

**CITY OF FORT LAUDERDALE
GENERAL EMPLOYEES' RETIREMENT SYSTEM
AUDIT COMMITTEE MEETING
316 NE FOURTH STREET, SUITE 2, FORT LAUDERDALE, FL
Tuesday, July 25, 2016
1:00 PM**

Present: Jon Stahl, Audit Committee Chairman
Lynn Wenguer, Audit Committee Member
Nick Schiess, Pension Administrator
Bob Dunckel, Board Attorney
Marian Dollard, City Finance Department
Laura Garcia, City Finance Department

CALL TO ORDER

Audit Committee Chairman Stahl called the meeting to order at 1:00 PM.

PUBLIC COMMENT

No members of the public were present.

CUSTODIAL SERVICES INTERVIEWS

AMALGAMATED BANK

Jim Lindberg and Barry Kipnes appeared before the Board to provide a proposal for custodial services. Mr. Kipnes discussed the firm's qualifications, experience and service philosophy. Mr. Lindberg discussed the team structure and his experience, noting that he was the primary relationship manager that would be assigned to the System. He then discussed the process of transitioning assets and services from the incumbent custodian. The Committee members and other interested parties present questioned the prospective firm on systems, statement production, processing of securities litigation claims, team workload, fee guarantee, results of the independent audits of controls and procedures, references and other factors important in the evaluation of custodial services providers. Mr. Lindberg was questioned regarding significant client turnover during the years 2011 and 2012. He discussed the significant management reorganization that occurred during that period, noting that client turnover since has normalized and client satisfaction remained high.

WILMINGTON TRUST CORPORATION

Salvatore Corso and Jeffrey Kemp appeared before the Board to provide a proposal for custodial services. Mr. Corso discussed the firm's qualifications and experience. Mr. Kemp discussed the team structure and experience of the primary relationship manager that would be assigned to the System. He then discussed the process of transitioning assets and services from the incumbent custodian. The Committee members and other interested parties present questioned the prospective firm on

systems, statement production, client turnover, processing of securities litigation claims, team workload, fee guarantee, results of the independent audits of controls and procedures, references and other factors important in the evaluation of custodial services providers.

COMERICA BANK

Felicia Ryan appeared before the Board to provide a proposal for custodial services. She discussed the firm's qualifications and experience in great detail. Ms. Ryan discussed the team structure and his experience, noting that she was the primary relationship manager that would be assigned to the System. She then discussed the process of transitioning assets and services from the incumbent custodian. The Audit Committee members and other interested parties present questioned the prospective firm on systems, statement production, client turnover, processing of securities litigation claims, team workload, fee guarantee, results of the independent audits of controls and procedures and other factors important in the evaluation of custodial services providers. Ms. Ryan discussed references, noting the firm already had a considerable client base within Florida.

A lengthy and thorough discussion arose regarding the presentations for custodial services. Mr. Schiess agreed to follow up with the prospective candidates on unanswered questions and contact references. Mr. Dunckel requested specimen agreements for evaluation.

The Committee acknowledged that the selection of a custodian was a significant decision and therefore best determined by the entire Board. In lieu of a recommendation by consensus, the Committee members decided to present their findings and individual evaluations to the Board at the next meeting. Mr. Schiess agreed to develop an evaluation form for the Committee members.

ADJOURNMENT

The meeting adjourned at 3:54 PM.