

**CITY OF FORT LAUDERDALE
GENERAL EMPLOYEES' RETIREMENT SYSTEM
BOARD OF TRUSTEES MEETING**
316 NE FOURTH STREET, SUITE 2, FORT LAUDERDALE, FL
Thursday, October 13, 2016
1:00 PM

**BOARD'S COMMUNICATION TO THE CITY
COMMISSION**

Items Requiring City Commission Action

- None at this time

Items That May Be Of Interest to the City Commission

- None at this time

Items Submitted For City Commission Consideration

- None at this time

Present: Jon Stahl, Vice Chairman
Pat Long, Trustee
Mark Burnam, Trustee
Lynn Wenguer, Secretary
Ron Cameron, Trustee
Linda Logan-Short, Ex-Officio Designee

Absent: Mark Darmanin, Chairman
Paul Tanner, Trustee

Also Present: Chris Niles, UBS
John LeRoy Bucci, Retiree
Cole Copertino, Board Attorney
Paul Bangel, Assistant City Attorney
Nick Schiess, Pension Administrator
Jane Dyar, Pension & Recording Secretary
Rich Dahab, Dahab & Associates (via teleconference)

CALL TO ORDER

Vice Chairman Stahl called the meeting to order at 1:00 PM. Roll call was taken. It was noted that the meeting scheduled for October 6, 2016 had been cancelled due to Hurricane Matthew.

Vice Chairman Stahl opened the floor for public comment. There was no public comment.

APPROVAL OF CONSENT ITEMS

Vice Chairman Stahl requested the review of the consent items including the benefit review and disbursements. **Mr. Long made a motion to approve the disbursements as**

presented. Ms. Wenguer seconded the motion. The motion passed unanimously. Ms. Wenguer requested that supporting documentation be provided for disbursements in excess of \$1K. Ms. Logan-Short requested that purchasing card transactions be added to the monthly disbursement approval report.

The Board reviewed the pending benefit approvals and a question arose regarding the vested deferred benefit for Mehrdad Fayyaz, who was noted to be already collecting a benefit from the System. Concerns were expressed over the payment of benefits to members that were possibly reemployed and contributing to the System at the same time. It was noted that Mr. Fayyaz had accrued two different benefits for two separate terms of service. The Board requested a detailed report on Mr. Fayyaz’ service for review at the next meeting. **Ms. Wenguer made a motion to approve all pending benefits payable with the exception of the vested deferred benefits to Mehrdad Fayyaz. Mr. Long seconded the motion. The motion passed unanimously.**

BENEFIT REVIEW

RETIREMENT

Name	Date	Service Time	Type
Freddy Dempsey Public Works	9/08/16	19y, 9m, 21d	Normal
Eileen Furedi Sustainable Development	9/23/16	15y, 11m	Normal
Donald Goedke Transportation and Mobility	9/24/16	11y, 26d	Normal
Judith Steven Attorney Office	10/01/16	11y, 4m, 22d	Normal
Gehazel Sloan Sustainable Development	10/30/16	10y, 4m, 15d	Normal

DROP RETIREMENT

Name	Date	Service Time
Eddie Rogers Public Works	10/31/16	30y, 5m, 27d
Brian Dooling Parks & Recreation	10/31/16	30y, 27d

DROP TERMINATION

Name	Date
Steven Curmode Public Works	10/31/16

POST RETIREMENT DEATH

Name	Date
Elma Schwartz Spouse Clifford Schwartz	8/26/16
Roy Hurley	9/14/16
Deborah Dempsey Spouse Freddie Dempsey	9/30/16
Arthur Manning	9/20/16
Rose Conrad	9/16/16

NEW BUSINESS

The Board reviewed an Amendment to the Partnership Agreement and separate Election Form for additional contractual options proposed by private equity manager Capital Dynamics. Mr. Copertino advised that there were not any legal impediments preventing approval of the Amendment or additional contractual options. Mr. Dahab reviewed the proposed options, noting all were favorable and in the System's best interests except changes to jurisdiction and venue and for the settlement of disputes. After further discussion, **Ms. Wenguer made a motion to approve and execute Amendment Three to the Capital Dynamics Partnership Agreement. Mr. Long seconded the motion. The motion was approved unanimously.** The Board then reviewed and discussed individually the proposed additional contractual options. **Mr. Long made a motion to approve all the proposed options except revision of jurisdiction and venue for settlement of disputes. Mr. Burnam seconded the motion. The motion was accepted unanimously.**

The Board reviewed materials, forms, timing, and applicable language within the Ordinance pertaining to the upcoming trustee elections. Mr. Schiess suggested a procedural change of utilizing numbered ballots to enhance voter anonymity, improve controls and streamline production and mailing. Concerns were expressed over voter anonymity using numbered ballots linked to voters within a list. Mr. Schiess assured the Board that a master listing would not be created and the ballots would be distributed completely by random. He also recommended the utilization of the City's printing department for the production and mailing of election materials to the voting membership. **Mr. Long made a motion to approve the election materials including the proposed numbered ballot system. Ms. Wenguer seconded the motion. The motion was accepted unanimously.** The Board discussed the production and mailing of election materials and by consensus approved the use of the City printing department for the project.

The Board reviewed a proposed engagement letter from Craig Butterfield for the bi-annual property appraisal of the 4800 Building. Mr. Long explained that Mr. Butterfield's office had prepared the last two appraisals and had submitted the lowest bid of \$1,750 for the upcoming appraisal. He explained that while the Board had previously granted the Real Estate Committee Chairman authority to select an appraiser through a bid process at a cost not to exceed \$10k, an unforeseen contractual issue had arisen and therefore the matter was returned to the Board for consideration. The Trustees discussed language within the proposed engagement letter regarding fees for the appraiser to testify or provide depositions in the event the appraisal was questioned in court. **Mr. Long made a motion to approve execution of the engagement letter contingent upon the appraiser's acceptance for the inclusion of preapproval for additional expenses by the Board and removal of a \$750 minimum fee for doing so. Mr. Burnam seconded the motion. The motion was accepted unanimously.**

ATTORNEY'S REPORT

Mr. Copertino announced that Bob Dunckel would be retiring on December 1, 2016. He advised that due to Hurricane Matthew the closed door meeting for consideration of legal strategy for the Green Mountain Coffee securities litigation case would be rescheduled to

commence immediately after the regular Board meeting on November 3, 2016. Mr. Long questioned whether there was an update on the request by the Board for the use of outside legal counsel and Mr. Copertino responded that the matter was still under consideration.

PLEASURE OF THE BOARD

Mr. Schiess distributed e-mail correspondence from Dr. Bill Goetz expressing displeasure to being advised that records responsive to his public records request were not in existence but available at his expense. The Board requested Mr. Copertino to respond to Dr. Goetz clarifying the specific constraints of public records requests, specifically that only records already in existence must be provided and the creation of special reports is not required under Florida Law.

Mr. Schiess reported that the City Commission had requested a special joint meeting with the Boards of the General Employees Retirement System, Police Officers and Firefighters' Retirement System and the Cemetery Fund and then provided preliminary dates in November and December.

Mr. Schiess provided an invoice as supporting documentation for the one disbursement greater than \$1K approved earlier in the meeting. A discussion arose regarding this invoice for actuarial services from Gabriel Roeder Smith for providing information to an actuarial firm engaged by the City to perform an independent audit of the 2015 Actuarial Valuation. Concerns were expressed whether the services were necessary, pre-approval for the expenses should have been requested in advance and also whether the invoice should be presented to the City because the audit was external to the Board. **Ms. Wenguer made the motion to rescind approval of the invoice from Gabriel Roeder Smith. Mr. Long seconded the motion. The motion was accepted unanimously.** Mr. Schiess was requested to investigate further the circumstances of the services and report back to the Board.

BOARD COMMUNICATION TO THE CITY COMMISSION

Vice Chairman Stahl asked if there was anything to share with the City Commission. The Board consensus was that there was nothing at this time to share.

ADJOURNMENT

Ms. Wenguer made a motion to adjourn. Mr. Cameron seconded the motion. The meeting adjourned at 2:40 PM.