

CORAL GABLES RETIREMENT SYSTEM
 Minutes of August 8, 2024
 Public Safety Building
 Community Meeting Room A
 2151 Salzedo Street
 8:00 a.m.

MEMBERS:	A	S	O	N	J	F	M	A	M	J	A	APPOINTED BY:
	23	23	23	23	24	24	24	24	24	24	24	
Vacant	-	-	-	-	-	-	-	-	-	-	-	Mayor Vince Lago
Alex Mantecon	E	P	E	P	P	P	E	P	P	P	P	Commissioner Castro
Juan Lucas Alvarez	P	P	P	P	P	P	P	P	E	P	P	Commissioner Ariel Fernandez
Michael Gold	E	P	P	P	P	P	P	E	P	P	E	Commissioner Kirk Menendez
Manny Carreno	P	P	P	P	P	P	P	E	P	P	A	Commissioner Rhonda Anderson
Joshua Nunez	P	P	P	P	P	P	P	P	A	P	P	Police Representative
Christopher Challenger	P	P	P	P	P	E	P	P	P	E	P	Member at Large
Sureya Serret	P	P	P	P	P	P	P	P	P	E	P	General Employees
Troy Easley	P	E	P	P	P	P	P	P	P	P	P	Fire Representative
Diana Gomez	P	P	P	P	P	P	P	P	P	P	P	Finance Director
Raquel Elejabarrieta	P	P	P	P	P	P	P	P	P	P	P	Labor Relations and Risk Management
Rene Alvarez	P	E	P	P	P	E	P	E	P	P	E	City Manager Appointee
James Gueits	-	-	-	-	-	-	P	P	P	P	P	City Manager Appointee

STAFF:

Kimberly Groome, Administrative Manager	P = Present
Manuel Garcia-Linares, Board Attorney	E = Excused
Dave West, Mariner	A = Absent
Edemir Estrada, Gabriel Roeder Smith	

1. Roll call.

Chairperson Mantecon called the meeting to order at 8:06 a.m. Mr. Gold was excused, Mr. Carreno was absent, and Mr. Rene Alvarez was excused.

2. Consent Agenda.

All items listed within this section entitled as also in attendance "Consent Agenda" are considered to be self-explanatory and are not expected to require additional review or discussion, unless a member of the Retirement Board or a citizen so requests, in which case, the item will be removed from the Consent Agenda and considered along with the regular order of business. Hearing no objections to the items listed under the "Consent Agenda", a vote on the adoption of the Consent Agenda will be taken.

2A. The Administrative Manager recommends approval of the Retirement Board meeting minutes for June 13, 2024.

- 2B. The Administrative Manager recommends approval of the following invoices:
1. City of Coral Gables invoice due to G/L April 1, 2024 through June 30, 2024 in the amount of \$38,056.90.
 2. City of Coral Gables invoice #00420 for General Liability from July to September 2024 in the amount of \$1,476.75.
 3. Mariner Institutional, LLC invoice #48099 for investment consulting services from April to June 2024 in the amount of \$52,750.00.
 4. Gabriel Roeder Smith invoice #487818 for June 2024 administrative services in the amount of \$20,259.30.
 5. Gabriel Roeder Smith invoice #487824 for June 2024 actuarial services in the amount of \$7,439.00.
- 2C. The Administrative Manager recommends approval of the following Retirement Benefit Certifications: DROP – Emily Munoz (General Excludable Employee - Professional), Jorge Pino (General Non-Excludable Employee).
- 2D. The Administrative Manager recommends approval of the Service Purchase time of Zeida Sardinias (General Excludable Employee - Supervisory) - requesting to buy back 4 years, 10 months and 11 days.

A motion to approve the Consent Agenda was made by Mr. Easley and seconded by Mr. Nunez. Motion unanimously approved (9-0).

3 Comments from Retirement Board Chairperson.

Chairperson Mantecon said he hoped everyone had a great summer and now looking forward to hear from Mr. West regarding movements in the market and investment reviews.

4. Items from the Board Attorney.

Mr. Garcia-Linares commented on the request made by the Board to look into when pension payments should be paid. The Ordinance states that payments are supposed to be made on the first day of the month but it does not say what happens if the first of the month is on a weekend. Some companies pay ahead of time because of the weekend, some people pay the next business day.

Chairperson Mantecon asked about the standards in a case like that, to which Ms. Gomez indicated that the City tends to pay in advance.

Mr. Garcia-Linares reported that he worked with the Investment Consultant on pending investment transition agreements, those were signed and transition of accounts happened.

The resolution from the Retirement Board to the City recommending that the City Commission stays the course and continue to make additional payments to fund the pension unfunded liability was executed and accepted by the City.

Lastly, Mr. Garcia-Linares explained to the Board that a motion was needed regarding a repayment extension granted to two retirees due to hardship reasons. Mr. Garcia-Linares and Ms. Gomez recently had discussed that the Board has agreed to defer payments in the past for hardships.

A motion to ratify the repayment extension granted to two retirees based on hardship reasons they provided was made by Ms. Gomez and seconded by Mr. Easley. Motion unanimously approved (9-0).

5. Attendance of representatives from PenChecks for addressing items related to pension payments.

Ms. Alexandra Gerritsen, Chief Operating Officer at PenChecks Trust addressed the Board on behalf of her team. In regard to duplicate payments processed for June 2024 pension payments, Ms. Gerritsen informed that the 18 participants that were overpaid in June 2024 was due to the fact that naturally their system, if the first falls on a weekend or holiday, they pay the day after. That's how their system works, so they've had to manually adjust those. When they went to manually adjust the 18 participants that were affected they couldn't retract the direct deposit in time. PenChecks has since released a software update that does allow it to automatically be chosen if you want it paid prior or after the date you need it to be.

Ms. Estrada added that a problem was that if there's an issue with pension payments retirees are still calling Ms. Groome, then they are going to be referred to GRS and GRS is going to explain they did what needed to be done to send the information to PenChecks. Ms. Estrada explained the importance of GRS working together with PenChecks in order to avoid this type of situation in favor of retirees, and make sure they receive their payments on time.

In regard to pension overpayments processed in June 2024 Ms. Gerritsen mentioned that some payments had already hit the bank account and the funds had been used. That was a little bit of an issue, although they did as best as they could to move them back, and obviously those ones that they could not they withheld payment in July 2024.

Ms. Gomez asked for clarification on who should be taking calls from members, and Ms. Estrada explained that GRS, as the third-party administrator, should be taking all the calls however after meeting internally, GRS decided that for specific cases like this, members would be asked to contact PenChecks. Mr. Garcia-Linares added that there

should be a better communication between GRS and PenChecks and if PenChecks knows an issue happened they alert GRS of it, so that GRS understands what it is. Ms. Gomez also noted that members should contact GRS and they should then try to find the information, and assist with any questions from members.

Ms. Gerritsen concluded by adding that she and her team at PenChecks are happy to coordinate with whomever on talking points or any issues and they will make sure GRS is notified of if there's any issues moving forward.

6. Items from the third-party Pension Administrator.

Ms. Estrada reported that GRS has been working together with Ms. Groome about the 2024 biweekly payroll reports needed. GRS used to get payroll reports when the Eden system was in place, but now that the City has the new system INFOR, GRS is trying to get the using the same format. Ms. Estrada said that GRS is aware that Ms. Groome has been in contact and working with the City's IT Dept, and she believes Ms. Groome is waiting for a response from the IT Dept. Ms. Estrada wants to make sure the Board is aware of this matter and that GRS needs that information as soon as possible and while Ms. Groome is still in contact with GRS.

Mr. Garcia-Linares asked which reports are needed to which Ms. Groome said that the reports are all the active employees, and then the bi-weekly pay with the contributions. Ms. Groome explained she's been in contact with the IT Dept. and they're in the process of getting these reports created; she will contact them again.

Chairperson Mantecon asked when does this become critical, and when are these reports needed by. Ms. Estrada said that maybe within a month. As of now, payroll information is provided when needed (i.e.: a member enters the DROP). Ms. Groome added that she will stay on top of this issue.

Ms. Groome stated that her last physical day at work would be around the second week of December 2024. Mr. Garcia-Linares and Ms. Gomez had a recent conversation regarding who is going to be the liaison between the City and GRS. Ms. Gomez explained that she plans to meet with Ms. Groome in September 2024 to go over what she's currently doing as a liaison. Those responsibilities are going to be put on Payroll and HR. Ms. Gomez added that by end of September 2024 they will exactly what they are doing and who's going to be doing what internally.

7. Investment Issues.

Dave West provided the full quarterly investment report and mentioned that all the rankings are very good, therefore no issues with the quarterly report. Regarding the July Flash report, that news is a little bit irrelevant at this stage, based on the last couple of days of market activity. Following the last meeting, it was agreed to terminate AllSpring who was the growth manager and opted to transfer assets over to Winslow; that transaction was

completed during the month of July 2024; also opted to transfer and rebalance some of those funds into the R&D and into cash.

Mr. West spoke about the market, current trades, and trigger for the most recent sell-off that occurred. Right now, the most likely forecast is for an activity in the September meeting. Fundamentally the U.S. Economy it's slowing. Garcia Hamilton has been forecasting that for over a year and a half, and it's finally happening, so they're going to have huge gains in the bond portfolio as of today's print.

Mr. West provided an overview on the Asset allocation. Right now, they are a little bit high in cash but according to the policy. No changes to the allocation, and that cash should be kept. They will see where the volatility takes them out, and then come back to the next meeting. Will see what opportunity has been created, and allocate monies accordingly, based on probably next meeting's conversation. In terms of declining rates, that's good for the real estate managers. Lower rates mean you can increase the present value of your underlying property assessments, so they need that to occur.

Mr. West had no action recommendations.

Mr. Garcia-Linares asked Mr. West if there is way that between him and Pete Strong at GRS could have numbers for the Board to review with the Commission in October, without having to wait until November to have a meeting with the Commissioners. Mr. West responded affirmatively.

A brief discussion was held between Mr. Garcia-Linares, Ms. Gomez and Mr. Gueits regarding why and when the joint meeting with the Commissioners should be held, and based on last year's meeting with the Mayor and City Commission proposed dates for the joint meeting were October 24th and October 25th. Ms. Groome will find out if either date would work for the Commission for the joint meeting with the Retirement Board. First part of that meeting will be a regular agenda, and second part of that meeting will be for the joint meeting with the Commissioners.

8. Old Business.

Ms. Estrada noted that the 2023 Annual Report was approved by the State.

9. New Business

Mr. Nunez commented on a Police Officer with a medical issue and asked about the status of the Officer's disability case; to which Ms. Estrada responded that she has been in contact with the member and explained to the member that the physician letter received by GRS does not indicate he is permanently disabled, and that she hasn't received a clear answer on whether or not the City has approved the physician letter submitted by him.

Mr. Garcia-Linares asked if this was a new disability case to which Mr. Nunez added that it is a new disability connected to a work-related injury that had occurred a few years ago.

Mr. Garcia-Linares indicated that the member needs to go through the process to get approved for disability. Mr. Nunez mentioned a change to the Ordinance (in terms of having applicants to see a doctor), from “the city shall have the participant examined by a physician it selects” to “the city may have the participant examined by a physician it selects”. Mr. Garcia-Linares also indicated that in order for the Board to decide whether or not the member should be sent to another physician he needs to provide the additional information needed.

Ms. Elejabarrieta mentioned having received a doctor’s letter submitted by the member, but it hasn’t been confirmed whether or not the letter was approved by the City, or if the member needs to be sent to another doctor. Ms. Groome noted the information she received was from the Worker’s Compensation Specialist.

Mr. Nunez asked Ms. Estrada if what’s needed at that time is something from the member’s doctor with some verbiage on it, and GRS is waiting on him to get that? Ms. Estrada responded affirmatively, and that the required information was needed in order to present the case to the Board.

10. Public Comments.

Mr. Pickering addressed the Board and commented on last year’s joint meeting with the City Commission and said he appreciates the Board moving things into October 2024 and getting prepared early. He made a reference to the letters prepared by Pete Strong (actuary) and Ms. Gomez and requested that they are done again this year. Mr. Pickering said last year’s conversations turned into back and forth, arguing between the Commissioner and the Mayor for nearly two hours, here were numerous votes and nobody could come to agreement. Mr. Pickering added that tis situation totally demoralized all of the retirees of the City of Coral Gables and it hurt them bad; retirees are hurting and haven’t had a COLA in many years.

Ms. Gomez addressed Mr. Pickering’s comments and request and assured him they will proceed accordingly.

11. Adjournment.

Meeting was adjourned at 9:04 a.m.

APPROVED ON: _____