

CITY OF FORT LAUDERDALE
GENERAL EMPLOYEES' RETIREMENT SYSTEM
BOARD OF TRUSTEES MEETING
401 NE FOURTH STREET, SUITE 201, FORT LAUDERDALE, FLORIDA
Wednesday, August 17, 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
Jeri Pryor, Trustee
Mark Burnam, Trustee
Douglas Meade, Trustee
Bob McComsey, Trustee

Absent: Susan Grant, Ex-officio

Also Present: Richard & William 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. The Board welcomed new City appointee Robert McComsey as Trustee.

PUBLIC COMMENT

There was not any public comment.

APPROVAL OF MINUTES

The Board reviewed the draft minutes of the meeting held June 9, 2022. **Ms. Pryor made a motion to approve the minutes of the meeting held June 9, 2022. Mr. Meade seconded the motion, which was approved unanimously.**

APPROVAL OF CONSENT ITEMS

The Board reviewed the consent items with the exclusion of the individual benefit approval for Earl Prizlee. **Ms. Prizlee made a motion to approve the consent items. Ms. Pryor seconded the motion, which was approved unanimously. Ms. Pryor made a motion to approve the vested deferred benefit of Earl Prizlee. Ms. Dollard seconded the motion, which was approved 6-0** with Ms. Prizlee abstaining from voting because it would inure to the special private gain or loss of her relative Earl Prizlee. Ms. Prizlee submitted a completed Form B with the Plan Administrator as required by State Statutes.

BENEFIT REVIEW

RETIREMENTS

Name/Department	Date	Service	Type
SANCHEZ, ANAHY Transportation & Mobility	8/1/2022	10Y, 7M, 24D	Normal (Vested Deferred)
FAHLGREN, DONALD Transportation & Mobility	9/1/2022	21Y, 4M, 23D	Normal
RODRIGUEZ, LOURDES Public Works	9/1/2022	6Y, 0M, 5D	Normal (Vested Deferred)
PRIZLEE, EARL Sustainable Development	9/1/2022	10Y, 7M, 24D	Normal (Vested Deferred)

POST RETIREMENT DEATH

Name	Date
WALKER, GENEVIEVE Spouse of JULIAN WALKER	7/1/2022

DROP ENTRIES

Name	Date	Service
BROWN-WALTERS, ANDREA Human Resources	8/1/2022	24Y 2M 1D

DROP EXITS

Name	Date
ROQUE, MARIA	9/1/2022

INVESTMENT CONSULTANT REPORT: DAHAB ASSOCIATES

Richard Dahab provided the Board with an interim report on the investment portfolio. He reviewed the performance of the individual investment products in great detail, noting all was satisfactory. Mr. Dahab concluded his report with a review of the asset allocation. A discussion ensued regarding the asset allocation to emerging markets, which was noted as being of previous concern resulting in trimming from a 12% to a 9% target allocation several years ago. He recommended raising any required cash from the Garcia Hamilton & Associates fixed income portfolio.

Upon the request of several Trustees, William Dahab provided a thorough review of agriculture as an alternative asset class. He reviewed long-term performance and risk measurement indices, noting that both historically had been between equities and fixed income. Mr. Dahab reported that

the returns were consistent and non-correlated to the equity market. He suggested that the asset class was best considered as an alternative to fixed income especially given market conditions and the expectation of little to no return from fixed income in the immediate future. Mr. Dahab then reviewed the participation opportunities ranging from direct investment to commingled funds. A lengthy discussion ensued regarding exploring the asset class further including potential allocation and corresponding partial reduction of emerging market equities. The Board requested Mr. Dahab to provide additional information on agriculture as an alternative asset class and modelling scenarios including partial reduction of emerging market equities. Mr. Dahab agreed to provide further information at the meeting scheduled for October 20, 2022. The Board requested the Plan Administrator to reschedule the September 15, 2022 panel of emerging market investment managers to the meeting scheduled for October 20, 2022.

NEW BUSINESS

Mr. Schiess reviewed a proposed engagement letter with new auditing firm RSM US LLP for the 2022 fiscal year audit. **Ms. Prizlee made a motion to execute the audit engagement letter contingent upon review by legal counsel and amended to include the specific cost of the audit instead of the master agreement with the City. Ms. Pryor seconded the motion, which was approved unanimously.**

The Board reviewed the terms of the Agreement for Plan Administrator. It was noted that Mr. Schiess served at the pleasure of the Board, however, prior agreements had specified salary considerations for three-year terms. A lengthy discussion ensued regarding job performance, inflation and salary increases provided to City employees. **Ms. Prizlee a motion to approve another agreement with annual salary increases of 5%, 3% and 3% respectively over the next three years retroactive back to Mr. Schiess' employment anniversary date of April 25, 2022. Ms. Pryor seconded the motion, which was approved unanimously.** A discussion arose regarding Mr. Schiess' participation date in the original 401A defined benefit contribution plan and subsequent replacement of that plan by the City with the Florida Retirement System. Mr. Schiess agreed to research the matter and bring it back to the Board at the next meeting.

OLD BUSINESS

Mr. Schiess provided an update on Jennifer Lowell's application for service incurred disability benefits. Pursuant to the Board's direction, Dr. Thomas Goldschmidt had been engaged to perform an independent medical examination and had requested the records from nearly all her treating physicians. Mr. Schiess noted that the list was extensive and it would likely take considerable time to obtain all the records.

Mr. Schiess provided an update on the securities litigation action against Ryder , noting that the proposed action had survived many motions and attempts by the defendant to the convince the court to dismiss the case. He explained that now the case was heading into the discovery phase including deposition.

ATTORNEY'S REPORT

Mr. Thomas advised that he had no additional items requiring consideration at this time.

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 reported that a retirement seminar was scheduled for September 16, 2022 with 22 registrations to date.

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

PLEASURE OF THE BOARD

There were no Board comments.

BOARD COMMUNICATION TO THE CITY COMMISSION

There was nothing to communicate to the City Commission.

ADJOURNMENT

The meeting adjourned at 2:57 PM.