

CORAL GABLES RETIREMENT SYSTEM

Minutes of January 11, 2024

Public Safety Building

Community Meeting Room A

2151 Salzedo Street

8:00 a.m.

MEMBERS:	J	F	M	A	M	J	A	S	O	N	J	APPOINTED BY:
	23	23	23	23	23	23	23	23	23	23	24	

Vacant	-	-	-	-	-	-	-	-	-	-	-	Mayor Vince Lago
Alex Mantecon	P	P	P	E	P	P	E	P	E	P	P	Commissioner Castro
Juan Lucas Alvarez	-	-	-	-	-	-	P	P	P	P	P	Commissioner Ariel Fernandez
Michael Gold	P	P	P	E	P	E	E	P	P	P	P	Commissioner Kirk Menendez
Manny Carreno	-	-	-	-	-	-	P	P	P	P	P	Commissioner Rhonda Anderson
Joshua Nunez	E	P	P	P	E	P	P	P	P	P	P	Police Representative
Christopher Challenger	P	E	P	P	P	P	P	P	P	P	P	Member at Large
Sureya Serret	-	-	-	P	P	P	P	P	P	P	P	General Employees
Troy Easley	P	P	P	P	P	P	P	E	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	E	P	P	P	E	P	P	E	P	P	P	City Manager Appointee
Vacant	-	-	-	-	-	-	-	-	-	-	-	City Manager Appointee

STAFF:

Kimberly Groome, Administrative Manager  
 Manuel Garcia-Linares, Board Attorney  
 Dave West, AndCo Consulting  
 Edemir Estrada, Gabriel Roeder Smith

P = Present  
 E = Excused  
 A = Absent

GUESTS:

1. Roll call.

Chairperson Mantecon called the meeting to order at 8:06 a.m. Mr. Gold and Ms. Elejabarrieta were running late.

2. Consent Agenda.

*All items listed within this section entitled "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 November 9, 2023.
- 2B. The Administrative Manager recommends approval of the Retirement Board Joint meeting minutes for December 15, 2023.
- 2C. The Administrative Manager recommends approval of the following invoices:
1. City of Coral Gables invoice #00076 for General Liability from October to December 2023 in the amount of \$1,194.25.
  2. AndCo Consulting invoice #46456 for investment consulting services from October to December 2023 in the amount of \$52,750.00.
  3. Verdeja De Armas Trujillo and Alvarez invoice #36640 for fees with respect to audit of financial statements in the amount of \$35.00.
  4. Verdeja De Armas Trujillo and Alvarez invoice #40071 for retainer of audit of financial statements at September 30, 2023 in the amount of \$6,400.00.
  5. Gabriel Roeder Smith invoice #482933 for October 2023 administrative services in the amount of \$18,546.25.
  6. Gabriel Roeder Smith invoice #482938 for actuarial services through October 2023 in the amount of \$5,842.00.
  7. Gabriel Roeder Smith invoice #483339 for November 2023 administrative services in the amount of \$21,540.37.
  8. Gabriel Roeder Smith invoice #483345 for November 2023 actuarial services in the amount of \$4,482.00.
  9. Gabriel Roeder Smith invoice #483993 for December 2023 actuarial services in the amount of \$3,122.00.
  10. Gabriel Roeder Smith invoice #483985 for December 2023 administrative services in the amount of \$21,532.00.
- 2D. The Administrative Manager recommends approval of the following Retirement Benefit Certifications: DROP – Ana Sierra (General Non-Excludable Employee), Jesse Medina (Police Officer – Excludable), Terrance Daniel (General Non-Excludable Employee), Javier Diaz (General Non-Excludable Employee).

**A motion to approve the Consent Agenda was made by Mr. Alvarez and seconded by Mr.Nunez. Motion unanimously approved (8-0).**

3 Comments from Retirement Board Chairperson.

Chairperson Mantecon spoke regarding the elections to be made for a Chairperson and Vice-chairperson for the Retirement Board and that it's been a great pleasure to work with everyone. The group is amazing and really cares about what they are doing, provide very valuable input, and make some good decisions as well to the benefit of the Retirement System. Chairperson Mantecon noted the Retirement System doesn't have a Vice-chairperson at the moment; Mr. Garcia-Linares confirmed the information stating that the latest Vice-chairperson has not been approved to be reelected by the City Commission because he no longer lives in the City.

4. Items from the Board Attorney.

Mr. Garcia-Linares said it's been quiet and not much has been happening; a couple of issues that he's dealing with Ms. Estrada that the Board needs not worry. He asked Ms. Gomez if she had received any feedback from the Commissioner regarding the December 2023 joint meeting and the answer was no. Although he wasn't able to attend in person because he was sick, he attended remotely via Zoom and thought the joint meeting was great. Mr. Garcia-Linares believed Dave West and Pete Strong did a great job of getting the point across of what has been accomplished by the Board and what still needs to be accomplished, and everybody now understands it.

He liked the idea that Commissioners would like to meet with the Retirement Board prior to next year's meeting where they have to decide on the COLA.

Ms. Gomez added the City Manager was very happy with the committee, there was very valuable information and the City Manager appreciated the joint meeting.

5. Items from the third-party Pension Administrator.

Ms. Estrada reminded Board members about the registration to the FPPTA Winter School that will be happening at the end of month, including an invitation from one of the money managers. She informed that although she is not a member of the FPPTA, this event will be held in Orlando, FL and recommended to current and new Trustees.

Ms. Gomez added that the FPPTA (Florida Public Pension Trustees Association) is an organization that supports the pension system and they provide educational seminars; training sessions and Board members can work towards their FPPA certification. She is certified and believes some retirement Board members are also certified.

Ms. Estrada said she believed those seminars also talk about the responsibilities that Trustees have as Board members. Those attending get reimbursed by the retirement system accordingly. Board members often receive email notifications from FPPTA about future events dates, seminars and conferences.

Ms. Estrada continued by informing that she has been communicating with Ms. Kimberly Groome on regular items related to the retirement system, and GRS has been receiving the earning reports sent by Ms. Groome.

An update was provided to the Board on the number of active and inactive members that are currently registered on the portal; 242 active employees are registered (with 330 pending registrations) and 504 inactive members are registered (with 506 pending registrations).

Chairperson Mantecon asked how the transition is going with Ms. Estrada and Ms. Groome to which Ms. Estrada indicated that GRS is handling almost an 80% of the items Ms. Groome used to handle. Although GRS is still contacting Ms. Groome for missing information related to the retirement system (i.e.: files, etc.), GRS is handling calls from members, and they are actually working on the 2023 1099-R required information to provide to PenChecks.

Ms. Gomez asked regarding the earning reports for active employees, and Ms. Groome informed that they will be done before December 2024.

There was a brief discussion regarding the pending registration on the pension portal. Ms. Groome commented that it's easier now to register than before, because in the past members didn't follow through to finish the registration. Additionally, some members don't access their information online and prefer to contact the administrator. Ms. Gomez asked about the possibility of sending information on how to register on the portal along with the 1099-R tax forms, if possible.

Ms. Serret asked if there's an application to the pension portal, and if no, could one application be created. Ms. Estrada responded that unfortunately it is not an option.

6. Investment Issues.

Dave West commented on the opportunity to have the joint meeting with the Commissioners and said that Pete Strong and him are happy to step up and do that every time they can. Mr. West requested if the board had any objections for him to use the presentation as an education tool for the FPPTA. Chairperson Mantecon did not object.

Mr. West had only one action/rebalancing item and provided an updated recommendation memorandum. He presented and went over a chart with 1-month to 30-year yield curve differentials over the current rate increase cycle. The market is predicting that interest rates will be lower in the future.

In regard to the asset allocation, Mr. West commented on what was done in the past, rebalancing, the contributions, and City Contribution, for a really nice appreciation there. The equity allocation is hitting towards the outer limits of our policy ban and there are very nice returns coming out of international fund.

Mr. West's recommendation included the course of action for the rebalancing of the plan assets and the establishment of cash reserves for plan operations in January 2024, February 2024 and March 2024.

Mr. West recommended to balance domestic equity, take the profits, and move those funds to the R&D account for Plan operations for the next 3 months.

**A motion was made by Mr. Gold and seconded by Ms. Gomez to approve the rebalancing recommendation presented to the Board by Mr. West. Motion unanimously approved (10-0).**

The Total Fund Net for fiscal year to date was 7.28%.

All managers are performing well; a little bit of underperformance is coming out of Equity. Overall, the performance for fiscal year was very good. On Real Estate, that's one of the items that does not necessarily get updated on time. Mr. West reminded the Board regarding the JP Morgan Real Estate distribution and the full redemption request.

7. Election of Chairperson for the Retirement Board [Retirement Ordinance Sec. 46-92(a)].

**A motion was made by Ms. Gomez and seconded by Mr. Easley nominating Mr. Mantecon as Chairperson. Motion unanimously approved (10-0).**

8. Election of Vice-chairperson for the Retirement Board [Retirement Ordinance Sec. 46-92(b)].

**A motion was made by Ms. Gomez and seconded by Ms. Elejabarrieta nominating Mr. Gold as Vice Chairperson. Motion unanimously approved (10-0).**

9. Election of Investment Committee members [Retirement Ordinance Section 46-129]. The members of the Investment Committee shall be the Trustee, a Commission-appointment Retirement Board member, two participant Retirement Board members and three other Retirement Board members selected by the Retirement Board. The chairperson of the investment committee shall be elected by a majority of the investment committee members. The 2023 Investment Committee members are: Joshua Nunez, Troy Easley, Michael Gold, Alex Mantecon.

**Chairperson Mantecon announced the 2024 Investment Committee members: Joshua Nunez, Troy Easley, Michael Gold, Alex Mantecon, Sureya Serret and Manny Carreno.**

10. Old Business

Mr. Garcia-Linares provided an update as a follow-up to a previous discussion regarding existing contract with The Berwyn Group and request for approval of invoice #INV075998 for death audit services through 12/31/2024. The merger with PBI did not go forward and his recommendation was to renew services with The Berwyn Group for another year.

**A motion was made by Ms. Easley and seconded by Mr. Alvarez to approve payment of pending invoice from The Berwyn Group to renew for another year, find out if a longer contract will provide a better rate and, if not, could the rate for a longer contract be negotiated. Motion unanimously approved (10-0).**

After a brief discussion, it was mentioned that PenChecks' services to the Retirement System also includes death audit services with The Berwyn Group. The existing motion was subject to whether or not the services provided by The Berwyn Group are being duplicated. Mr. Garcia-Linares will be working together with Ms. Estrada and will update the Board at the next regular meeting.

11. New Business.

There was no new business.

12. Public Comments.

There was no public comment. Ms. Estrada

Ms. Estrada received a question on behalf of retiree Mr. Martin Barros about the joint meeting with the Commissioners. Mr. Barros said it was very productive meeting and he would like to ask if it's possible that the Board can set up a date for the next joint meeting in 2024, and if it's going to be one or two joint meetings per year.

Ms. Gomez noted that they must wait until the determination letter is issued by GRS; which it would be by mid-October. Mr. Garcia-Linares noted that the next joint meeting with the Commissioners should be scheduled together with the November Retirement Board meeting.

13. Adjournment.

Meeting was adjourned at 9:01 a.m.

APPROVED ON: \_\_\_\_\_