

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

January 24, 2018

Members Present

O. Cotera	-	Appointed by the City Commission
M. Fernandez	-	Appointed by the City Commission
T. Gabriel	-	Appointed by the City Commission
N. Enriquez	-	Elected by the Fire Fighters
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 Advisor
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Members Absent

Vacant	-	Appointed by the City Manager
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Chairman O. Cotera called the meeting to order at 8:55 a.m. with a quorum being present.

ATTORNEY'S REPORT

A motion was made by S. MacDonald and seconded by N. Enriquez to take the Attorney's Report out of order. The motion was approved unanimously.

Financial Urgency: Attorney gave the Board an update on the Financial Urgency case. He reported the hearings with the PERC Officer to address the back pay issue were scheduled to begin February 26th.

Injunction/Motion to Abate: Attorney reported that on December 22nd the City filed a complaint for injunctive relief and a motion for an emergency injunction concerning the Board's November 2nd decision to reinstate the benefit formulas declared unconstitutional as a result of the Headley Case. A trial was held on December 29th. On January 8th the Court issued a comprehensive ruling denying the motion finding the City did not prove any of the elements required for an injunction and abating the case due to the failure of the City to follow a Florida Statute which requires a government to mediate before suing another governmental entity.

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ATTORNEY'S REPORT (continued)

December Invoice: The Attorney reviewed with the Board the legal services invoice for the month of December/January which included the legal work done to address the City's Complaint. The Board unanimously accepted the invoice.

Castro et al: The Attorney reported that the Judge granted a motion to dismiss all but one count, breach of contract. Answers were filed for all individual complaints along with a petition for prohibition claiming the Trial Court lacks jurisdiction. Plaintiffs' responses are due February 1st.

ELECTION OF CHAIRMAN AND VICE-CHAIRMAN

Nominations were opened for Board Chairman. R. Suarez nominated O. Cotera. A motion was made by N. Enriquez and seconded by R. Suarez to close nominations. The motion was approved unanimously. O. Cotera was named Chairman.

Nominations were opened for Vice-Chairman. O. Cotera nominated M. Fernandez. T. Roell moved and was seconded by O. Cotera to close the nominations. The motion was approved unanimously. M. Fernandez was named Vice-Chairman.

APPROVAL OF MINUTES

The minutes of the Regular Meeting of December 15, 2017, were reviewed. The minutes were approved by a motion from N. Enriquez, a second from T. Roell and a unanimous vote.

Investment Manager Search meeting minutes were reviewed and approved by a motion by A. Valdivia a second by T. Roell and a unanimous vote.

RATIFICATION OF PAYMENT

Payments for the period were reviewed. A motion was made by T. Roell and seconded by R. Suarez to ratify payments presented. The motion was approved unanimously.

FINANCIAL AUDIT 2016/2017

Audit Committee Chairperson M. Fernandez reported that the Committee had met earlier with the representatives from BDO and had reviewed the draft of the report in depth. The Auditors were asked to include additional notes to the report to address the Supreme Court ruling and the actions taken by the Board. Committee Chair requested the approval of the report be deferred to the February meeting in order to allow the Auditors time to provide an updated report.

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THREE YEAR EXPERIENCE STUDY

J. Welch represented Pension Board Consultant, Inc. He reviewed with the Board the Three Year Experience Study report conducted for fiscal years 2014-2015, 2015-2016, 2016-2017. A question and answer period followed the presentation.

DROP INVESTMENT REVIEW COMMITTEE

Committee Chair O. Cotera reported that the Committee will be meeting with a Vanguard representative after the Regular meeting and will report to the Board at the next meeting.

ADMINISTRATOR'S REPORT

- The 2017 1099 R forms had been processed and mailed.
- Active members' annual statements had been processed and mailed.
- Motion Log was distributed.

INVESTMENT ISSUES

W. Cottle participated via telephone. He reviewed a memorandum prepared on further analysis of Emerging Markets Equity data. Based on costs associated with separate account portfolios that exclude Russian securities, the recommendation was to invest in a commingled fund account with either Columbia Threadneedle or Goldman Sachs. Both firms are comparable but their commingled fund offerings would include Russian holdings. It was noted that Goldman Sachs' asset management fees would be lower. Discussion ensued. No action was taken. The issue will be on the next Investment Meeting agenda.

CONFERENCES DURING THE PERIOD

T. Gabriel made a motion and it was seconded by R. Suarez to approve the attendance of any member interested in attending conferences listed for the period. The motion was approved unanimously.

A motion was made by S. MacDonald and seconded by T. Roell to wave the restriction on hotels for local conferences for Trustees attending the Milliman Client Conference being held at the Mandarin Oriental in March. The motion was approved unanimously.

Being no further business, the meeting was adjourned at 12:35 p.m. by a motion by M. Fernandez a second by T. Roell and a unanimous vote.


Ornel Cotera, Chairman

Attest:



Dania Orta, Administrator