

**MINUTES OF A JOINT EMPLOYEES' RETIREMENT BOARD
AND POLICE RETIREMENT BOARD MEETING
HELD VIA VIDEO CONFERENCE ON
TUESDAY NOVEMBER 2, 2021, at 11:30 AM**

I. ROLL CALL: 11:38 AM

A. Employees' Retirement Board:

Evanna Stephenson called the meeting to order for the Employees' Retirement System Board at 11:38 AM in workshop mode due to there not being a physical quorum present.

Those persons present included:

Trustees: Evanna Stephenson, Chair
Bruce Miller

Others: Scott Baur and Albert Lovingood (Resource Centers)
Ken Harrison, Attorney (Sugarman & Susskind)
Tim Nash, Consultant (AndCo)
Madison Levine

B. Police Retirement Board:

Christopher Johnson called the meeting to order for the Police Officers Retirement System Board at 11:38 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 trustees were physically present at the Board Meeting.

IV. PUBLIC COMMENT

No members of the public had any comment.

V. ADDITIONS/ DELETIONS/ REORDERING:

A. Employees' Retirement Board:

B. Police Retirement Board:

C. Employees' and Police Retirement Board:

The Board 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 reported great results for both the General and Police Officers' Pension Plans. While the quarter ending September 30, 2021, remained flat. October also provided strong results with markets up around 7% for that month. Small and Mid-Cap stocks lagged, Large Cap for the quarter, Growth outperformed Value, and Domestic outperformed Foreign and Emerging Markets. Tips performed better than other Fixed Income classes. Plan assets increased even though both Plans have net negative cash flows.

The Employees Retirement System ended September 30, 2021, with \$80,424,392 of invested assets and the Police Officers Retirement System ended September 30, 2021, with \$40,755,000 of invested assets. Both Plans rebalanced, taking gains from Equities, so assets remain in line with the Target Allocations per both Plans' Investment Statement Policies. Mr. Nash then reviewed the Financial Reconciliations in detail with both Boards. For the quarter ending September 30, 2021, the Employees retirement System earned -0.84% return compared to the benchmark rate of 0.27%, The Police Officers Retirement System earned -0.65% compared to the benchmark rate of 0.27%. For the Fiscal Year End, the Employees Retirement System earned 19.02% compared to the benchmark of 20.68%, and the Police Officers Retirement System earned 19.15% compared to benchmark of 20.68%. The Five-Year trailing returns for the Employees Retirement System was 11.35%, beating the benchmark rate of 11.33%, and the Police Officers Retirement System was 10.77% compared to the benchmark rate of 11.35%. The Ten-Year trailing returns for the Employees Retirement System was 11.11, outperforming the benchmark rate of 10.96%, and the Police Officers Retirement System was 10.59% compared to the benchmark rate of 10.80%. Mr. Nash noted that both Boards terminated Sawgrass, which created drag on the overall performance of both Pension Plans. MRS Growth Institution Shares replaced Sawgrass for Growth Equities. Mr. Nash then reviewed the individual manager performances in detail with both Plans, noting that the Plans are mostly in compliance with the Investment Policy Objectives and the overall investment fees are at 0.53% for General and 0.55% for Police.

Action: Lake Worth Beach General Employees' Pension Fund only had two Trustees Present and were in Workshop Status.

Vote: Unable to vote.

Action: Bruce Miller made a motion to accept the Police Officers Quarterly Performance Report dated September 30, 2021, as presented. The motion received a second from Charles Ferry.

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

D. Board Attorney's Report:

Attorney Report – Ken Harrison, Sugarman & Susskind

Attorney Ken Harrison addressed the ordinance constraints with the Boards, which he stated are controlled by the Plan's Investment Policy. Mr. Harrison stated that the Boards can adjust to intertreatment grade bonds for the Police Officers' Pension Plan and lesser constraints for the General Employees' Pension Plan. Tim Nash stated that he wants to address the Fixed Income and Alternative Investments with private allocations or placements in the next Board Meeting. Mr. Nash stated that he will work on updating the Investment Policy Statements for both Boards to review and approve.

Mr. Harrison informed the Boards that the Summary Plan Descriptions are due to be updated. Mr. Harrison then reviewed the Draft Summary Plan Descriptions with both Boards in detail and asked the Trustees to take their time to review the updated Summary Plan Descriptions for accuracy.

Action: Lake Worth Beach General Employees' Pension Fund only had two Trustees Present and were in Workshop Status.

Vote: Unable to vote.

Action: Charles Ferry made a motion for Police to accept the Consent Agenda. The motion received a second from Bruce Miller.

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

Mr. Harrison informed the Board that there are not new bills were introduced that would affect the local Pension Plans.

E. ADMINISTRATOR REPORT:

Mr. Baur reviewed the 2020 Premium Tax Dollar Distributions with the Lake Worth Beach Police Officers Board along with the 2020 Share Allocation worksheet provided in the meeting packets.

Action: Bruce Miller made a motion to approve the Share Allocation for the Lake Worth Beach Police Officers' Pension Fund. The motion received a second from Charles Ferry.

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

VII. CONSENT AGENDA:

A. Employees' Retirement Board:

1. Warrants for Accounts Payable: November 2, 2021
2. Warrants for Accounts Payable: September 7, 2021
3. Benefit Approvals: November 2, 2021
4. Benefit Approvals: September 7, 2021
5. Interim Financial Statements: August 31, 2021

Action: Lake Worth Beach General Employees' Pension Fund only had two Trustees Present and were in Workshop Status.

Vote: Unable to vote.

B. Police Retirement Board:

1. Warrants for Accounts Payable: November 2, 2021
2. Benefit Approvals: November 2, 2021
3. Interim Financial Statements: August 31, 2021

Action: Bruce Miller made a motion for Police to accept the Consent Agenda. The motion received a second from Charles Ferry.

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

C. Employees' and Police Retirement Board

- a. Quarterly Joint Board Meeting Minutes: August 3, 2021

Action: Lake Worth Beach General Employees' Pension Fund only had two Trustees Present and were in Workshop Status.

Vote: Unable to vote.

Action: Bruce Miller made a motion for Police to the Joint Board Meeting Minutes dated August 3,2021. The motion received a second from Charles Ferry.

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

VIII. PUBLIC COMMENTS:

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

IX. ADJOURNMENT:

There being no further business, the meeting workshop for the Employees Retirement System ended at 12:36 PM.

Action: Bruce Miller made a motion for Police to adjourn at 12:36 PM. The motion received a second from Charles Ferry.

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

Evanna Stephenson, Chair Employees' Retirement Board

Christopher Johnson, Chair Police Officers' Retirement Board