

City of Miramar Firefighters' Retirement Plan

MINUTES OF MEETING

August 19, 2021

Chairman Leo Nunez called the hybrid meeting to order at 9:02 A.M. in the Meeting Room of Fire Station 107 located at 11811 Miramar Parkway, Miramar, FL. Those persons present were:

TRUSTEES PRESENT

Leo Nunez, Chairman
Cliff Ricketts, Secretary
Steve Bloom, Trustee
Patricia Barry, Trustee
James Estep, Trustee
Noel Marti, Advisory Comm
Evan Hesse, Advisory Comm

TRUSTEES ABSENT

OTHERS PRESENT

Amanda Kish; Resource Center; Admin
Bonni Jensen; Klausner, Kaufman, Jensen & Levinson; Attorney
Greg McNellie; Dahab & Assoc; Consultant
Jenna Oliver, Dan Sing and Jim Corbell, LMGC
Don Dulaney, Dulaney & Company Inc
Tracie Srbovan, Disability Claimant

PUBLIC COMMENTARY

Leo Nunez invited those present to address the Board with public comments. There were no comments currently.

The Attorney informed the Board that they will need to approve Mr. Bloom attending the meeting remotely due to exigent circumstance.

- Cliff Ricketts made a motion to approve Mr. Bloom virtual attendance due to exigent circumstance. The motion received a second by James Estep and was approved by the Trustees 5-0

MINUTES

The May 2021 minutes were presented for review.

- Steve Bloom made a motion to approve the minutes for March 2021 as presented. The motion received a second by James Estep and was approved by the Trustees 4-0.

INVESTMENT MANAGER PRESENTATION –LMGC

Ms. Oliver introduced herself to the Board and introduced Dan Sing and Jim Corbell. She addressed a current firm change. The midcap core team leader passed away recently. The three-person team was closed and was transferred to another team. The change in the portfolio is going to be more quantitative orientated. Mr. Corbell continued to review the portfolio changes. The old portfolio was running at a 5th highest risk and the new portfolio will be ran at 3 to 4 risk. The portfolio will be running for long term consistence numbers. The Mid-Capital portfolio is well diversified. Mr. Sing continued to review the portfolio characteristics. The fund performed 3.49% inline with the index up 14.4 for the year to date. He continued to review the portfolio performance. The Chairman questioned the portfolio allocation to Mid Cap. Mr. Corbell reviewed the current holdings.

INVESTMENT CONSULTANT REPORT

Mr. McNellie of Dahab & Associates appeared before the Board to present the quarterly report for the period ending June 30, 2021. Mr. McNellie reported fiscal year end returns of the following:

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The Fund was up 5.8% (net of fees) above the bench of 5.7%. The fiscal year return was 24.1% above the benchmark of 23.8% Domestic equities were up 7.2% above the bench of 8.1%; large cap equity was up 9.0%, mid cap equity was up at 3.6% inline with the benchmark 3.6% the bench of 8.1%; small cap equity was up 4.5% slightly below the bench of 4.5%; foreign equity was up 5.8% below the bench of 5.5%, real assets were up 4.6% and fixed income was up at 1.9%; all of which resulted in the Plan being in the top 18th 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.

The Board questioned the LMGC portfolio change and should the Board look at other options. The Board held a discussion regarding the portfolio is not in the mid capital space. Mr. McNeillie informed the Board the LMGC is a different product. He suggested doing a search for a mid-capital manager.

The Board held a discussion regarding the Molpus and Handcock. Mr. McNeillie suggested reviewing the managers and providing additional information on similar managers.

Mr. McNeillie suggested a rebalance. He recommended moving \$4 million dollars from cash to C. S Mckee.

- Cliff Rickets made a motion to approve the recommended rebalance taking \$4 Million in cash and allocating it to C.S. Mckee. The motion received a second by James Estep and was approved by the Trustees 4-0.

ACTUARY REPORT

Mr. Dulaney of Dulaney and Company appeared before the board to present the draft 2020 Actuarial Valuation Report. Much of the information had been discussed at the last two meetings. Mr. Dulaney reviewed the report in detail with the Trustees. The actuarial value of assets return was 8.3% versus the assumed return of 7.35%. The total City contribution will be \$9,701,748.00. He reviewed the funding method changes which included the reduction to the assumed rate of return (ARR) and the impact the changes had on the Plan. It was noted the city requested the Board reduce the ARR with the knowledge that the reduction would increase the City's cost to the Plan by doing so. The Plan's funded ratio 81.2%. Mr. Dulaney asked the Board if they would like the footer revised regarding the share allocation. The baseline will go to fund the share accounts anything over the baseline will be split with the City and go to pay the pension plan's funding liability. The 175 moneys exceeded the baseline He continued to review the report

- James Estep made a motion to approve the 2020 Valuation Report as presented. The motion received a second by Cliff Rickets and was approved by the Trustees 5-0.

ATTORNEY REPORT

Statement of Policy Governing Mandatory Transfer of Unused Accumulated Leave:

Mrs. Jensen reviewed the unused accumulated leave policy. She reviewed the minor revision

ADMINISTRATOR REPORT

DISBURSEMENTS

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

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

BENEFIT APPROVALS:

The benefit approvals from August were presented for consideration. The Board questioned a benefit on the approval.

- Steve Bloom made a motion to approve the amended August Benefit Approval as presented. The motion received a second by James Estep and was approved by the Trustees 5-0

2021-2022 Conference List:

Mrs. Kish present the conference list for the trustees.

SOC 1 Memo:

Mrs. Kish presented the memo to the Board. She reviewed the memo in detail stating that the firm has a clean opinion.

Fiduciary Liability:

Mrs. Kish presented the renewal quote for the Fiduciary Liability Insurance. The insurance quote increased slightly. The Board reviewed the Policy.

- James Estep made a motion to approve the Fiduciary Liability Insurance. The motion received a second by Cliff Ricketts and was approved by the Trustees 5-0.

OTHER REPORTS

OLD BUSINESS

Informal Disability Hearing Tracie Srbovan:

Mrs. Jensen explained the parameters for the Board to approve a disability benefit. She explained to the Trustees that they must find the disability to be total and permanent. Mrs. Jensen defined "total and permanent" as a member unable to render useful and efficient service as a Firefighter and is likely to remain disabled. Mrs. Jensen instructed the Board to not rely on hearsay, but to rely on the evidence that is provided before the Board.

Mrs. Jensen reviewed the IME in summary. She informed the Board of the doctor's opinion. The Board held a discussion regarding the Mrs. Srbovan's disability claim.

- Cliff Ricketts made a motion that Tracie Srbovan is disabled from performing her functions as a Firefighter Totally and Permanently. The motion received a second by Steve Bloom and was approved by the Trustees 5-0.
- Steve Bloom made a motion that Tracie Srbovan will remain disabled totally and permanently. The motion received a second by James Estep and was approved by the Trustees 5-0.
- Steve Bloom made a motion that Tracie Srbovan condition arose from her being a Firefighter. The motion received a second by James Estep and was approved by the Trustees 5-0.

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The Board held a discussion regarding the date of payment. Mrs. Jensen informed the Board that the disability was approved today, but the benefit will be retroactive to the date of termination.

Mrs. Jensen informed Mrs. Srbovan that her forms were notarized incorrectly. She requested the member have the forms notarized correctly.

NEW BUSINESS

ADJOURNMENT

The Trustees acknowledged their next meeting date was set for September 23, 2021.

- Cliff Ricketts made a motion to adjourn the meeting at 11:33 AM. The motion received a second by Steve Bloom and was approved by the Trustees 5-0.

Respectfully submitted,

Cliff Ricketts, Secretary