

City of Miramar Firefighters' Retirement Plan

MINUTES OF MEETING

August 18, 2023

Chairman Leo Nunez called the hybrid meeting to order at 9:00 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
James Estep, Trustee Zoom
Patricia Barry, Trustee
Cliff Ricketts, Trustee

TRUSTEES ABSENT

Jose Jaar

OTHERS PRESENT

Amanda Kish; Resource Center; Admin
Lindsey Garber; Klausner, Kaufman, Jensen & Levinson; Attorney
Greg McNellie; Dahab & Assoc; Consultant
Don Dulaney, Dulaney & Company
Robert Rossi, CS McKee
Ian Evans Smith, Finance Department
Heather Daily, Benefit Manager
Melissa Stuart, Human Resources

PUBLIC COMMENTARY

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

INVESTMENT MANAGER PRESENTATION – CSMcKee

Mr. Rossi thanked the Board for allowing him to attend the meeting. He presented the quarterly report to the Trustees, highlighting the current market environment. The portfolio's asset value as of June 30 was \$37,134,242. He reviewed the return for the quarter of 0.23%, which beat the benchmark of 0.07%. Mr. Rossi discussed the allocation of the portfolio and the current holdings. The Board held a brief discussion regarding the market and the composition of the portfolio.

INVESTMENT MONITORING REPORT

Mr. McNellie of Dahab & Associates appeared before the Board to present the quarterly report for the period ending June 30, 2024. He reviewed the market environment and the current banking industry. Mr. McNellie reported fiscal year-end returns as follows: The Fund was down -0.2%, ranking in the 98th percentile. The fiscal year return was up 14.2%, below the benchmark of 17.6%. Mr. McNellie reviewed the performance of Polen Capital, noting that Polen Capital missed performance targets due to not holding NVIDIA. He recommended taking half of the funds from Polen and placing them in the passive Russell 1000 Growth. The Board discussed the Polen asset holdings.

The Board recommended inviting Polen to the next quarterly meeting.

- Cliff Ricketts made a motion to approve the rebalance of the portfolio, taking \$20,000,000 from Polen and placing the funds in the Rhumbline Russell 1000 Growth. The motion was seconded by Patricia Barry and was approved by the Trustees 4-0.

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ACTUARY REPORT

Mr. Dulaney of Dulaney and Company appeared before the Board to present the 2023 Actuarial Valuation Report. The market value of assets was \$167,033,756 compared to \$202,527,635. Mr. Dulaney reviewed the smoothing method. The total City contribution will be \$11,975,168 for 2025. The plan had an actuarial loss due to investment return assumptions, salary increases, and zero turnover. Mr. Dulaney reviewed the plan's actuarial return assumption. The Plan's funded ratio increased from 74.4% to 79.2%. He reviewed the funding liability of the plan and the amortization payments, as well as the share plan allocation. The Board requested the city to pay the pension contribution as a one-time payment to save on interest.

The Board discussed paying off a portion of the unfunded liability. They held a discussion regarding a city account designated to pay off pension unfunded liabilities. Mrs. Garber discussed additional funds from the City ordinance that could be leveraged for the pension plan. Mrs. Daily stated that the city will investigate the balance around January. Mr. Smith addressed questions regarding the account. The Board requested the balance amount, leading to a lengthy discussion. The Board Chairman discussed the ordinance adopted around 2018 to establish an account that could be used by the City to pay down the pension plan's unfunded liability. Mr. Smith stated that the finance team would need to meet to discuss the balance. The Board requested to see the balance at the next meeting and where that balance is in the budget.

The plan attorney questioned when the best time for the Board would be to request the funds. Mr. Smith stated he would meet with his team and report back to the Board.

- Cliff Ricketts made a motion to approve the 2023 Valuation Report as presented. The motion was seconded by Patricia Barry and was approved by the Trustees 4-0.

Declaration of Return:

Mrs. Garber addressed the declaration of return assumptions.

- Cliff Ricketts made a motion to approve the short-term and long-term investment return of 7.25%. The motion was seconded by Patricia Barry and was approved by the Trustees 4-0.

ATTORNEY REPORT:

Mrs. Garber presented the 2025 meeting dates.

ADMINISTRATOR REPORT

BENEFIT APPROVALS:

The benefit approvals from August 2024 were presented for consideration.

- Cliff Ricketts made a motion to approve the Benefit Approval dated August 2024. The motion was seconded by Patricia Barry and was approved by the Trustees 4-0.

MINUTES

The May 2024 minutes were presented for review.

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- Patricia Barry made a motion to approve the minutes for March 2024 as presented. The motion received a second by Cliff Ricketts and was approved by the Trustees 4-0.

DISBURSEMENTS:

The Board reviewed the disbursement for the meeting in August 2024.

- Cliff Ricketts made a motion to approve the presented disbursement dated August 2024. The motion received a second Patricia Barry and was approved by the Trustees 4-0.

ADMINISTRATIVE BUDGET

Mrs. Kish reviewed the administrative budget in detail with the Board. She stated that the budget is submitted with the annual report.

- Cliff Ricketts made a motion to approve the Administrative Budget as presented. The motion received a second by Patricia Barry and was approved by the Trustees 4-0.

OTHER REPORTS

OLD BUSINESS

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NEW BUSINESS

ADJOURNMENT

The Trustees acknowledged their next meeting date was set for August 16, 2024

- Cliff Ricketts made a motion to adjourn the meeting at 11:00 AM. The motion received a second by James Estep and was approved by the Trustees 4-0.

Respectfully submitted,

Cliff Ricketts, Secretary