

**CITY OF FORT LAUDERDALE**  
**GENERAL EMPLOYEES' RETIREMENT SYSTEM**  
**BOARD OF TRUSTEES MEETING**  
401 NE FOURTH STREET, SUITE 201, FORT LAUDERDALE, FLORIDA  
Thursday, August 10, 2023  
12:00 PM

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

**Items Requiring City Commission Action**

- Engagement of Robbins Geller Rudman & Dowd as legal counsel for the class action securities litigation against Holley

**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  
Bob McComsey, Trustee  
Douglas Meade, Trustee

Absent: Linda Short, Ex-officio

Also Present: Bill and Richard Dahab, Dahab & Associates  
Glenn Thomas, Board Attorney (via teleconference)  
Nick Schiess, Pension Administrator  
Anne-Marie Lacroix-Vega, Pension Secretary  
Robert Robbins, Robbins Geller Rudman & Dowd

**CALL TO ORDER**

Ms. Wenguer called the meeting to order.

**PUBLIC COMMENT**

There was not any public comment.

**APPROVAL OF MINUTES**

The Board reviewed the draft minutes of the meeting held June 8, 2023 and a revision was noted. **Mr. Burnam made a motion to approve the minutes of the meeting held June 8, 2023 as amended. Ms. Pryor seconded the motion, which was approved unanimously.**

## APPROVAL OF CONSENT ITEMS

Mr. Schiess reviewed the facts and circumstances surrounding the delayed retirement application received from Antoinette Butler. It was noted that there are no provisions for retroactive payment from the Plan. A lengthy discussion ensued with the Board satisfied that extraordinary effort was extended to contact Ms. Antoinette in order for her to commence benefits when she first became eligible. **Mr. McComsey made a motion to approve Ms. Antoinette's retirement benefits effective June 26, 2023, which is coincident with the date of her application for benefits. Ms. Pryor seconded the motion, which was approved unanimously.**

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

## BENEFIT REVIEW

### RETIREMENT

Name	Date	Service	Type
BUTLER, ANTOINETTE Public Works	6/26/2023	16Y, 0M, 10D	Normal
MONEGRO, DELIO Parks & Recreation	7/15/2023	27Y, 8M, 29D	Normal
BUTLER, TERRY Public Works	8/1/2023	16Y, 3M, 24D	Early
LEWIS, MAUREEN Finance	7/22/2023	21Y, 11M, 20D	Normal
GOTTLIEB, INGRID Public Works	8/1/2023	13Y, 0M, 3D	Vested Deferred
ROSA, LILLIAN Management	6/1/2023	19Y, 6M, 22D	Correction Vested Deferred
RICHARDS, MAUREEN City Attorney	9/1/2023	17Y, 1M, 1D	Normal

### POST RETIREMENT DEATH

Name	Date
CARNS, DOROTHY Spouse of WILLIAM CARNS	6/1/2023
DARROL, LINDIA Spouse of EDWARD DARROL	7/1/2023
KELLEY, MARY Spouse of LINDA KELLEY	6/1/2023
TRENT, TERESA Spouse of JOSEPH TRENT	8/1/2023

### DROP ENTRIES

Name	Date	Service
JOSEPH, SABINE Park & Recreation	10/1/2023	22Y 4M 10D

## INVESTMENT CONSULTANT REPORT: DAHAB ASSOCIATES

Bill Dahab provided the Board with a report on the investment portfolio for the quarter ending June 30, 2023. He reported that net investment return for the quarter was 2.4% versus 3.1% for the composite target index. The trailing one-year investment return was 8.2%, which ranked in the

top 64th percentile of the public pension fund universe. Bill Dahab discussed market factors, noting that the domestic equity market performance had been driven primarily by a small number of stocks.

Mr. McComsey questioned the merit of the real estate allocation and whether it was prudent to reallocate the funds to the S&P 500 domestic equity market. Rich Dahab discussed the history of the real estate allocation, which was considered an alternative to fixed income and provided diversification of the overall portfolio. He explained that reallocation from conservative assets, such as fixed income and real estate, to equities increased exposure to a significant market downturn and resulting headline risk. Mr. Dahab advised that an equity only portfolio was very uncommon and not a prudent move for a public pension plan.

Rich Dahab was questioned regarding any areas of concern. He responded that while the Polen Capital Management portfolio had underperformed the manager was very capable and it was a very concentrated portfolio that has satisfactory long-term performance. Rich Dahab concluded their report with a review of the asset allocation, noting all was satisfactory.

Mr. Dahab recommended raising any required cash equally from the international equity allocation and suggested the SSGA Index Fund unless the Trustees preferred raising the cash from the funds managed by HGK or Sprucegrove. Mr. Schiess advised that liquidity restrictions might impact the timing of redemptions. A discussion ensued and the Board by consensus directed the Plan Administrator to raise cash from either HGK or Sprucegrove for the September benefit payments and from the other fund for the October benefit payments.

### **CLOSED DOOR SESSION SECURITIES CLASS ACTION HOLLEY, INC**

The regular meeting adjourned at 2:00PM for a closed-door session to receive a proposal from Robert Robbins of Robbins Geller Rudman & Dowd to pursue lead plaintiff status in a class action securities litigation against Holley, Inc. Mr. Robbins discussed the merit of the case as well as the procedures including participation requirements.

**Ms. Pryor approved proceeding with the engagement of Robbins Geller Rudman & Dowd as legal counsel to pursue lead plaintiff status in a class action securities litigation against Holley, Inc. and authorize execution of the retainer agreement by the Chairperson contingent upon review by the Plan's legal counsel. Mr. Burnam seconded the motion, which was approved unanimously by the Board.** The closed-door session concluded at 2:33PM and the regular meeting resumed.

### **NEW BUSINESS**

Mr. Thomas submitted for the Board's consideration provided a revised Investment Policy Statement with provisions required for compliance with recently adopted State legislation. He advised that compliance also requires the filing of a report to the State this coming December in December. **Ms. Dollard made a motion to adopt the revised Investment Policy Statement. Mr. Meade seconded the motion, which was approved unanimously.**

Mr. Schiess submitted for the Board's consideration provided a revised Summary Plan Description and reviewed the changes within. It was noted that the document was distributed through the Plan's website and electronic newsletter to active members. **Ms. Dollard made a motion to approve the revised Summary Plan Description. Mr. Meade seconded the motion, which was approved unanimously.**

Mr. Schiess then submitted for the Board's consideration provided an updated Active Member Newsletter and reviewed the changes therein. It was noted that the document was historically distributed through the City e-mail system to active members. **Ms. Dollard made a motion to approve the updated Active Member Newsletter. Mr. Meade seconded the motion, which was approved unanimously.**

Mr. Schiess provided a report on the bi-annual recertification of beneficiaries to verify eligibility for continued benefits. He advised that one beneficiary was discovered to have remarried and was therefore ineligible for benefits. Mr. Schiess further explained that she had acknowledged that she was previously aware that remarriage invalidated eligibility and agreed to repay the resulting overpayments. He discussed the extensive ongoing measures implemented and communications to educate beneficiaries regarding the effect of remarriage on eligibility for benefits. Mr. Schiess recommended returning to annual recertification to minimize overpayments. The Board recognized that the recertification was burdensome on very elderly retirees, however, agreed to allow the Plan Administrator to conduct recertifications at his discretion.

A discussion ensued regarding the identification of deaths of benefit recipients on a timely basis to avoid overpayments. Mr. Schiess discussed preventative measures, primarily the engagement of a third-party vendor that performs real time death reporting service. It was noted that while the death reporting services were the best measures available, they were not infallible in identifying deaths. Ms. Wenguer reported that the Police & Fire Pension Plan had implemented an annual affidavit requirement as a supplemental measure. The Plan Administrator was directed to implement an affidavit mailing to retirees.

Mr. Schiess submitted for the Board's consideration a revised Travel Expense Policy, which was deferred until the next meeting.

### **OLD BUSINESS**

Mr. Schiess then submitted proposals for audit services. The Board decided to interview the two firms Marcum and Kabat, Schertzer, De La Torre, Taraboulos & Company and at the next meeting.

### **ATTORNEY'S REPORT**

Mr. Thomas had nothing additional to report.

### **ADMINISTRATOR'S REPORT**

Mr. Schiess provided a financial report including account and benefit payment reconciliations, investments, monthly fund asset mix and miscellaneous organizational changes.

Mr. Schiess reported that the new agreements with the firms managing the agriculture products agreements were negotiated and presented for execution. The expected capital calls are likely January 2024 for US Agriculture and 2-4 quarters for UBS to call entire allocation.

Mr. Schiess reported that Teamster representative Andy Maltes has contacted the Pension Office regarding reinstating the DROP for the Teamsters subset of active GERS members. He was negotiating the matter with the City and is aware of the resources available from the Pension Office.

Mr. Schiess reported that Ellen Schaefer, proprietor of the firm that provides the software for active member recordkeeping and retirement benefit calculations, announced her retirement and will no longer support the product. A search for replacement software will commence.

Mr. Schiess reported that the scanning and archiving of the retiree files is nearing completion along with building a database of phone numbers and e-mails for use in electronic communications.

### **PLEASURE OF THE BOARD**

Mr. McComsey discussed reconstruction of the portfolio towards a complete concentration of domestic equities, which he expressed should result in an overall higher yield long-term despite market volatility. He also suggested consideration of passive versus active investing to lessen management fees. Mr. Schiess also reminded the Board that the City had specifically requested the investment lowering the investment return assumption and lessen the risk of the overall portfolio. The matter was ultimately deferred to the next meeting.

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

The engagement of Robbins Geller Rudman & Dowd as legal counsel for the class action securities litigation against Holley must be submitted for consideration of City Commission.

### **ADJOURNMENT**

The meeting adjourned at 2:43 PM.