

MIAMI BEACH FIREMEN'S RELIEF AND PENSION FUND
INVESTMENT POLICY GUIDELINES
(Revised May 2018)

I. PURPOSE OF INVESTMENT POLICY GUIDELINES

The Pension Board of Trustees ("Board") maintains that an important determinant of future investment returns is the expression and periodic review of the Plan's investment objectives. To that end, the Trustees have adopted this statement of Investment Policy Guidelines and directs that it apply to all assets under the control of the Board.

In fulfilling their fiduciary responsibility, the Board recognizes that the retirement Plan is an essential vehicle for providing income benefits to retired participants or their beneficiaries. The Board also recognizes that the obligations of the Plan are long-term and that investment policy should be made with a view toward performance and return over a number of years. The general investment objective, then, is to obtain a reasonable total rate of return – defined as interest and dividend income plus realized and unrealized capital gains or losses commensurate with the Prudent Investor Rule and any other applicable statute or requirement.

A reasonably consistent and adequate return, protection of the assets against the inroads of inflation and safety of the assets are very important. However, the volatility of interest rates and securities markets make it necessary to judge results within the context of several years rather than over short periods of one or two years or less. Performance will be measured quarterly.

The Board, in performing its investment duties, shall comply with the fiduciary standards set forth in the Employee Retirement Income Security Act of 1974 (ERISA) at 29 U.S.C. s.1104(a)(1)(A)-(C). In case of conflict with other provisions of law authorizing investments, the investment and fiduciary standards set forth in this section shall prevail.

II. INVESTMENT PERFORMANCE OBJECTIVES – QUARTERLY EVALUATION MECHANISMS

The below listed performance measures will be used as objective criteria for evaluating the effectiveness of the Investment Manager:

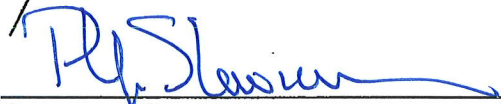
A. Total Fund Performance

1. The performance of the total fund will be measured each quarter for rolling three and five year periods. These periods are considered sufficient to accommodate the market cycles experiences with investments.

Beginning January 1, 2004 the return of this portfolio will be measured against a portfolio comprising 55% of the S&P500 Large Cap Core Index (S&P500), 17.5% of the Bloomberg Barclays Government Credit Bond Index (BBGC), 17.5% of the Bloomberg Barclays Intermediate Government Credit Bond Index (BBIGC) and 10% of the Citigroup 3-Month T-Bill Index.

F. The Investment Consultant, on behalf of the Board, shall send a letter to any pooled fund referring the Investment Manager to the listing of 'Scrutinized Companies' by the State Board of Administration ('SBA list'), on their website www.sbafla.com/fsb/. This letter shall request that they consider removing such companies from the fund or create a similar actively managed fund having indirect holdings devoid of such companies. If the Investment Manager creates a similar fund, the Plan shall replace all applicable investments with investments in the similar fund in an expedited timeframe consistent with prudent investing standards. For the purposes of this section, a private equity fund is deemed to be an actively managed investment fund. However, after sending the required correspondence, the Plan is not required to sell the pooled fund.


Chairperson 9/4/18
Date


Inverness Counsel 2/18/2020
Date

Intercontinental Real Estate Date