



Miami Beach Firefighters Relief & Pension Fund

c/o Resource Centers, Plan Administrator ♦ MiamiBeach@ResourceCenters.com ♦ www.ResourceCenters.com

MINUTES OF THE MEETING HELD

August 14, 2024

1. CALL TO ORDER

Digna Abello called a meeting of the Board to order at 8:30 AM in the conference room, 3rd floor, of the Miami Beach City Hall. The Board had a quorum for the quarterly meeting. Those persons present included:

TRUSTEES

Digna Abello, Chair
Adam Barrett, Secretary
Marla Alpizar

OTHERS

Scott Baur, Resource Centers
Adrian Sancho & Robert Maddock, Corient
Brendon Vavrica, Mariner Institutional
Tim Nash, Intercontinental Real Estate

Electronically:

Adam Levinson, Klausner Kaufman Jensen & Levinson

2. TRUSTEES JOINING ELECTRONICALLY

No Trustees joined the meeting electronically.

3. APPROVAL OF MINUTES

The trustees reviewed the minutes from the May 15, 2024 meeting.

Marla Alpizar made a motion to approve the minutes for the May 15, 2024, quarterly meeting. Adam Barrett seconded the motion, approved by the Trustees 3-0.

4. REPORTS

Attorney Report (Adam Levinson, Klausner Kaufman Levinson & Jensen)

Adam Levinson reported that Chapter 175 Premium Tax Allocation exceeded \$3 million and represented a 22% increase from the previous year. Mr. Levinson also stated that all Trustees have filed their Annual Form 1.

The Board discussed new forms, online security, and considerations regarding Board terms and new contracts. Any extension of Board terms or new contracts will require updates to the pension ordinance, but these changes would not require a public vote. Mr. Levinson suggested that the Board make a recommendation regarding the terms. The Board agreed to revisit the topic.

Investment Manager Report (Tim Nash, Intercontinental)

Tim Nash reported that the commercial real estate environment is still challenging, but the manager believes the market has bottomed out, with the exception of office spaces. The portfolio is concentrated, with the largest holdings in Boston. There are no office properties in New York and limited office holdings elsewhere. The manager has one San Francisco property that is planned for sale. Factors supporting the remaining office holdings were also reviewed.

Mr. Nash reported that the fund has \$12.7 billion in assets with 155 properties, 91% are leased. The manager lowered leverage to 28.5% with an interest rate of 4.2%. The portfolio has a current \$1,145.4 Billion in the redemption queue.

Intercontinental is currently paying off maturing debt and gradually reducing the redemption queue using income. Some investors have canceled redemption requests. The manager may borrow or sell to facilitate redemptions as market conditions improve. Intercontinental anticipates that property markets will normalize in 2025. The manager plans to call capital before settling the redemption queue. The Board has the option to commit additional capital with a deferral period.

Investment Consultant (Brandon Vavrica, Mariner Institutional)

Brendan Vavrica discussed earnings and expectations for cash holdings, noting that many plans to not maintain a cash target. The cash earns 5% in a money market, though this rate may decrease. The manager does engage in large interest rate bets.

Mr. Vavrica presented a draft of investment policy changes to address new small/mid-cap and international allocations. The Board recommended establishing a 3% cash target. Mr. Vavrica recommends allowing and using the \$3 million expected from Chapter 175 Premium Tax to realign allocations with the established targets.

Marla Alpizar made a motion to approve the Investment Policy as discussed. The motion received a second from Adam Barrett, approved by the Trustees 3-0.

The Board further discussed the \$3 million expected Chapter 175 Premium Tax Allocation considering the option to invest while waiting for Intercontinental to call capital. The Board considered an additional \$1.5 million commitment.

Digna Abello made a motion to commit an additional \$1.5 million to Intercontinental. The motion received a second from Marla Alpizar, approved by the Trustees 3-0.

Mr. Vavrica reported a 3.27% quarterly return, a 20.31% fiscal year-to-date return, and a 9.83% 10-year average return. Mr. Vavrica also stated that the Miami Beach Firefighters' Relief and Pension Fund ranks in the top 1% of funds. As of June 30, 2024, the fund finished with \$31,490,011 in total assets.

Investment Manager Report (Adrian Sancho & Robert Maddock, Corient)

Robert Maddock reviewed recent Corient performance in detail, including changes to holding and top positions. He highlighted an increased allocation to treasuries within fixed income holdings, noting that corporate bonds are more exposed to downturns and do not compensate adequately for the additional risk.

Adrian Sancho reported inflation appears to be slowing and that employment has reached a tipping point. The top 10 companies now constitute 40% of the market and 60% is of S&P 500 gains. Smaller companies are expected to benefit from lower interest rates. Most industries are underperforming compared to the index.

Administrator Report (Scott Baur, Resource Centers)

Scott Baur informed the Board of an upcoming conference for the Department of Management Services in Daytona Shores, Florida November 13th-15th, 2024. Digna Abello expressed interest in membership and attendance of the International Foundation of Employee Benefit Plans conference in November of 2024.

Digna Abello made a motion for membership and conference attendance of the IFEBP Conference. The motion received a second from Marla Alpizar, approved by the Trustees 3-0.

Mr. Baur also reviewed the status of administration transition with the Board as well as the upcoming Board election with a proposed timeline with an online ballot.

5. BENEFITS

The Board reviewed the benefits for approval.

Adam Barrett made a motion to approve the benefits dated August 14, 2024. The motion received a second from Marla Alpizar, approved by the Trustees 3-0.

6. PLAN FINANCIALS

The Board reviewed the Fiscal Year 2023 Administrative Expense Report and discussed the administrative budget for 2025. The Board then reviewed the warrant for payment of plan expenses.

Digna Abello made a motion to approve the 2025 Administrative Expense Budget. The motion was seconded by Marla Alpizar, approved by the Trustees 3-0.

Marla Alpizar made a motion to approve the Warrants dated May 15, 2024 and August 14, 2024. The motion received a second from Digna Abello, approved by the Trustees 3-0.

7. OTHER BUSINESS

The Board had no other business to discuss.

8. PUBLIC COMMENT

No members of the public had any comment.

9. NEXT MEETING

The Board addressed the next meeting date of Tuesday, November 19, 2024 at 1:30PM.

10. ADJOURNMENT

There being no further business, the Chair adjourned the meeting at 10:54 AM.

Respectfully submitted,

Adam Barrett, Secretary