

**CITY OF FORT LAUDERDALE  
GENERAL EMPLOYEES' RETIREMENT SYSTEM  
BOARD OF TRUSTEES MEETING**  
401 NE FOURTH STREET, SUITE 201, FORT LAUDERDALE, FLORIDA  
Thursday, April 14, 2022  
12:00 PM

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

**Items Requiring City Commission Action**

- Request for Consideration of a 3% COLA

**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  
Jeri Pryor, Trustee  
Mark Burnam, Trustee  
Douglas Meade, Trustee  
Susan Grant, Ex-officio

Absent:

Also Present: Glenn Thomas, Board Attorney (via teleconference)  
Melissa Zrelack, Gabriel Roeder Smith  
Nick Schiess, Pension Administrator  
Joe Marks & Alex Hohn, Capital Dynamics  
Ryan Cooney, Hamilton Lane  
Fran Peters & Chris Row, HarbourVest Partners  
John Herbst, City Auditor's Office

**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 meetings held March 10, 2022. **Ms. Pryor made a motion to approve the minutes of the meetings held March 10, 2022. Mr. Meade seconded the motion, which was approved unanimously.**

## **APPROVAL OF CONSENT ITEMS**

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

## **BENEFIT REVIEW**

### **RETIREMENTS**

<b>Name/Department</b>	<b>Date</b>	<b>Service</b>	<b>Type</b>
FATOUT, THOMAS Public Works	4/30/2022	24 Y, 6 M, 24D	Normal
CAMPISI, ERNESTO Parks & Recreation	5/1/2022	26 Y, 6 M, 1D	Normal
SHERWOOD, MICHAEL Public Works	4/4/2022	16 Y, 0 M, 1D	Normal
JIMENEZ, MARIANELA Information Technology	4/30/2022	19 Y, 7 M, 24D	Normal
DENNIN, MARK Information Technology	4/2/2022	18 Y, 0 M, 0D	Normal

### **POST RETIREMENT DEATH**

<b>Name</b>	<b>Date</b>
MCDOWELL, DIANA Spouse of JOHN MCDOWELL	5/1/2022

## **INVESTMENT MANAGEMENT REPORT**

Joe Marks and Alex Hohn and appeared before the Board on behalf of Capital Dynamics, Ryan Cooney appeared on behalf of Hamilton Lane and Fran Peters and Chris Row appeared on behalf of HarbourVest Partners to provide a report their current private equity funds. Mr. Marks reported that Capital Dynamics had achieved 30 years of market experience and not incurred any organizational changes. Mr. Row reported no organizational changes for HarbourVest Partners. Mr. Cooney reported no organizational changes or changes in investment strategy for Hamilton Lane.

Mr. Dahab questioned the panel regarding the anticipated effects of expected reduction in initial public offerings, Russian invasion of Ukraine and rising inflation. Mr. Marks and Mr. Cooney responded that initial public offerings were not a meaningful driver of the private equity market. Mr. Marks reported that his funds did not have any exposure to Russia and Mr. Row did not expect any likely effect regardless. Mr. Row added that market disruptions create opportunity. The panelist agreed on expected high inflation, however, this was just one of many market influences.

It was noted that the life cycles of the current funds were maturing and required replacement to maintain the target asset allocation. It was further noted that the Investment Consultant was recommending the new offerings from the three current managers. The panel was questioned regarding expected market conditions especially the anticipated supply of investment

opportunities. The panelist unanimously agreed that supply remained high and the expectations were that the new funds would provide similar performance as the prior funds. The Board thanked the panelist for their attendance.

### **NEW BUSINESS**

Mr. Dahab provided a report on the qualifications, experience, returns, risk, and other factors important to the selection of an investment product for each of the three current private equity managers. He discussed the differences between the firms and their markets, noting that they were complimentary in aggregate and provided further diversification. He ultimately recommended a \$5M funding commitment to the new funds offered by the three current private equity managers. **Ms. Dollard made a motion to commit \$5M each to the new private equity funds offered by current investment managers Capital Dynamics, Hamilton Lane and HarbourVest Partners and authorize legal counsel to negotiate the agreements. Ms. Prizlee seconded the motion, which was approved unanimously.**

The Trustees conducted an annual review of all existing Board policies receiving recommendation from staff for revision of only the Investment Policy Statement to revise the assumed rate of investment return and Controls & Procedures Guidelines in response to the transition of benefit payments from the City to KeyBank. He introduced and discussed provisions of a proposed new Disability Rules & Procedures, which had been provide by legal counsel. **Ms. Dollard made a motion to adopt the revised Investment Policy Statement and new Disability Rules & Procedures. Ms. Pryor seconded the motion, which was approved unanimously.** A few edits were suggested to the Controls & Procedures Guidelines and Mr. Schiess agreed to bring a revised policy back to the Board at the next meeting.

### **OLD BUSINESS**

As a follow up to the last meeting, Ms. Moskowitz reviewed cost studies for a 3% and 4% cost-of-living adjustment. The Trustees discussed the studies and their presentation to the City Commission. The Board directed the Plan Administrator to send a request to the City Commission for the consideration of a 3% COLA. Mr. Schiess requested the assembly of a committee to assist in the development of the communication to City Commission and Ms. Wenguer and Ms. Prizlee agreed.

### **ATTORNEY'S REPORT**

Mr. Thomas advised that he nothing additional to report.

### **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 and miscellaneous organizational changes.

Mr. Schiess provided an update on the office relocation, specifically the still outstanding installation of land line internet and the resulting intermittent phone service.

Mr. Schiess reported that several overpayments had occurred initially at the transition of benefit payment services and he had initiated recovery from the affected retirees.

Mr. Schiess reported that the City had replaced the auditing firm, Crow Inc., and the replacement firm had provided a quote for auditing services for the 2022 fiscal year in the amount of \$12,000 for the Plan. Mr. Schiess advised that the low cost was attributable to a package deal for the City's entire audit. He was requested to obtain a proposal from Crow Inc. and report back to the Board.

Mr. Schiess provided an update on the application for disability benefits received from Jennifer Lowell, noting that she had yet to return the additional questionnaire requested by the Board at the last meeting.

### **MONTHLY FUND ASSET MIX**

Mr. Schiess reviewed the monthly fund asset mix, noting that all asset allocations were in compliance. He questioned whether the report could be folded into the standard reporting within his administrative report and the Board agreed.

### **PLEASURE OF THE BOARD**

There were no Board comments.

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

The communication is for a request for a 3% COLA.

### **ADJOURNMENT**

The meeting adjourned at 2:31 PM.