

**CITY OF FORT LAUDERDALE**  
**GENERAL EMPLOYEES' RETIREMENT SYSTEM**  
**BOARD OF TRUSTEES MEETING**  
401 NE FOURTH STREET, SUITE 201, FORT LAUDERDALE, FLORIDA  
Thursday, December 12, 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: Jana Woods & Jeff Detwiler, Garcia Hamilton & Associates  
Richard Dahab, Dahab & Associates  
Glenn Thomas, Board Attorney (via teleconference)  
Nick Schiess, Pension Administrator

**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 November 10, 2022. **Ms. Prizlee made a motion to approve the minutes of the meeting held November 10, 2022. Mr. Meade seconded the motion, which was approved unanimously.**

## **APPROVAL OF CONSENT ITEMS**

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

## **BENEFIT REVIEW**

### **RETIREMENT**

<b>Name</b>	<b>Date</b>	<b>Service</b>	<b>Type</b>
PROBERT, LINDA Parks & Recreation	1/1/2023	12 Y, 5 M, 2D	Normal (Vested Deferred)
HOLNESS, KERVILLE Public Works	12/3/2022	31 Y, 0 M, 15D	Normal
AYROSA, FERNANDO Information Technology	1/1/2023	18 Y, 8 M, 24D	Normal (Vested Deferred)
TURNER, ELDRIDGE Parks & Recreation	12/3/2022	16 Y, 1 M, 24D	Normal

### **DROP ENTRY**

<b>Name</b>	<b>Date</b>	<b>Type</b>
RAMAGE, DAWN Police	1/1/2023	16Y 7M 11D

## **INVESTMENT MANAGEMENT REPORT**

Jana Woods and Jeff Detwiler appeared before the Board on behalf of Garcia Hamilton & Associates to provide a report on the domestic bond portfolios for the quarter ending September 30, 2022. Ms. Woods provided an organizational update, noting no significant changes.

Mr. Detwiler reported that the return for the quarter ending September 30, 2021 was -4.54% versus -3.84% for the index. He explained that this recent underperformance was attributable to the positioning of the portfolio for long duration which was not favored by the market. He reported that the return for the fiscal year was -9.82% versus -11.04 for the index and long-term exceeded the index for all measurable periods. Mr. Detwiler discussed market and economic factors in great detail, noting that the recent quarter was the worst period for bonds since the year 1970. He advised that the leading economic indicators point towards recession and a subsequent decline in interest rates. Mr. Detwiler discussed the construction of the portfolio in response. He then reviewed sector allocation, duration and other indices versus the index.

Mr. McComsey questioned risk within the portfolio and Mr. Detwiler responded that only 10% of the portfolio is subject to any default or credit risk with the remainder backed by the US Treasury.

The Board discussed 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. Detwiler 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

agreed. **Mr. Burnam made a motion to transfer the contents of the laddered bond portfolio to the regular bond portfolio as recommended by the investment consultant and investment manager. Ms. Prizlee seconded the motion, which was approved unanimously.**

Mr. Dahab recommended raising any required cash from the Garcia Hamilton & Associates laddered fixed income portfolio.

### **INVESTMENT CONSULTANT REPORT: DAHAB ASSOCIATES**

Richard Dahab provided the Board with an interim report on the investment portfolio. While the results for all the individual investment products had not been reported, he advised that the preliminary return for the quarter was 9.8% versus 9.2% for the composite index.

### **NEW BUSINESS**

The Board determined the meeting and manager report schedule for 2023.

### **OLD BUSINESS**

As a follow up to the last meeting, Mr. Schiess provided another update on the pension overpayments to beneficiaries Terry Franklin and Gayle Pallans. Pursuant to the Board's direction, notification was sent to the 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. Schiess reported that Ms. Pallans had reimbursed the Plan in full for her cumulative overpayments. He then presented a response from Ms. Franklin, which included a schedule of her income and expenses, wherein she asserted that any amount greater than \$100 monthly repayment would result in financial hardship. Mr. Thomas again noted that the Board was legally required to make a reasonable attempt to recover the overpayments and he then revisited equitable considerations especially when recovery induces financial hardship. The Board reviewed and discussed her response in great detail and ultimately concluded that it was imperative to independently document her complete financial situation. **Ms. Pryor made a motion to reduce Ms. Franklin's benefit by \$100 for the month of January 2023 while the Board researched further her financial situation to include Federal Tax filings and a credit report to be considered at the next meeting. Ms. Prizlee 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. Burnam made a motion to approve the election results. Mr. Mead seconded the motion, which was approved unanimously.**

### **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 another 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.

Mr. Schiess provided a progress report on the securities litigation against Ryder Systems, noting that he would be deposed for testimony on December 14, 2022.

## **PLEASURE OF THE BOARD**

Mr. McComsey inquired regarding the redemption period for private equity products.

## **BOARD COMMUNICATION TO THE CITY COMMISSION**

There was nothing to communicate to the City Commission.

## **ADJOURNMENT**

The meeting adjourned at 2:15 PM.