption has been lowered by 5 basis points from 7.35% down to 7.30%, net of investment expenses, compounded annually.

Trustee Frazier made a motion to accept the Actuarial Valuation as of October 1, 2023, as presented, and to adopt 7.3% as the expected annual rate of return for the current year, 7.2% as the expected annual rate of return for next year, for each of the next several years and for the long term thereafter. The motion was seconded by Trustee Nolan and unanimously carried. (Attachment #3)

Secretary Feldman left the meeting at 9:51 AM.

**MARINER
BRENDON VAVRICA, CFP – SENIOR INSTITUTIONAL ADVISOR**

Letter dated March 2024 from HarbourVest regarding a proposed amendment to increase the Dover Street XI, LLC hard cap by 10%

Brendon Vavrica advised that HarbourVest is seeking approval to amend the Limited Partnership Agreements of the Dover Street XI Program to increase the hard cap (maximum size) of the Program by 10% from \$13.5 billion to \$14.85 billion. Mariner is in support of the request and recommended the Board grant approval.

Trustee Carpenter made a motion to approve HarbourVest’s request to amend the Dover Street XI, LLC hard cap by 10%. The motion was seconded by Trustee Frazier and unanimously carried. (Attachment #4)

REQUEST FOR PROPOSAL (RFP) FOR PENSION ADMINISTRATION SOFTWARE

Director Brito presented the RFP for Pension Administration Software and a discussion ensued regarding how the Board would like to handle the review of qualified proposals.

Trustee Frazier made a motion to establish a committee to evaluate and attend vendor presentations from the top two or three ranked proposals. The committee will then recommend their top choice to the Board for ratification. The motion was seconded by Trustee Nolan and unanimously carried. (Attachment #5)

The committee is to include Secretary Feldman, Trustee Frazier, Donna Brito, Frank Estevez, Myriame Jean-Baptiste and John Sandbrook, CISO from the City of Miami Beach IT Department.

The following table provides a schedule for the activities associated with the RFP:

ACTIVITY	SCHEDULED DATE
RFP Released	April 22, 2024
Questions Due from Vendors	May 6, 2024
Response to Vendor Questions Posted	May 13, 2024
Proposals Due from Vendors	May 31, 2024
Proposals Evaluated by the Plan Committee Members	June 28, 2024
Vendor Presentations to Plan Committee Members	July 8, 2024 – August 5, 2024
Board Approves New Vendor	August 15, 2024
Contract Approval	September 19, 2024
Project Starts	November 1, 2024

ACTUARIAL IMPACT STATEMENT FOR THE PROPOSED PENSION ORDINANCE SECOND READING ON MAY 15, 2024

Director Brito provided a no cost impact statement for the proposed pension ordinance that amends the definition of Actuarial Assumptions (for the calculation of optional forms of benefits), complies with the Firefighters’ cancer presumption requirements of Chapter 112.1816, Florida Statutes, and provides for inclusion of the Federal Secure Act 2.0 provisions. The second reading is scheduled for the May 15, 2024, commission meeting. (Attachment #6)

DIRECTOR’S REPORT

Request by the City, the IAFF and the FOP to use the Board’s Actuary during their negotiation process

Director Brito advised that the City of Miami Beach, the IAFF and the FOP had made a request to use the Board’s actuary to provide services regarding their negotiation process. Since they needed an immediate response, the Director contacted Chairman Johnson who approved for the City, the IAFF and the FOP to contract and directly pay for any services rendered by the actuary. All information should be made available to the Board as soon as it is required to become available to the public.

Trustee Carpenter made a motion to ratify Chairman Johnson's decision to allow the City of Miami Beach, the IAFF and the FOP to contract and directly pay for any services rendered by the Board's actuary, Gabriel Roeder Smith & Company, during their negotiation process. The motion was seconded by Trustee Nolan and unanimously carried. (Attachment #7)

OPAL Group Public Funds Summit East, July 22 – 24, 2024, Newport, RI

Trustee Cardeno made a motion to allow any Trustee to attend the OPAL Group Public Funds Summit East, on July 22 – 24, 2024, in Newport, RI. The motion was seconded by Trustee Nolan and unanimously carried. (Attachment #8)

NCPERS Public Pension Funding Forum, August 18 – 20, 2024, Boston, MA
NCPERS Public Safety Conference, October 27 – 30, 2024, Palm Springs, CA

Trustee Frazier made a motion to allow any Trustee to attend one or both: NCPERS 2024 Public Pension Funding Forum in Boston, MA, from August 18 – 20, 2024; and NCPERS 2024 Public Safety Conference in Palm Springs, CA, from October 27 – 30, 2024. The motion was seconded by Trustee Cardeno and unanimously carried.

Request for proposal (RFP) for Investment Consulting Services

The Director requested guidance as to whether or not the Board wants to proceed with an RFP for investing consulting services before the contract with Mariner expires in September 2024.

There were various discussions. Trustees expressed their satisfaction with the services provided by Mariner and agreed that continuity is important; however, they understand it is their fiduciary duty to compare managers who provide services for similar-size funds.

Attorney Kaufman agreed to provide comparative information on fees and results attributable to the size and complexity of assets under management from the top pension funds in the State.

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

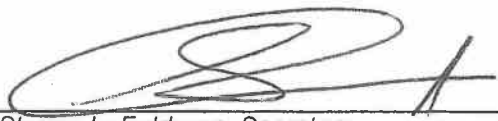
- A. FPPTA 40th Annual Conference, June 23 – 26, 2024, Orlando, FL
- B. Administrative Budget
- C. Management Fees Fiscal Year vs. Budget

ADJOURNMENT

Trustee Cardeno made a motion to adjourn the meeting. The motion was seconded by Trustee Frazier and unanimously carried. The meeting was adjourned at 10:37 AM.



Paul D. Johnson, Chairman



Steven L. Feldman, Secretary