

**CITY OF MIRAMAR MUNICIPAL POLICE OFFICERS' RETIREMENT PLAN
BOARD OF TRUSTEES
QUARTERLY MEETING MINUTES
2811 SW 186TH AVE, MIRAMAR FL, 33029**

Thursday, December 12, 2024, at 1:00pm

TRUSTEES PRESENT: Erik Conway
John "Jack" Murphy
Rose Rauschkilb
Wayne Lloyd
Frank DeFalco

TRUSTEES ABSENT: Oscar Kramp

OTHERS PRESENT: Jeff Swanson, Southeastern Advisory
Anna Klausner Parrish, Klausner, Kaufman, Jensen, & Levinson
Siera Feketa, Foster & Foster
Greg Abend, Foster & Foster
Don DuLaney, DuLaney & Company

1. **Call to Order** – The meeting was called to order at 1:08pm.
2. **Roll Call** – As reflected above.
3. **Public Comments** – None.
4. **Approval of Minutes**
 - a. September 12, 2024, quarterly meeting

The minutes from the September 12, 2024, quarterly meeting were approved as presented, upon motion by Wayne Lloyd and second by Erik Conway; motion carried 5-0.

5. New Business

- a. Discussion of terminal leave account staying in DROP following separation
 - i. Frank DeFalco reviewed Section 15-26 of the plan document. Frank asked if they had to take the terminal leave balance when separating or they could leave it in the DROP. Anna Klausner Parrish and Frank discussed if they wanted to mandate people to take their money. Frank commented they want to allow people to leave their money in the DROP. Anna commented she could write an administrative rule. Siera Feketa commented she had some items she wanted to discuss to include in the administrative rule so it was clear on what was permitted and how it should be administered.

6. Old Business

- a. Annual Report Engagement Letter
 - i. Siera Feketa reviewed the fees of KSDT, or they could have Foster & Foster file the Annual Report for the same fee of \$5K. The Board discussed and agreed they would rather have as much done by one firm and so it made sense for Foster & Foster to file the Annual Report.

The Board voted to approve Foster & Foster filing Annual Report submission, upon motion by Jack Murphy and second by Erik Conway, motion carried 5-0.

- ii. Frank DeFalco requested an update on the audit. Siera Feketa commented they were waiting on final statements from managers so the bookkeeper could finalize the financial statements. Siera informed the Board they have been sending the documents to the auditor that they have available and hopefully they were still on track to have the audit done earlier this year. Jeff Swanson stated that he would ask that the managers provide a preliminary statement if needed.

7. Reports (Attorney/Consultants)

a. Southeastern Advisory, Jeff Swanson, Investment Consultant

i. Quarterly report as of September 30, 2024

- 1. Jeff Swanson gave an overview of the market environment for the quarter. Jeff commented it was a great fiscal year and they finished at \$290M. Jeff commented they were over \$305M as of the November report.

Note: Frank DeFalco left room at 1:19pm.

- 2. Jeff Swanson reviewed the peer group analysis commenting they were consistently ranking in the top 3rd of all pension funds.
- 3. Jeff Swanson reviewed their 2025 capital market assumptions commenting they were anticipating 7.25%. Don DuLaney confirmed the assumed rate was currently 7%.

Note: Frank DeFalco returned at 1:22pm.

ii. Monthly flash report as of November 30, 2024

- 1. Jeff Swanson reviewed the manager status and the performance of each of the managers. Jeff discussed the real estate managers commenting JP Morgan was the one really struggling, but they were waiting on liquidity from that manager.
- 2. Jeff Swanson reviewed the financial reconciliation.
- 3. Jeff Swanson reviewed the segment and asset manager evaluation.
- 4. Jeff Swanson commented he would have some recommendations.
- 5. Jack Murphy and Jeff Swanson discussed the real estate markets.
- 6. Jeff Swanson recommended they delete the Europacific growth fund and reviewed the issues with them moving forward. Jeff commented they already have ABS for emerging markets. Jeff recommended putting \$5M to Hudson edge and the rest he would like to initiate into the Vanguard developed market index.

The Board voted to approve the recommendation of the investment consultant to liquidate Europacific, upon motion by Erik Conway and second by Wayne Lloyd, motion carried 5-0.

The Board voted to approve the recommendation of the investment consultant to allocate \$5M to Hudson Edge, upon motion by Erik Conway and second by Wayne Lloyd, motion carried 5-0.

The Board voted to approve the recommendation of the investment consultant to initiate Vanguard developed market index fund for \$4M, upon motion by Frank DeFalco and second by Wayne Lloyd, motion carried 5-0.

7. Jeff Swanson discussed Great Lakes commenting he recommended allocating \$10M to replace an investment they previously liquidated and this would represent the value portion of the domestic equity.

The Board voted to approve the recommendation of the investment consultant to allocate \$10M to Great Lakes, upon motion by Erik Conway and second by Wayne Lloyd, motion carried 5-0.

8. Jeff Swanson commented the plan had approximately \$4.5 million in cash and they may need to raise cash at the beginning of the year, but right now they were fine.
 9. Anna Klausner Parrish commented they already have the documents to engage with the managers so they would work on those. Anna and Jeff Swanson discussed getting these funded before March 2025.
- b. DuLaney & Company, Don DuLaney, Board Actuary
 - i. Section 112.664 Compliance Report
 1. Don DuLaney discussed the report commenting it was statutorily required. Don reviewed the projections they were required to show on this report.
 2. Don DuLaney reviewed the changes in net pension liability and related ratios.
 3. Don DuLaney reviewed the report and the projections if the plan performs at the current investment return assumption, 2% below, and 2% above.
 4. Don DuLaney commented they did submit this to the plan administrator for posting.
 5. Don DuLaney discussed the amount of excess funds they have over the amount needed to fund minimum benefits and that would be allocated to the members via share plan/ad hoc variable benefit. The Board and Don discussed the amount of members and who would receive an allocation. The Board and Don discussed that the DROP members would get an allocation. Don commented the share plan statements would be updated when they get the data from the City. Don commented he expected to have this all figured out by next meeting.
 - c. Klausner, Kaufman, Jensen, & Levinson, Anna Klausner Parrish, Board Attorney
 - i. New Contract Requirements Memo
 1. Anna Klausner Parrish discussed the new contract requirements commenting there were new affidavits for the vendors to sign, one relating to human trafficking and one stating they do not do business with countries of concern.
 - ii. New Withholding Rule Memo
 1. Anna Klausner Parrish discussed commenting this only applies to retirees that live outside of the US and that they could no longer elect no withholding if they live outside of the US.
 - iii. Updated Summary Plan Description (SPD)
 1. Anna Klausner Parrish reviewed the SPDs commenting they updated the necessary information.
 2. Anna Klausner Parrish commented they just need to update the return assumption. Anna commented rather than listing the number she would just include general language referring to the investment return assumption.

3. Anna Klausner Parrish commented she would also give the administrator an updated death benefit memo.

The Board voted to approve the Summary Plan Description as amended, upon motion by Wayne Lloyd and second by Erik Conway; motion carried 5-0.

- iv. Frank DeFalco to have Anna Klausner Parrish write an administrative rule regarding the executive director position.
- v. Frank DeFalco discussed the member that purchased time and then was awarded a disability pension but was not used to purchase time. Frank commented there was some discussion around paying him back or not. Frank asked if they should have a rule around this. Anna Klausner Parrish commented they have a policy and could amend that policy to make it clear.
- vi. The Board and Anna Klausner Parrish discussed the best practice with purchased time that could not be credited. They ultimately agreed that they could make the distinction to refund for purchased time only for disability. Anna commented this should also be specified on the application for purchased service. The Board discussed applying interest at 3%. Siera Feketa to send buyback applications to Anna and have her amend the language.

8. Consent Agenda

- a. Payment ratification
 - i. Warrant #11, #12, #13
- b. Invoices for approval
 - i. Warrant #14
- c. Fund activity report for September 6, 2024 – December 5, 2024

The Board voted to approve the Consent Agenda as presented, upon motion by Erik Conway and second by Wayne Lloyd; motion carried 5-0.

10. Staff Reports, Discussion and Action

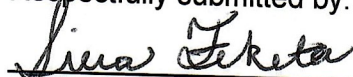
- a. Foster & Foster, Siera Feketa, Plan Administrator
 - i. Update on portal
 - 1. Siera Feketa commented they received data for the portal, which their team was still reviewing and they hoped it would be rolled out or close to by next meeting. Siera commented she may reach out to the attorney for ordinances as they want to make sure the portal was accurate.
 - ii. Renewal of Board memberships
 - 1. The Board advised they do not have any memberships.

11. Trustee Reports, Discussion and Action -- None

12. Adjournment - The meeting adjourned at 2:13pm.

13. Next Meeting – March 12, 2025, at 1:00pm.

Respectfully submitted by:



Siera Feketa, Plan Administrator

Approved by:



Frank DeFalco, Chairman

Date Approved by the Pension Board:

3/12/25