

**CITY OF FORT LAUDERDALE
GENERAL EMPLOYEES' RETIREMENT SYSTEM
BOARD OF TRUSTEES MEETING**
401 NE FOURTH STREET, SUITE 201, FORT LAUDERDALE, FLORIDA
Thursday, October 20, 2022
12:00 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: Lynn Wenguer, Chairperson
Jill Prizlee, Vice-Chairperson
Marian Dollard, Secretary
Mark Burnam, Trustee
Douglas Meade, Trustee
Bob McComsey, Trustee
Jeri Pryor, Trustee

Absent: Susan Grant, Ex-officio

Also Present: William Dahab, Dahab & Associates
Glenn Thomas, Board Attorney (via teleconference)
Nick Schiess, Pension Administrator
Anne-Marie Lacroix-Vega, Administrative Assistant

CALL TO ORDER

Ms. Wenguer called the meeting to order and roll call was taken.

PUBLIC COMMENT

There was not any public comment.

APPROVAL OF MINUTES

The Board reviewed the draft minutes of the meeting held October 20, 2022. **Mr. Burnam made a motion to approve the minutes of the meeting held October 20, 2022. Ms. Prizlee seconded the motion, which was approved unanimously.**

APPROVAL OF CONSENT ITEMS

The Board reviewed the consent items. **Ms. Dollard made a motion to approve the consent items. Mr. Meade seconded the motion, which was approved unanimously.**

BENEFIT REVIEW

POST RETIREMENT DEATH

Name	Date
PAZOS, MARIA Spouse of CARLOS PAZOS	11/01/2022

INVESTMENT CONSULTANT REPORT: DAHAB ASSOCIATES

William Dahab provided the Board with a report on the investment portfolio for the fiscal year ending September 30, 2022. Mr. Dahab reported that the net fiscal year investment return was -12.6%, which ranked in the top 31th percentile of the public pension fund universe. He discussed market and geopolitical factors in great detail that attributed to the investment losses, primarily inflation and the Russian invasion of Ukraine. Mr. Dahab reviewed the performance of the individual investment products in great detail, noting all was mostly satisfactory. He concluded his report with a review of the asset allocation, noting all was satisfactory.

Mr. Dahab recommended raising any required cash from the Garcia Hamilton & Associates laddered fixed income portfolio. A discussion arose regarding the origin of the laddered bond portfolio, which Mr. Schiess clarified was implemented several years ago as an alternative to a significant cash position during a period of high equity market volatility. Mr. Dahab discussed the differences between the regular and laddered bond portfolio, which was primarily duration. He advised that the laddered bond portfolio had outlived its purpose and recommended that the assets be transferred to the regular bond portfolio. Mr. Dahab added that the manager of the bond portfolio, Garcia Hamilton, was scheduled for a report at the next meeting and would be able to elaborate on the matter then.

NEW BUSINESS

There was no new business.

OLD BUSINESS

As a follow up to the last meeting, Mr. Schiess provided an update on the pension overpayments to beneficiaries Terry Franklin and Gayle Pallans. Pursuant to the Board's direction, notification was sent with the options for repayment to include full repayment, forgo future benefits until full repayment, combination of both methods and most importantly include language to contact the Plan Administrator should any of those options be unacceptable. Mr. Schiess reported that Ms. Franklin had contacted the office and offered a very modest repayment proposal, which was rejected by the Board. It was again noted that the Board was legally required to make a reasonable attempt to recover the overpayments but there were equitable considerations notably whether recovery induced a financial hardship. A lengthy discussion ensued regarding an acceptable level of repayment. **Ms. Pryor made a motion to send notification to both affected members that their benefits would be reduced 50% until their overpayment was recovered unless they can demonstrate that it would result in financial hardship. Mr. Meade seconded the motion, which was approved unanimously.**

Mr. Schiess provided an update on the Trustee elections for the seats held by Jill Prizlee and Jeri Pryor. He reported that the nomination period had closed and nominations were only received by Jill Prizlee and Jeri Pryor. Mr. Schiess advised that the original election materials represented that the elections would be certified at the December meeting therefore he would bring the matter back at that time.

ATTORNEY'S REPORT

Mr. Thomas provided an update on pending legislation that if passed would affect the pension plan.

ADMINISTRATOR'S REPORT

Mr. Schiess provided a financial report including account and benefit payment reconciliations, fulfilled and pending capital calls, funding status of the alternative investments, monthly fund asset mix and miscellaneous organizational changes.

Mr. Schiess provided a progress report on the still outstanding internet service for the pension office.

Mr. Schiess reported that work has started on the annual audit and actuarial valuation.

PLEASURE OF THE BOARD

Mr. McComsey distributed a proposed new investment strategy for the consideration by the Trustees.

BOARD COMMUNICATION TO THE CITY COMMISSION

There was nothing to communicate to the City Commission.

ADJOURNMENT

The meeting adjourned at 2:49 PM.