

**MINUTES OF A JOINT EMPLOYEES' RETIREMENT BOARD
AND POLICE RETIREMENT BOARD MEETING
HELD VIA VIDEO CONFERENCE ON
TUESDAY AUGUST 3, 2021 at 11:30 AM**

I. ROLL CALL: 11:39 AM

A. Employees' Retirement Board:

Phillip Johnson called the meeting to order for the Employees' Retirement System Board at 11:35 AM.

Those persons present included:

Trustees:	Evanna Stephenson, Chair	(Others: Scott Baur and Albert Lovingood (Resource Centers)
	Phillip Johnson	Ken Harrison, Attorney (Sugarman & Susskind)
	Bruce Miller	Tim Nash, Consultant (AndCo)
	Richard Collier	
	Mayor Betty Re	

B. Police Retirement Board:

Chris Johnson called a meeting to order for the Police Officer Board of Trustees at 11:35 AM.

Those persons present included:

Trustees: Christopher Johnson
Charles Ferry
Bruce Miller
Lonnie Moral

II. PLEDGE OF ALLEGIANCE

All in attendance said the Pledge of Allegiance.

III. EXTRAORDINARY CIRCUMSTANCES FOR TRUSTEES JOINING ELECTRONICALLY

All Trustee were physically present at the Board Meeting.

IV. PUBLIC COMMENT

Lake Worth Beach General Employee, Samuel Jackson came before the Bord to request that his DROP Entry Date be changed from April 1, 202, to November 3, 2020. The Board discussed the impacts of the DROP Entry Date on the Pension Fund and Mr. Baur noted that November 3, 2020, is Mr. Jackson's normal retirement date and that allowing for his DROP Entry Date to be backdated will have no effect on the Actuarial Valuation due to the Actuary's assumption that the member would retire on the stated date.

Action: Richard Collier made a motion to change Samuel Jackson's DROP Entry Date to November 3, 2020. The motion received a second from Mayor Betty Resch.

Vote: Voice vote showed: AYES: Unanimous. NAYS: None.

V. ADDITIONS/ DELETIONS/ REORDERING:

A. Employees' Retirement Board:

B. Police Retirement Board:

C. Employees' and Police Retirement Board:

The Boards made no changes to the Agenda.

VI. UNFINISHED BUSINESS:

A. Employees' Retirement Board:

B. Police Retirement Board:

C. Employees' and Police Retirement Board:

VI. NEW BUSINESS:

A. Employees' Retirement Board:

B. Police Retirement Board:

C. Employees' and Police Retirement Boards:

1. Investment Consultant: Quarterly Performance Report

Tim Nash started his presentation with a brief overview of AndCo, noting that his firm receives a fixed rate for their consulting services. Mayor Betty Resch inquired about investments that are socially and environmentally conscious. Mr. Nash informed Mayor Resch that the Plan does not have any dedicated environmental and social conscious allocations; however, American Realty Advisors does adhere to social and environmental standards. Mr. Nash then reported on the performance of the markets over the past quarter and calendar year to date. Nash continually rebalances the portfolio with cash flows used to pay benefits and expenses, so the current asset allocation falls within Policy target ranges. Mr. Nash further reviewed the cash flows for the quarter for both the Employees Retirement System and the Police Officers Retirement System. The Employees Retirement System ended June 31, 2021 with \$81,459,238 of invested assets, a return of 4.99% gross and 4.89% net of expenses compared to 5.91% for the benchmark. Police ended the quarter with net assets of \$42,099,861, a net gain of 5.10% compared to 5.91% for the benchmark. Tim Nash reported that most managers performed well except for Sawgrass Large Cap Growth. Mr. Nash then reviewed the decision to terminate Sawgrass and move those funds into MFS Financial along with the switch from Vanguard over to the Fidelity Index ETF Fund, noting that Sawgrass has been liquidating the portfolio for the transfer over to MFS. Trustee Christopher Johnson inquired about annuities for a closed Pension Fund. Mr. Nash stated that the Board briefly considered utilizing annuities a while ago; however, now is not the time to purchase annuities due to the current low interest rates being offered on these products. Mr. Nash then stated that the Police Officers' Retirement System will migrate to a more conservative approach as the active members retire. Mr. Nash reviewed the performance review and compliance checklist for both Plans.

D. Board Attorney's Report:

Attorney Report – Pedro Herrera, Sugarman & Susskind

Attorney Pedro Herrera informed the Board that Attorney Ken Harrison had a health issue about ten days ago that has prevented him from attending the Board Meeting.

1. Summary Plan Description Update

Mr. Herrera reported that the Summary Plan Descriptions are on hold until Mr. Harrison returns to work.

2. Member Deaths and Power of Attorney Update

Mr. Herrera provided the Board with updates regarding two recent deaths and one Power of Attorney that his firm assisted The Resource Centers with.

3. Legislative Updates

Mr. Herrera informed the Board that there are no significant legislative updates to report about; however, in the State budget has \$200,000,000 that will be used to pay a \$1,000 bonus to eligible Public Safety Officers.

4. Form 1

Mr. Herrera informed the Board that Bruse Millage and Phil Johnson still need to turn the Form 1's in.

E. ADMINISTRATOR REPORT:

1. 2021-22 Conference List

Mr. Baur presented the Boards with an updated 2021-22 Conference list. Mr. Baur reviewed some of the updated information and noted that the FPPTA will have a live Trustee School in October.

2. 2022 Board Meeting Schedule

Mr. Bur presented the Boards with the proposed 2022 Board Meeting Schedule. Mr. Baur noted that the schedule is based on the historical dates that the Plans have met in past years.

3. Pension Verification Mailing Update

Mr. Baur presented both Boards with a list of non-responsive retirees for the Pension Verification mailings that have gone out. Both Boards reviewed the list in detail and was able to give Mr. Baur some insight into some of the non-responsive retirees.

4. 2021 KSDT Audit Engagement Letter (General & Police

Mr. Baur presented the Boards with the 2021 KSDT Audit Engagement Letter for approval and signature. Attorney Petro Herrera stated that the Audit Engagement Letters are acceptable and has no concerns to address.

Action: Richard Collier made a motion to approve the 2021 KSTD Audit Engagement Letter for the Lake Worth Beach General Employees' Pension Fund as presented. The motion received a second from Mayor Betty Resch.

Vote: Voice vote showed: AYES: Unanimous. NAYS: None.

Action: Charles Ferry made a motion to approve the 2021 KSTD Audit Engagement Letter for the Lake Worth Beach Police Officers' Pension Fund as presented. The motion received a second from Mayor Betty Resch.

Vote: Voice vote showed: AYES: Unanimous. NAYS: None.

VII. CONSENT AGENDA:

A. Employees' Retirement Board:

- 1. Warrants for Accounts Payable: February 2, 2021**
- 2. Benefit Approvals: February 2, 2021**
- 3. Interim Financial Statements: December 31, 2020**
- 4. Regular Employees Retirement System Minutes: December 1, 2020**

B. Police Retirement Board:

- 1. Warrants for Accounts Payable: February 2, 2021**
- 2. Interim Financial Statements: December 31, 2020**
- 3. Regular Meeting Minutes: November 3, 2020**

C. Employees' and Police Retirement Board

Action: Richard Collier made a motion to approve the Consent Agenda. The motion received a second from Mayor Betty Resch.

Vote: Voice vote showed: AYES: Unanimous. NAYS: None.

Action: Charles Ferry made a motion to approve the Consent Agenda. The motion received a second from Mayor Betty Resch.

Vote: Voice vote showed: AYES: Unanimous. NAYS: None.

VIII. PUBLIC COMMENTS:

No members of the public had any comment for the Boards.

IX. ADJOURNMENT:

Action: There being no further business, Richard Collier made a motion adjourn the meeting for the Employees Retirement System at 12:56 PM. The motion received a second from Mayor Betty Resch.

Vote: Voice vote showed: AYES: Unanimous. NAYS: None.

Action: Charles Ferry made a motion for Police to adjourn at 12:56 PM. The motion received a second from Mayor Betty Resch.

Vote: Voice vote showed: AYES: Unanimous. NAYS: None.

Evanna Stephenson, Chair Employees' Retirement Board

Christopher Johnson, Chair Police Officers' Retirement Board