

SUMMARY OF REMOTE/VIDEO-CONFERENCE  
BOARD MEETING OF THE CITY OF MIAMI  
GENERAL EMPLOYEES' AND SANITATION EMPLOYEES'  
RETIREMENT TRUST

THE ROSE GORDON BUILDING  
2901 BRIDGEPORT AVENUE  
WALDEMAR LEE CONFERENCE ROOM  
COCONUT GROVE, FLORIDA 33133  
TELEPHONE: 305-441-2300 FAX: 305-441-2307  
WWW.GESE.ORG

FRIDAY, MARCH 17, 2023

9:44 AM

MEMBERS: LUIS FERNANDEZ (Late - Remotely)  
CLARENCE GRAVES (Physically Present)  
PORFIRIO JIMENEZ (Remotely)  
MARY LUGO (Physically Present)  
SEAN MOY (Late -Physically Present)  
ANN-MARIE SHARPE (Physically Present)  
JOE SIMMONS, JR. (Physically Present)  
COREY TAYLOR (Physically Present)  
OLGA TORRES (Excused Absence)

ALSO PARTICIPATING:

EDGARD HERNANDEZ	RON A. SILVER, ESQ.
YVES LOUISSAINT	HILDA THOMPSON
ANNIE KONENGE	ENRIQUE RAMOS
NELSIA KING	WALLY WILSON
TODD GREEN	JOSE FERNANDEZ
VANESSA HERNANDEZ	FORTUNA LEVY
GEORLIAM RODRIGUEZ	GIANNINA SANCHEZ
ALIBEL SANCHEZ	MARLENE JANE
EDWIN MIRANDA	WILLIAM JULIACH, ESQ.
FELICIA ARCHIE	VALERIE GILBERT
CHRIS BARNETT	MARTHA GOMEZ, ESQ.
PETER SCHWEDOCK	RODRIGO JIMENEZ
WILLIE TIMMONS	

**SUMMARY OF THE  
FRIDAY, MARCH 17, 2023  
BOARD MEETING**

***Roll Call*** – Mr. Edgard Hernandez, Pension Administrator called the roll. The roll call reflected Trustees Graves, Taylor, Sharpe, Chairman Simmons, and Vice-Chair Lugo physically present. Trustee Moy arrived a few minutes after roll call. Trustee Jimenez was present, via Zoom/Remote. Trustee Fernandez joined via Zoom/Remote a few minutes later. Trustee Torres was absent. Mr. Hernandez stated that she underwent a medical procedure.

**Trustee Taylor moved to send Trustee Torres a flowers arrangement. Trustee Graves seconded the motion. The Motion was unanimously approved.** Trustees Moy, Fernandez and Torres were absent for the motion.

**APPROVAL OF MINUTES:**

***January 27, 2023*** – Trustee Taylor moved to approve. Trustee Graves seconded the motion. The motion was unanimously approved. Trustees Moy, Fernandez and Torres were absent for the motion.

**FOR APPROVAL:**

***GESE Lump Sum Payments – Exhibit A*** – Mr. Hernandez stated that there were ten refund and rollover checks in the amount of \$329,022.74 and three Accrued Leave Balance Transfer in the amount of \$134,657.08. Mr. Hernandez asked for a motion to approve the Grand Total for Exhibit A in the amount of \$463,679.82. **Vice-Chair Lugo moved to approve. Trustee Graves seconded the motion. The motion was unanimously approved.** Trustees Moy, Fernandez and Torres were absent for the motion. Mr. Hernandez stated that there have been 24 withdrawals this year. No other discussion took place. This report concluded.

***GESE Retirements and Deaths – Exhibit B*** - Mr. Hernandez stated that there were 30 retirement checks with a total of \$1,283,531.84. There were 10 demises. Year to date there have been 44 retirements and 24 demises. Mr. Hernandez asked for a motion to approve the Grand Total for Exhibit B in the amount of \$1,283,531.84. **Vice-Chair Lugo moved to approve. Trustee Graves seconded the motion. The motion was unanimously approved.** Trustees Moy, Fernandez and Torres were absent for the motion. Mr. Hernandez stated that there has been a steady increase of people retiring and entering the DROP. He added that this is the first time he has seen first retirement checks' amount exceed one million dollars. No other discussion took place. This report concluded.

### **PERSONAL APPEARANCE:**

***Ms. Valerie Gilbert – Disability Application deferred at the January 27, 2023, Board Meeting*** – Mr. Peter Schwedock, the Disability Counsel for the Board joined the meeting via Zoom/Remote for this item. Attorney William Juliach, Assistant City Attorney , was physically present. Ms. Gilbert was accompanied by her daughter. Mr. Silver swore in Ms. Gilbert. (Trustee Sharpe joined the meeting physically at this time.) Mr. Hernandez stated that Ms. Gilbert began employment with the city from 2003 to 2005 as a Part-Timer, from 2005 to 2014 as Temp/Full-Time and in 2014 Full-Time-Permanent. Her total employment period is 20 years but for pension purpose it is only 13 years. Ms. Gilbert has not received continuous pay since October of 2022. She applied for disability on August 30, 2022, and since then, we have been trying to schedule her to see the necessary doctors and collect the medical records and reports. Vice-Chair Lugo asked in what department did Ms. Gilbert work. Mr. Hernandez replied that she worked for Solid Waste. Mr. Schwedock went over Ms. Gilbert's medical records and reports. He stated that she was originally injured in November 2017. She was injured while backing her truck into a bay and the driver's door was struck by another truck. At that time, she injured her neck, right hip, back and thoracic back. She was placed on light duty and began wearing a lumbar brace. She worked 8-hour shifts with 15 minute breaks every hour. It was noted that her right hip had degenerative changes due to osteoarthritis. By July 2020, Dr. Sherman put her on disability due to her right hip pain. In October 2020 he indicated that she needed right hip replacement surgery due to post-traumatic osteoarthritis. She had the surgery on February 16, 2021, and the diagnostic of post-traumatic osteoarthritis was confirmed. By July 2021, Dr. Scribe examined her and felt the right hip was progressing, but the left hip was now hurting her, due to osteoarthritis. She was in rehab from August 2021 to September 2021. In

mid-September 2021, Dr. Scribe indicated that he was happy with her progress on the right side, but she had pain in her left hip and the lumbar pain was progressing. This was limiting her walking. By August 2022, Dr. Chi found that she had bi-lateral hip osprosis, which is similar to arthritis. In addition, she was found to have carpal tunnel syndrome and lumbar spine. He gave her a guarded prognosis with total disability. An MRI she had in June 2022 indicated that she had a rotator cuff and an interior tear. The radiologist indicated “could certainly be the result of her work on the garbage truck.” He also thought that she was totally disabled. On January 26, 2023, the specialist the board referred her to, Dr. Fuentes, felt she was totally disabled as a result of her accident. She has many other factors that caused her disability. Some of which, may not be due to her job but all merged because of the accident in 2017. Mr. Schwedock recommended that the Board find her totally and permanently disabled, based on her on the job accident of 2017. (Trustee Moy arrived at this time.) Mr. Juliach stated there is some additional history not previously available and that Ms. Gilbert indicated in her pre-employment physical that she had no prior back injuries, no serious injuries, no abrasions, and no painful joints. This is in May 2003. The doctors that saw her were given the history that she had no prior problems. Mr. Juliach stated that this history is inaccurate, as he has petitions for benefits filed, reporting prior injuries, which she had when she worked for the Miami-Dade School Board. She was a bus driver and had injuries in March 2000, where she injured the left side of her body and bruised her knee. On July 1, 1996, she had an accident, where a car jumped in front of the bus causing her shoulder pains. There was also an injury in 1988 that caused injuries to the left side of her body. Mr. Juliach mentioned several other injuries. Around the year 2000, one of her neurologists recommended that she no longer be a bus driver. The school board was looking at a permanent disability case and so decided to enter into a settlement with Ms. Gilbert. Ms. Gilbert settled for approximately \$122,000 on March 4, 2002. Mr. Juliach added additional history. Mr. Juliach suggested that the Board table this item and forward the additional history to the Board’s specialist for review. A lengthy discussion took place between attorneys Juliach and Schwedock. Mr. Hernandez asked Mr. Schwedock how relevant her pre-employment screening with the city is and are the records with the school board relevant to this case. Mr. Schwedock replied it may be relevant if there was a controversy if there was an accident that caused an injury, but there is no controversy. Mr. Schwedock stated that his recommendation on granting Ms. Gilbert a disability has not changed. After some additional discussion, **Vice-Chair Lugo moved to approve an Accidental Disability Retirement for Ms. Gilbert effective August 30, 2022. Trustee Taylor seconded the motion. A roll call vote reflected Trustees Fernandez and Sharpe voting “No” on the motion. Trustee Torres absent. All others voted “Yes” on the motion. The motion passed six to two.** Mr. Hernandez stated that Ms. Gilbert’s

monthly benefit will be approximately \$3,000 per month. A brief discussion took place. No other action was taken. This report concluded.

BREAK.

***Mr. Barnaby Min – Disability Application, represented by Ms. Martha Gomez, Esq.*** – Mr. Silver swore in Mr. Min and Ms. Gomez. Mr. Hernandez stated that Mr. Min began employment with the city in July of 2008. He had a short separation in 2013 of approximately 8 months and came back within the same year. He bought back this time. For pension purpose he has 14 ½ years of service since 2008. Mr. Peter Schwedock, Disability Counsel for the Board stated that this is a Service-Incurred Disability request. Mr. Min had a heart attack and stroke and is not currently working. His doctor diagnosed an acute ischemic stroke, expressive aphasia due to the stroke, coronary artery disease, gait difficulty and his prognosis is guarded. Dr. Avacci’s recommendation is that he should be retired. Dr. Fuentes also opined that he was totally disabled, had cognitive deficits, aphasia and other problems that are related. The doctor added that the rehabilitation of Mr. Min is complicated by significant impaired mobility problems with aphasia. Mr. Schwedock stated that in Mr. Min’s pre-employment physical, there was no indication of prior cardiological or neurological condition. Mr. Schwedock recommended that Mr. Min be granted a Service-Incurred Disability and added that Mr. Min cannot render any useful and valuable service to the city. **Vice-Chair Lugo moved to grant Mr. Min a Service-Incurred Disability. Trustee Taylor seconded the motion. The motion was unanimously approved.** Trustee Torres was absent. Mr. Hernandez stated that Mr. Min will receive the maximum allowed benefit as per the ordinance. The benefit effective date is March 17, 2023. Some discussion took place. No other action was taken. This report concluded.

BREAK.

**CAVANAUGH MACDONALD CONSULTING, LLC:**

Presented by Mr. Todd Green

***Professional Services Agreement effective October 1, 2023*** – Mr. Hernandez stated that this Professional Services Agreement was for fiscal years 2023, 2024 and 2025. There are no fee increases. **Trustee Taylor moved to approve Cavanaugh Macdonald’s Professional Services Agreement. Trustee Graves seconded the motion. The motion was unanimously approved.** Trustee Torres was absent. No other discussion took place. This report concluded.

BREAK.

**ADMINISTRATOR’S REPORT:**

***Proposed Annual Comprehensive Financial Report (Draft) for fiscal year ended September 30, 2022*** – Mr. Hernandez stated that this report is presented annually to the GFOA. There are five sections to the report. Under the Introduction Section, we thank the Trustees, Management and Consultants as we achieve the Certificate for Excellence in Financial Reporting for fiscal year 2021. There is a Financial Section, which reflect the Plan’s net position ended with \$781.9 million, down from \$933.4 million, mostly due to market performance. There is an Investment Section, which reflect that Investments and allocation remained without changes. Mr. Hernandez added that we did meet the billion-dollar mark; however, it was for a short period of time as market conditions changed. There is an Actuarial Section, which reflect that the funded status improved from 69.84% to 74.51%, based on rollover from 2021, The funded status for 2022 is 74.07%. Finally, there is a Statistical section, which reflect that the average benefit increased slightly to \$3,910 from \$3,833. Mr. Hernandez asked for a motion to approve the Proposed Annual Comprehensive Financial Report (Draft) for fiscal year ended September 30, 2022. **Trustee Taylor moved to approve. Trustee Graves seconded the motion. The motion was unanimously approved.** Trustee Torres was absent. No other discussion took place. This report concluded.

***Proposed GESE Plan budget for fiscal year October 1, 2023, to September 30, 2024*** – Mr. Hernandez stated that under Salary and Wages there is approximately a 5% increase across the board. New personnel have been hired to replace those that have retired. Mr. Hernandez stated that an increasingly number of members are requesting more online access to their records. The system must be updated to allow for this. It may be something the Board should think about in the future, as the new staff needs to gain more experience before we could take on a project like this. The increase on this item is approximately \$35,000. The second item is Retirements. This is Actuarially determined, and it is up about 10% from last year. The next item, Health/Dental/Vision Insurance, is lower as we had three retirements and we have been able to hire younger staff which created significant savings of about \$55,000. It went from approximately \$230,000 to \$174,000. Chairman Simmons asked regarding the Pension Staff joining the city’s insurance. Mr. Hernandez replied that there was a change in management at the city and although the new management is onboard with the change, we would have to go present it before the commission to see if they would approve. Chairman Simmons suggested that Mr. Silver work with the City’s Attorneys to put together a resolution with this regard and present it to the City Commission. Some discussion took place. Mr. Hernandez continued with the explanation of the budget. Looking at Professional Services, we had a 4.8% increase. These include all the consultants, banks, Paychex, PBI’s Death Audit, legal fees, medical advisors and auditors. The next line item is Office and Administrative, increased about \$2,000 or 1.37%. This is mainly due to an increase in traveling and training. The next line item is Insurance. Insurance increased about 4.5%. This is mainly due to Weston, the building insurance provider going financially bankrupt. Now Citizens is the only insurance provider for the building. Mr. Hernandez mentioned that starting next year, Citizens does not want to insure us due to several reasons. One, the building being in a non-flood zone. The next, the building’s roof, which they are requiring us to fix and provide a letter from a contractor. Another is that two side round windows on the building are not hurricane proof, although they are acceptable. They were requesting that they be replaced but agreed to overlook this. A lengthy discussion took place. Mr. Hernandez recommended bringing in the broker to the May meeting and asking what is needed to go self-insured. Mr. Hernandez continued with the budget. There was a decrease of almost 1% in Occupancy. The Total Administrative Costs is going up about \$45,000 or roughly 1.5%. The total contribution from the city went from \$55 million to \$53 million. Some discussion took place. Mr. Silver suggested that the board allocated funds for the purchase of a defibrillator. Trustee Moy suggested speaking with the fire department. Mr. Hernandez stated that he would look into it. Mr. Hernandez asked

for a motion to approve the proposed GESE Plan budget for fiscal year October 1, 2023, to September 30, 2024. **Trustee Taylor moved to approve. Trustee Graves seconded the motion. The motion was unanimously approved.** Trustee Torres was absent. No other discussion took place. This report concluded.

***Proposed Excess Plan budget for fiscal year October 1, 2023, to September 30, 2024*** - Mr. Hernandez stated that the Excess Budget is a percentage of the GESE Budget. As per the Internal Revenue Service's rules, we are not allowed to pay fees incurred by the Excess Plan from the GESE Trust. The Total Administrative Costs increased by 1.61%. It went from approximately \$106,000 to approximately \$108,000. Mr. Hernandez stated that this was an allocation budget. **Trustee Sharpe moved to adopt the proposed Excess Plan budget for fiscal year October 1, 2023, to September 30, 2024. Trustee Graves seconded the motion. The motion was unanimously approved.** Trustee Torres was absent. No other discussion took place. This report concluded.

**Update regarding the Rose Gordon Building's roof** - Mr. Hernandez reminded the Board that at the last meeting, the Board requested that he bring back five quotes to repair/repaint or replace the roof. Five companies submitted their quotes. These were SR Springer Roofing, Swift Roofing, D.N.D. Roofing, RC General Roofing and Molina's Roofing. Mr. Hernandez stated that the owner of SR Springer Roofing advised not to re-paint the roof due to the air bubbles in the floor that contains humidity beneath the layers. He recommended doing a new roof. All the companies would be doing the three items, which are to put the TPO, installation of tapered insulation system and the engineering roof drawing. The owner of Swift Roofing advised that painting the roof was not a good idea because the paint would not adhere properly, resulting in additional air bubbles. They recommended doing a new roof. They would put the TPO, installation of tapered insulation system with EnergyGuard layer to be applied under the TPO and the engineering roof drawing. D.N.D Roofing did provide a re-painting estimate; however, it was not recommended due to the existing bubbles in the layers beneath that are holding humidity. The silicon may or may not adhere properly to the existing paint. New drains, goosenecks, pitch pans, sculpture overflows and waking paths would be included. RC General Roofing also said they could do a re-painting job but do not recommend it. Molina Roofing advised against re-painting, given the existence of air bubbles in the floor that



contains humidity. The quote for SR Springer Roofing came in at \$92,000. The quote for Swift Roofing came in at \$62,000. The quote for D.N.D Roofing came in at \$61,200. The quote for RC General Roofing came in at \$64,000. The quote for Molina's Roofing came in at \$80,000. D.N.D Roofing and RC Roofing, who submitted a quote for re-painting the roof, both said they could not guarantee their work. Some discussion took place regarding the warranty of the existing roof and making a claim against the company that did it. Some additional discussion took place. Mr. Silver asked that the Administrator provide him the company's information and that he would take this upon himself. **Trustee Taylor moved to defer this item until the May meeting. Trustee Graves seconded the motion. The motion was unanimously approved.** Trustee Torres was absent. No other discussion took place. This report concluded.

#### **ATTORNEY'S REPORT:**

***Senate Bill 256 (membership dues)*** – Mr. Silver stated that a copy of the Senate Bill 256, which is pending in Tallahassee was provided to the Board and Administration. The summary of the bill was being prepared by the Senate's staff. This bill has gone to two committees on the senate side and has passed favorably by both of those committees. This bill prohibits the deductions of union membership dues by employers. The likelihood of this bill passing is great. Mr. Silver added that the House has not considered the bill yet, but it has been filed. Trustee Moy asked what this bill would do to the Unions. Mr. Silver replied that it would be devastating. He added that mostly everyone is agreeing that it is unconstitutional the way it was drafted because it eliminated police and fire for consideration. Police and fire would not be governed by this bill, which would make this discriminatory. Mr. Hernandez added that this bill puts a lot of burden on the Unions. Some discussion took place. No action was taken. This report concluded.

***City's DROP Plan Legislation – (Item not on the Agenda.)*** – Mr. Hernandez stated that the city is proposing that the DROP Plan be extended to all the members of the GESE Plan. Mr. Hernandez stated that he had not received any input from the City Attorney with this regard. As currently written, the legislation has several type-o's and mistakes. Mr. Hernandez stated that he will send the City Attorney a draft and will share with Mr. Silver. On this draft, it would have to say "Seven Year DROP."

It will also have to say that “member will have to terminate employment after seven years.” The city eliminated the section that stated that the DROP was voluntary. This would have to be added back to the legislation. Some discussion took place. No action was taken. This report concluded.

BREAK.

### **SOUTHEASTERN ADVISORY SERVICES’ REPORT:**

Presented by Ms. Hilda Thompson and Mr. Wally Wilson

***GESE Plan Performance Report for Quarter ended December 31, 2022*** – Ms. Thompson reported that the S&P 500 had one of its best quarter in months. It was up 7.6% for quarter ended December 31, 2022. International also had a great quarter. They had a return of 17.3%. Fixed Income had a return of 1.9%. Feds have continued to raise rates during this quarter. They raised 1.25 basis points. The Feds Fund rates was at 4.5% at the end of the year. They raised the rates again in January and February. Looking at your Market Value, we ended the fiscal year just under \$780 million. During this quarter, we had investment gains of almost \$57 million. We ended the fiscal year with \$878 million. At the end of January, the preliminary reports from State Street reflected that you were at \$920 million. You had about a 5% return for January; however, February was negative, about -2%. You currently have about \$890 million but March was a very volatile month, so we will have to wait and see how we end the quarter. Ms. Thompson stated that the notes on the bottom of the page have been updated with the 2022 ACFR data recently approved by the Board. This reflects that the city’s contribution was \$55.8 million and \$15.7 million from Staff. There was \$77 million in benefit disbursements to beneficiaries and retirees. Looking at your returns, you had a 7.5% return for the quarter, versus 6.6% for the policy. For the three-year period, you had a return of 4.1% versus 3.6% for the Index. Looking at your money managers, Atlanta Capital continues to do very well. They had a return of 10% versus 6.3% for the Median and in the 11<sup>th</sup> percentile. T. Rowe Price, your other growth manager had a return of 3.7%. Ms. Thompson gave a recommendation on them, later on her report. Cooke & Bieler beat the benchmark at 6.6% versus 6.0%, but they underperformed the Median. This is the third quarter on a row that they have underperformed the Median. Ms. Thompson gave a recommendation on them as well. State Street is doing what is expected of them and is tracking the Index. Cramer had a very good quarter. They were up 10%.

For the three-year, they are coming back in line against the Index but are still below the Median. They will be staying in Probation status. Looking at International, they had a 17% return. Barings kept pace, with a return of 17% as well. Barings three-year number is slightly negative and the Median is slightly positive. Looking at your Fixed Income Managers, they had a return of almost 2%. For the three-year period they are all still negative. Ms. Thompson stated that there were no recommendations because they are all close enough to what the Investment Policies says. Looking at your Asset Allocation, you are in compliance. Ms. Thompson went over her recommendations. These were to place Cooke & Bieler and T. Rowe Price in the Watch List effective this quarter-end period. These managers will need to come in semi-annually. Some discussion took place. Mr. Silver asked Ms. Thompson to give a report on the banking crisis. Ms. Thompson stated that Southeastern has looked at all of GESE's portfolio and GESE does not have any direct exposure to Signature Bank in New York or Silicon Valley in California; however, both S&P 500 were in the Index. State Street is already making plans to remove those two from the Index and have stocks selected to replace them. Trustee Jimenez asked if there was any exposure to regional banks. Ms. Thompson replied that it was most likely that GESE has exposure to regional banks like Bank of America and the big banks. Ms. Thompsons stated that she could do some research on this regard. Mr. Silver asked regarding exposure in Credit Swiss. Ms. Thompson replied that Barings would be the only manager who would have Credit Swiss exposure. Barings will be reporting later in the meeting. **Trustee Taylor moved to accept Southeastern's recommendation and place Cooke & Bieler and T. Rowe Price on the Watch List. Trustee Graves seconded the motion. The motion was unanimously approved.** Trustee Torres was absent. Some discussion took place. No other action was taken. This report concluded.

***DROP Plan Performance Report for Quarter ended December 31, 2022*** – Mr. Wilson reported that the DROP assets is approximately \$35 million. Approximately 80% of the assets are in the Mission Square Stable Value Plus Fund. In Staff DROP, approximately 40%, or \$1 million is in the Mission Square Stable Value Plus Fund. Looking at your investment results, the Mission Square 500 Stock Index Fund, which is an S&P Index Fund, had a positive return and is doing what is expected of them. The MSQ Contrafund, which is currently in Probation, had a better quarter. They were in the 45<sup>th</sup> percentile and were above the Median. Their longer term numbers are still not where we want them to be, so they will remain in Probation

Status. The Invesco Discovery Fund had a tough quarter but their long term numbers reflect that they have been an excellent fund. There are no recommendations for them, as of this quarter. The Small Cap Discovery Fund, which is in the Watch List, significantly outperformed the Index for this quarter. They had a return of almost 8%. Their percentile ranking is still not where we want them to be, so they will remain in the Watch List. The International Overseas Equity Fund had a great quarter and returned 18%. They are in the 24<sup>th</sup> percentile for the quarter. There are no recommendations for this fund as of this quarter. The Western Asset Core Plus Bond Fund had a very good quarter; however, their long-term numbers continue to lag. Southeastern will recommend that this fund be replaced. The Conservative Growth and the Long-Term Growth Fund both outperformed the Index and were around the Median. There are no recommendations for them, as of this quarter. The Cash Management and the Stable Value Fund are doing what we expect them to do. Some discussion took place. At the request of Trustee Moy, Ms. Thompson stated that they would include information on their next DROP Report reflecting how much money has come in and how much has come out. No action was taken. This report concluded.

Mr. Hernandez asked for a motion to approve Southeastern Advisory Services' reports. **Trustee Taylor moved. Trustee Graves seconded the motion. The motion was unanimously approved.** Trustee Torres was absent.

***Mission Square Fixed Income recommendation*** – Mr. Wilson stated that this recommendation is to replace the Western Asset Core Plus Bond Fund. They have been having trouble for a number of quarters. They were in the 100<sup>th</sup> percentile ranking. Mission Square suggested that they be replaced by their Index Fixed Income option. Mr. Wilson stated that as of December 31, 2022, the one-year return for the Western Asset Core Plus Bond Fund was -19% versus the Index -13%. For the 3 and 5 year period, the Western Asset Core Plus Bond Fund also lagged the Index. Both, the Western Asset Core Plus Bond Fund and the Mission Square Index Fund are benchmarked against the Barclays Aggregate Bond Index. The Mission Square Index Fund has closely tracked the Index. Morningstar has given the Western Asset Core Plus Bond Fund a two-star rating and the Mission Square Index Fund, three stars. The Western Asset Core Plus Bond Fund has 42% AAA rated bonds; whereas, the Mission Square Index Fund has 74% in AAA securities. Looking at the duration, which is a sign of volatility, the Western Asset Core Plus Bond Fund was

7.7 years, versus the Mission Square Index Fund 6.2 years. The fee for the Western Asset Core Plus Bond Fund is 45 basis points and the fee for Mission Square Index Fund is 20 basis points. Mr. Wilson stated that based on these factors, Southeastern concurs with Mission Square's recommendation and suggest that the Board replace the Western Asset Core Plus Bond Fund with the Mission Square Index Fund. Some discussion took place. **Trustee Lugo moved to accept Mission Square's recommendation to terminate the Western Asset Core Plus Bond Fund and replace it with the Mission Square Index Fund. Trustee Graves seconded the motion. The motion was unanimously approved.** Trustee Torres was absent. This report concluded.

***Fee Proposal letter*** – Ms. Thompson stated that Southeastern has not had an increase of their retainer since 2019. At that time, it was increased at the request of Trustee Moy. Southeastern is requesting that their retainer be increased to \$600 a month, which is roughly a 5% increase. There are projects that are not covered by the retainer and Southeastern has not increased their fees since 2008. These include the DROP Staff Performance Report, the review of the ACFR, GASB 40, GASB 67/68. Southeastern is requesting that the fees for the for the Staff DROP Performance be increased from \$38k to \$42k, the fees for the ACFR review be increased from \$15k to \$17k, the fee for GASB 40 be increased from \$11k to \$12k and the fees for GASB 67/68 be increased from \$7k to \$8k. Other project fees that will not be increasing include the ALM Experience Study, Proxy Voting, Staff and DROP Investment Policies. **Trustee Graves moved to approve the proposed fees by Southeastern. Trustee Taylor seconded the motion. The motion was unanimously approved.** Trustee Torres was absent. Trustee Moy asked if the fee increase was included in the budget. Mr. Hernandez replied that it was. Ms. Thompson stated that Southeastern will not be requesting a fee increase on these items for five years; however, there may be a fee increase on the projects that were not increased. No other action was taken. This report concluded.

## **MONEY MANAGERS' REPORT:**

***Cramer Rosenthal, presented by Chris Barnett*** – Mr. Barnett reported that your portfolio had a good year, despite that it was not a good year for the Stock Market. Your portfolio was down about 4½% - 5% for the year and the benchmark was down 15%. Last quarter, your portfolio was up 10%. Mr. Barnett went over some of the holdings in the portfolio. Mr. Silver asked if the rising interest rates affect the portfolio. Mr. Barnett replied that they are fine because they do not have a lot of leverage and their companies do not need to go to the Markets to borrow money. Mr. Barnett stated that the higher inflation and the interest rates give them more options to make money for the GESE Portfolio. Some Regional Banks are flat for the year. Mr. Barnett stated that they were 3%-4% underweight. Some discussion took place. No action was taken. This report concluded.

***Barings presented by Ms. Ashley Hyotte and Mr. Jon Greenhill*** Mr. Greenhill reported that for quarter ended December 31, 2022, your portfolio had a return of 17.02% versus the EAFE Net Index 17.3%. The fourth quarter saw a very strong recovery for international equity markets. Interest rates remain much higher than a year ago, inflation persists as a worry, and economic growth is slowing. Barings believe that attractive valuations and the prospect of an end to central bank interest rate rises were the catalysts for a widespread market recovery. The weakest performing holdings in your portfolio for the quarter were the Irish distributor DCC Plc., and Nomura Research. The best performing holdings in your portfolio were the Games Workshop Group and TotalEnergies. Some of the changes that took place during the fourth quarter include the selling of Toyota Motor and the selling of the Taiwanese technology manufacturing company Hon Hai Precision. In addition, several new investments were added. These include Isuzu Motors, Bucher Industries and Universal Music Group. Mr. Silver asked if Barings was affected by the Credit Swizz situation. Mr. Greenhill replied that they were not highly affected because they have very limited bank exposure. Some discussion took place. No action was taken. This report concluded.

*Cooke & Bieler presented by Mr. Thad Fletcher and Mr. Jamie O’Neil* – Mr. Fletcher went over Cooke & Bieler’s team structure and investment approach. Mr. Fletcher reported that your portfolio has outperformed against the benchmark every quarter in 2022 and has also outperformed for the one-, three-, five- and ten-year periods. Trustee Taylor asked Mr. Fletcher and Mr. O’Neil to comment on the Silicon Valley Bank and Signature Bank. Mr. O’Neil stated that Cooke & Bieler did not have any direct exposure to Silicon Valley Bank or Signature Bank. He added that the bank that they hold generally are the larger banks. Mr. O’Neil stated that Cooke & Bieler was underweight in the bank sector. Some discussion took place. No action was taken. This report concluded.

**Vice-Chair Lugo moved to adjourn. Trustee Taylor seconded the motion. The motion was unanimously approved. Trustee Torres was absent.**

MOTIONS OF REMOTE/VIDEO-CONFERENCE  
BOARD MEETING OF THE CITY OF MIAMI  
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FRIDAY, MARCH 17, 2023

1. Motion to send Trustee Torres a flower arrangement.

Moved by Trustee Taylor  
Seconded by Trustee Graves

Item discussed and moved on page 2.

2. Motion to approve the January 27, 2023, board meeting minutes.

Moved by Trustee Taylor  
Seconded by Trustee Graves

Item discussed and moved on page 2.

3. Motion to approve the Grand Total for Exhibit A in the amount of \$463,679.82.

Moved by Vice-Chair Lugo  
Seconded by Trustee Graves

Item discussed and moved on page 2.



4. Motion to approve the Grand Total for Exhibit B in the amount of \$1,283,531.84.

Moved by Vice-Chair Lugo  
Seconded by Trustee Graves

Item discussed and moved on page 3.

5. Motion to approve an Accidental Disability Retirement for Ms. Gilbert effective August 30, 2022.

Moved by Vice-Chair Lugo  
Seconded by Trustee Taylor

Item discussed and moved on pages 3 - 5.

6. Motion to grant Mr. Min a Service Incurred Disability.

Moved by Vice-Chair Lugo  
Seconded by Trustee Taylor

Item discussed and moved on page 5.

7. Motion to approve Cavanaugh Macdonald's Professional Services Agreement.

Moved by Trustee Taylor  
Seconded by Trustee Graves

Item discussed and moved on page 6.

8. Motion to approve the Proposed Annual Comprehensive Financial Report (Draft) for fiscal year ended September 30, 2022.

Moved by Trustee Taylor  
Seconded by Trustee Graves

Item discussed and moved on page 6.

9. Motion to approve the proposed GESE Plan budget for fiscal year October 1, 2023, to September 30, 2024.

Moved by Trustee Taylor  
Seconded by Trustee Graves

Item discussed and moved on pages 7 – 8.

10. Motion to adopt the proposed Excess Plan budget for fiscal year October 1, 2023, to September 30, 2024.

Moved by Trustee Sharpe  
Seconded by Trustee Graves

Item discussed and moved on page 8.

11. Motion to table the item regarding the Rose Gordon's Roof.

Moved by Trustee Taylor  
Seconded by Trustee Graves

Item discussed and moved on pages 8 – 9.

12. Motion to accept Southeastern's recommendation and place Cooke & Bieler and T. Rowe Price on the Watch List.

Moved by Trustee Taylor  
Seconded by Trustee Graves

Item discussed and moved on pages 10 – 11.

13. Motion to approve Southeastern Advisory Services' reports.

Moved by Trustee Taylor  
Seconded by Trustee Graves

Item discussed and moved on page 11.

14. Motion to accept Mission Square's recommendation to terminate the Western Asset Core Plus Bond Fund and replace it with the Mission Square Index Fund.

Moved by Vice-Chair Lugo  
Seconded by Trustee Graves

Item discussed and moved on pages 12 - 13.

15. Motion to approve the proposed fees by Southeastern.

Moved by Trustee Graves  
Seconded by Trustee Taylor

Item discussed and moved on page 13.

16. Motion to adjourn.

Moved by Vice-Chair Lugo  
Seconded by Trustee Taylor

Item discussed and moved on page 15.

**EXHIBIT "A"**  
**REFUNDS/ROLLOVER, ORDINARY DEATH BENEFIT,**  
**AND ACCRUED LEAVE BALANCE**  
**SUMMARY LIST**  
**MARCH 17, 2023**

**REFUNDS & ROLLOVERS**

PGOLD #	TYPE	NAME	DATE CHECK ISSUED	NET AMOUNT	UNION
17755	TR	CERVANTES, RITA A	03/10/2023	\$ 11,190.49	AFSCME 1907
14910	ROLL	EVANS, DAVID G.	03/10/2023	\$ 69,915.66	AFSCME 1907
21218	REF	HENRY, CRAIG T	03/10/2023	\$ 1,337.12	UNCLASSIFIED
21270	REF	PLASS, MARK	03/10/2023	\$ 3,446.90	AFSCME 1907
6216	REF	SHIVER, CORNELIUS	03/10/2023	\$ 8,526.30	UNCLASSIFIED
20718	REF	ALVAREZ, ALEXANDER F	02/17/2023	\$ 3,174.90	AFSCME 1907
19988	REF	HOBBS, TRINICIA L	02/17/2023	\$ 1,849.36	AFSCME 1907
21099	REF	ROCHA, DAIANA	02/17/2023	\$ 1,725.84	AFSCME 1907
5477	REF	SPARKS, HELENE M	02/24/2023	\$ 187,421.81	AFSCME 1907
15516	ROLL	SANTANA, ORLANDO	01/31/2023	\$ 40,434.36	AFSCME 1907
<b>SUBTOTAL</b>				<b>\$ 329,022.74</b>	

CHECKS WERE ISSUED PRIOR TO BOARD MEETING. (REF = REFUND OF CONTRIBUTION) (ROLL = ROLLOVER)  
(TR= TRANSFER TO FIPO) (ORD.REF=ORD DEATH REFUND)

**ACCRUED LEAVE BALANCE**

PGOLD #	TYPE	NAME	DATE CHECK ISSUED	NET AMOUNT	UNION
8165	SICK	LOPEZ, ROBERTO	03/10/2023	\$ 5,235.97	AFSCME 1907
11613	SICK/VAC	GREEN, CHRISTOPHER A	03/10/2023	\$ 118,685.86	EXECUTIVE
5590	SICK	DOMINGUEZ, JAVIER	02/24/2023	\$ 10,735.25	AFSCME 1907
<b>SUBTOTAL</b>				<b>\$ 134,657.08</b>	
<b>GRAND TOTAL</b>				<b>\$ 463,679.82</b>	

ROLLOVER/REFUND CHECK WAS ISSUED PRIOR TO BOARD MEETING.  
AS OF MARCH 10, 2023

**EXHIBIT "B"**  
**RETIREMENTS AND DEATHS**  
**SUMMARY LIST**  
**MARCH 17, 2023**

**RETIREMENTS**

PG #	NAME	PAYMENT DATE	NET AMOUNT	RETIREMENT TYPE	CLASSIFICATION
5866	DANIEL H NEWHOFF	03/15/2023	\$ 15,809.15	7 YRS FORWARD DROP	AFSCME 1907
5828	MANUEL DE JESUS OTERO	03/15/2023	\$ 16,000.90	7 YRS FORWARD DROP	AFSCME 1907
10941	ANTHONY A ROLLE	03/15/2023	\$ 6,338.00	SERVICE	AFSCME 1907
6226	ALEJANDRO T BRAVO	03/15/2023	\$ 5,506.29	RULE OF 70	AFSCME 1907
5899	ALEXIS ACOSTA	03/15/2023	\$ 11,749.85	7 YRS FORWARD DROP	COUNCIL 79
5686	ANGELLA A BREADWOOD	03/15/2023	\$ 19,319.76	7 YRS FORWARD DROP	MANAGERIAL/CONF
4969	AURELUS DORVIL	03/15/2023	\$ 14,301.88	7 YRS FORWARD DROP	COUNCIL 79
5846	DANIEL ANTON	03/15/2023	\$ 11,683.16	7 YRS FORWARD DROP	COUNCIL 79
5243	MERNA M ELLIOTT	03/15/2023	\$ 16,936.22	7 YRS FORWARD DROP	AFSCME 1907
5679	MILTON LEE OATS	03/15/2023	\$ 9,647.10	7 YRS FORWARD DROP	COUNCIL 79
8165	ROBERTO LOPEZ	03/15/2023	\$ 5,415.63	7 YRS FORWARD DROP	AFSCME 1907
6244	OLGA BELLO	03/15/2023	\$ 6,428.24	SERVICE	UNCLASSIFIED
6244	OLGA BELLO	03/15/2023	\$ 24,747.95	12 MONTH BACKDROP	UNCLASSIFIED
11613	CHRISTOPHER A GREEN	03/15/2023	\$ 16,696.77	SERVICE	EXECUTIVE
11613	CHRISTOPHER A GREEN	03/15/2023	\$ 423,609.61	52 MONTH BACKDROP	EXECUTIVE
5543	ANDRE M BRYAN	03/15/2023	\$ 18,506.84	SERVICE	AFSCME 1907
5543	ANDRE M BRYAN	03/15/2023	\$ 201,080.94	29 MONTH BACKDROP	AFSCME 1907
5477	HELENE M SPARKS	03/15/2023	\$ 7,538.08	RULE OF 70	AFSCME 1907
5590	JAVIER DOMINGUEZ	03/15/2023	\$ 13,973.88	7 YRS FORWARD DROP	AFSCME 1907
5963	NORMA G MENDEZ	03/15/2023	\$ 10,946.67	7 YRS FORWARD DROP	COUNCIL 79
15589	SALUSTIANO GONZALEZ	03/15/2023	\$ 2,553.57	7 YRS FORWARD DROP	AFSCME 1907
6144	CARLOS CAMPANA	03/15/2023	\$ 7,782.85	SERVICE	AFSCME 1907
6436	TERESA J SANCHEZ	02/15/2023	\$ 15,900.11	7 YRS FORWARD DROP	AFSCME 1907
10348	JOSE A MORALES	02/15/2023	\$ 9,087.39	7 YRS FORWARD DROP	AFSCME 1907
15412	JOSE B CESPEDES	03/15/2023	\$ 1,343.41	7 YRS FORWARD DROP	AFSCME 1907
5561	MARY E LECKBAND	02/15/2023	\$ 16,782.31	RULE OF 70	AFSCME 1907
5561	MARY E LECKBAND	02/15/2023	\$ 326,866.14	38 MONTHS BACKDROP	AFSCME 1907
15516	ORLANDO SANTANA	02/15/2023	\$ 1,054.25	SERVICE (60/10)	AFSCME 1907
5536	KRISTIE T MITCHELL	02/15/2023	\$ 17,960.66	7 YRS FORWARD DROP	AFSCME 1907
18645	DEANNA D RASCO	01/13/2023	\$ 27,964.23	7 YRS FORWARD DROP	EXECUTIVE
<b>GRAND TOTAL</b>			<b>\$ 1,283,531.84</b>		

**DEATHS**

PG #	NAME	DATE OF DEATH	DATE REPORTED	RETIREE	BENEFICIARY
4174	MARY L BENNETT	02/24/2023	02/24/2023	X	
5102	CHRISTIANE OCTAVE	02/21/2023	02/24/2023	X	
6209	MAXIMO GOMEZ	02/21/2023	03/05/2023	X	
6741	MILDRED S SANDERS	02/21/2023	03/01/2023		X
2743	IVAN M ALMEIDA	02/07/2023	02/08/2023	X	
3418	URSULA MIERZWA	02/05/2023	02/26/2023	X	
3340	ARTHUR WILLIAMS	02/04/2023	02/08/2023	X	
5376	JOSE A ALONSO	01/14/2023	01/29/2023	X	
3131	MARTIN HASKELL	01/13/2023	01/29/2023	X	
3222	CLEVELAND BROWN	01/03/2023	01/20/2023	X	