

City of Miramar Firefighters' Retirement Plan

MINUTES OF MEETING

November 20, 2020

Leo Nunez called the hybrid meeting to order at 9:02 A.M. Those persons present were:

TRUSTEES PRESENT

Leo Nunez, Chairman
Cliff Ricketts, Secretary
Steve Bloom, Trustee
James Estep, Trustee
Patricia Barry, Trustee

OTHERS PRESENT

Amanda Kish; Resource Center; Admin
Bonni Jensen; Klausner, Kaufman, Jensen &
Levinson; Attorney
Don Dulaney, Lindsey Singer & Corine, Dulaney
& Company Inc
Angelita Delirish- Miramar Human Resource
Greg McNeillie-Dahab

Manuel Esparza, Advisory Comm

TRUSTEES ABSENT

Noel Marti, Advisory Comm

MINUTES

The October 2020 minutes were presented for review.

- Steve Bloom made a motion to approve the minutes for October 2020 as presented. The motion received a second by Patricia Barry and was approved by the Trustees 5-0.

DISBURSEMENTS

Amanda Kish presented the disbursement report and financial statements for review.

- Steve Bloom made a motion to approve the disbursements as presented. The motion received a second by Cliff Ricketts and was approved by the Trustees 5-0

INVESTMENT MANAGER PRESENTATION- (Principal Greg Pittenger)

Greg Pittenger appeared before the Board to present the investment performance for the quarter. Mr. Pittenger reviewed the firm's asset allocation, and the firm's experience in the real estate market. The 9/30/2021 asset allocation was \$8,237,594.79. The performance for the 3rd quarter was 0.28%. He discussed the current market due to the pandemic. He reviewed the precautions Principle is taking to protect the portfolio. The Board questioned the current market environment and how the portfolio is being affected. A discussion ensued.

INVESTMENT MANAGER PRESENTATION- (Intercontinental Paul Nasser Christin Fellan)

Mr. Nasser thanked the Board for allowing him to present. He informed the Board that there have been no changes to the firm. The management team has gone through several recessions and different market changes. He reviewed the firm's asset allocation. Intercontinental currently has 10 billion in assets. Intercontinental holds multifamily, a little of senior living and some hotels in its portfolio. Mr. Nasser discussed the redemption queue, he stated that the firm currently does not hold a gate. The plan currently holds 1 million dollars in dividends and the portfolio has outperformed on a 5 year period. Mr. Nasser continued to review to report.

ATTORNEY REPORT

ABERDEEN INVESTMENTS: Mrs. Jensen updated the Board regarding the Aberdeen side letter. She informed the Board that she did not like the indemnification purpose. The side letter will limit the indemnification stating that the fund can only lose what they put into the investment.

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INVESTMENT CONSULTANT REPORT

Greg McNeillie of Dahab & Associates appeared before the Board to present the quarterly report for the period ending September 30, 2020. Mr. McNeillie reported fiscal year end returns of the following: The Fund was up 6.5% (net of fees) for the fiscal year end. The fund was up 4.9% for the quarter below the bench of 6.6%. Domestic equities were up 6.8% below the bench of 8.6%; large cap equity was up 8.1%, mid cap equity was up 5.4% beating the bench of 4.5%; small cap equity was up 3.4% above the bench of 3.2%; international was up 7.4% above the bench of 6.%, real assets were up at 0.6% and fixed income was up at 1.1%; all of which resulted in the Plan being in the top 53rd percentile of the public fund universe. Total returns for the ten years are in the top half of the public fund universe. Each manager was reviewed in detail. He recommended putting DFA on watch. He suggested waiting the next quarter to review the performance. The Board held a discussion regarding the benchmark Miramar index. The Board suggested adding additional benchmarks to the managers. Mr. McNeillie informed the Board that the portfolio will need to rebalance the portfolio back to the investment policy. The portfolio is currently overweighted to cash Mr. McNeillie recommended reinvesting the cash into Invesco.

- Cliff Ricketts made a motion to reallocate the cash to Invesco large capital value. The motion received a second by Steve Bloom and was approved by the Trustees 5-0

ACTUARY REPORT

Donald Dulaney presented the Board with permissive table assumption. He reviewed the table calculation with the Board. He explained running the numbers this year using the new assumption the Board approved. If a member chose to purchase an increase multiplier is very straight forward and no issues. The analyst on buydown on normal retirement date the results by 5 years were a negative cost. If a member purchase time at later age at 45 there were a cost for buydown. Mr. Dulany provide options to the Board on members who would like to purchase buydowns. The Board held a discussion regarding the negative cost on buydown's. The Board discussed using the using the 2018 assumption for the buydowns of eligibility. Mrs. Jensen stated that she would like to have a policy written regarding the permissive service credit.

- Cliff Ricketts made a motion to direct the Actuary to use the 2018 valuation assumptions to calculate the buydown's and the current assumption for any percentage multiplier increase. The motion received a second by Patricia Barry and was approved by the Trustees 5-0

. The Board requested information from the actuary regarding reducing the eligibility years for normal retirement while keeping the multiplier the same.

- Steve Bloom made a motion to direct the Actuary to provide a cost study regarding eligibility years for Normal Retirement. The motion received a second by Patricia Barry and was approved by the Trustees 5-0

The Board held a discussion regarding the Back DROP. The actuary provided an overview and stated that the cost study will show the numbers.

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ADMINISTRATOR REPORT

BENEFIT APPROVALS: The benefit approvals from November were presented for consideration.

- Cliff Ricketts made a motion to approve the November Benefit Approval as presented. The motion received a second by Steve Bloom and was approved by the Trustees 5-0.

2021 MEETING DATES: Mrs. Kish presented the 2021 meeting dates to the Board.

OTHER REPORTS

OLD BUSINESS

NEW BUSINESS

ADJOURNMENT

The Trustees acknowledged their next meeting date was set for January 22, 2021.

- Cliff Ricketts made a motion to adjourn the meeting at 11:08 AM. The motion received a second by Steve Bloom and was approved by the Trustees 5-0.

Respectfully submitted,

Cliff Ricketts, Secretary