

**MINUTES OF THE INVESTMENT REVIEW MEETING OF  
THE CITY OF MIAMI  
FIRE FIGHTERS' AND POLICE OFFICERS' RETIREMENT TRUST**

February 8, 2018

**MEMBERS PRESENT**

O. Cotera	-	Appointed by the City Commission
M. Fernandez	-	Appointed by the City Commission
T. Gabriel	-	Appointed by the City Commission
S. MacDonald	-	Elected by the Police Officers
T. Roell	-	Appointed by the City Commission
R. Suarez	-	Elected by the Fire Fighters
A. Valdivia	-	Elected by the Police Officers

**ALSO PRESENT**

R. Klausner	-	Legal Counsel
W. Cottle	-	Investment Consultant

**MEMBERS ABSENT**

N. Enriquez	-	Elected by the Fire Fighters
Vacant	-	City Manager Appointee

Chairman O. Cotera called the meeting to order at 8:35 a.m. with a quorum being present.

**ADMINISTRATIVE ISSUES**

**Financial Audit FY 2016-2017**

V. Carrodegua and Y. Rivera-Morales were present representing BDO. They reviewed with the Board the draft of the 2016-2017 Financial Audit. V. Carrodegua stated that an update on the footnote addressing the Financial Urgency issue was received after the draft had been sent and that the update would be included in the final report. A question and answer period followed the presentation. The Audit Committee reported that the final draft had been reviewed and they recommended that the report be accepted. A motion was made by A. Valdivia and seconded by T. Roell to accept the report with the noted update on the Financial Urgency footnote. The motion was approved unanimously.

MINUTES OF THE INVESTMENT REVIEW MEETING. OF THE CITY OF MIAMI FIRE FIGHTERS' AND POLICE OFFICERS' RETIREMENT TRUST

February 8, 2018

Page 2 of 3

INVESTMENT /ISSUES AND PERFORMANCE REVIEW QE 12/31/2017

MILLIMAN USA – Represented by W. Cottle, S. Cottle, J. Nipp

The Consultant reviewed with the Board the performance for quarter ending December 31, 2017. Specific points addressed are as follows:

Asset Allocation Study

The Consultant reviewed with the Board the Asset Allocation Study that was presented back in July, 2017. The Consultant stated that the allocation recommendations made in the report continue to be valid.

Emerging Markets

All the analysis compiled by the Consultant were reviewed. Discussion ensued. M. Fernandez moved and was seconded by T. Roell to defer the decision on entering into this new asset class to the next Regular Meeting. Discussion resumed. The motion was approved unanimously.

Performance Report

The FIPO Trust had a total market value of \$1,601,698,802 as of December 31, 2017, which represents an increase of \$89.1 million from the September 30, 2017 market value. The overall increase in the Trust's market value was the result of \$44.6 million in net cash flows and an investment gain of \$44.5 million.

Watch List

The Consultant recommended that AXA high yield income portfolio be taken off the Watch List as their performance has been consistently above the benchmark for several quarters. Discussion followed. A motion was made by T. Roell and seconded by M. Fernandez to take AXA off the Watch List. The motion was approved unanimously.

MANAGER PRESENTATIONS

The below listed Investment Managers made presentations to the Board on their performance for quarter ending December 31, 2017. A copy of their individual reports is on file at the Fire and Police Pension Office and available for review.

Adams Street Partners – M. Lucarelli

AXA Investment Managers - R. Houle

First Eagle Asset – C. Miller

Cooper Rock – S. Dexter

MINUTES OF THE INVESTMENT REVIEW MEETING. OF THE CITY OF MIAMI FIRE FIGHTERS' AND POLICE OFFICERS' RETIREMENT TRUST

February 8, 2018

Page 3 of 3

INVESTMENT /ISSUES AND PERFORMANCE REVIEW QE 12/31/2017 (continued)

Aberdeen (Standard Life) – J. Donovan, T. McVie

Champlain Investment Managers – J. O'Connell, S. Braynan, C. Bonner

With no further business, the meeting was adjourned at 1:30 p.m. by a motion from S. MacDonald a second from A. Valdivia and a unanimous vote.

  
\_\_\_\_\_  
Ornel Cotera, Chairman

Attest:

  
\_\_\_\_\_  
Dania Orta, Administrator