

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

February 16, 2023

MEMBERS PRESENT

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

ALSO PRESENT

A. Lally	-	Investment Consultant
G. Latter	-	Investment Consultant
S. Bowen	-	Investment Consultant
D. Winegardner	-	Actuary (virtual)

MEMBERS ABSENT

T. Roell	-	Appointed by the City Commission
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Chairman O. Cotera called the meeting to order at 8:30 a.m. with a quorum being present.

Financial Audit – FY 2021-2022

M. Ariza (virtual) and H. Garzon were present and they reviewed with the Board the final draft of the 2021-2022 Financial Audit which rendered a clean opinion. Question and answer period followed the presentation. The Audit Committee reported that they had previously met and reviewed the draft at length. The Committee recommended that the Board accept the draft as presented. A motion was made by T. Gabriel and seconded by N. Enriquez to accept the draft. The motion was approved unanimously.

INVESTMENT /ISSUES AND PERFORMANCE REVIEW QE 12/31/2022

MEKETA – Represented by A. Lally, S. Bowen, and G. Latter

The Consultants reviewed with the Board specific events that transpired during the last quarter of 2022 and the first quarter of the 2022-2023 fiscal year. They reviewed the performance for quarter ending, which showed a quarter-to-date return of 5.2% and a total fund asset value of \$1,616,204,641. For the fiscal year period 10/1/2022 thru 12/31/2022 the fund had a 5.2% as well.

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INVESTMENT /ISSUES AND PERFORMANCE REVIEW QE 12/31/2022 (continued)

The Consultants reviewed an asset study comparing 2022 to expectations for 2023. The study revealed that return expectations for nearly all assets increased because of higher yields in fixed income result in higher forward looking return expectation and lower valuations for public equities result in higher forward looking return expectations. Risk expectations remained the same for most classes. The study also provided options:

1. Keep the target allocation "as-is" and likely earn higher return going forward.
2. Be more conservative (i.e. fixed income) and earn more than you have in a very long time for owning investment grade bonds.
3. Be more aggressive (take advantage of the opportunity set - i.e take on more risk when the models indicate you could be compensated for doing so)
4. Make minor adjustments around the edges but still generally "stick with the allocation plan"

Discussion ensued. T. Gabriel moved and was seconded by A. Valdivia to accept the fourth option listed and maintain the present allocation plan with minor adjustment as seen appropriate. The motion was approved unanimously.

A copy of the report reviewed by Meketa is available upon request.

MANAGER PRESENTATION

K. Hammon and L. Ostow were present representing J. P. Morgan Real Estate. They present the portfolio report for quarter ending December 31, 2022. A question-and-answer period followed the presentation.

With no further business, the meeting adjourned at 10:49 a.m. by a motion by T. Gabriel, a second by S. MacDonald and a unanimous vote.



O. Cofera, Chairman

Attest:



Dania Orta, Administrator