

**THE CITY OF WEST PALM BEACH RESTATED EMPLOYEES'
DEFINED BENEFIT RETIREMENT SYSTEM**

**MINUTES OF MEETING HELD
November 17, 2020**

A regular meeting of the Board of Trustees was called to order at 2:37pm by Chairman Leon Pinder in the Flagler Gallery located on the 1st floor, City Hall, 401 Clematis Street, West Palm Beach, Florida 33401.

Trustees present were:

Benny Rodgers, Chairman
Mark Parks, Secretary
Jose-Luis Rodriguez
Christopher T. Harrison, Trustee
Stephen Hunter - Virtual
Leon Pinder

Also present were:

Albert Lovingood, Administrator – Resource Centers
Stacey Weinger, Attorney – City of West Palm Beach
John McCann, Investment Consultant – AndCo Consulting
Greg Peters and David Stamm, Investment Manager – Dana Investments
Jennifer Chripczuk – Human Resources – City of West Palm Beach

EXTRAORDINARY CIRCUMSTANCES FOR TRUSTEES JOINING ELECTRONICALLY

Mr. Albert Lovingood reviewed the extraordinary circumstances for Trustees Joining Electronically. Mr. Lovingood informed the Board that he will need a motion by the Trustees physically present to allow Secretary, Mark Parks to join the Board Meeting via video conference.

A motion was made by Leon Pinder to allow Secretary, Mark Parks to join the Board Meeting via video conference under extraordinary circumstances due to the ongoing COVID-19 Pandemic. The motion received a second by Christopher Harrison and was approved 5-0.

PUBLIC COMMENTS

There was no public comment. Mr. Lovingood noted that the Public Comments section appears twice on the Agenda to accommodate any public comments that maybe submitted via email to the Board during the Board Meeting.

MINUTES

The Board reviewed the minutes from the regular meeting held on August 25, 2020. Trustee, Jose-Luis Rodriguez noted one minor spelling error.

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A motion was made by Jose-Luis Rodriquez to approve the minutes from the regular meeting held on August 25, 2020 as amended. The motion received a second by Leon Pinder and was approved 6-0.

DANA INVESTMENT ADVISORS – Greg Peters

Mr. Greg Peters thanked the Board for allowing him to present the Dana Investment Quarterly Performance Report to the Board. Mr. Peters started his presentation by reviewing the performance of the Fund as of September 30, 2020. The quarter-to-date return, gross of fees was 7.24% compared to the S&P 500 Index benchmark of 8.93%. The rolling twelve-month returns were 11.96%, compared to the benchmark of 15.15%, the three-year returns were at 11.07% compared to the benchmark of 12.28%, the five-year returns were 12.99% compared to the benchmark of 14.15%, and since inception, the total gross returns were 10.97%, beating the benchmark rate of 9.93%. Mr. Peters continued, stating that for the third quarter, equities continued to rally, hitting new record highs, resulting in the S&P 500 having its best quarter since 2010. All the sectors were positive in the third quarter except for the energy sector, which was the only one in negative territory. Consumer discretionary and information technology led the S&P 500 Index higher again this quarter, which Mr. Peters noted were both up over 20% year-to-date.

Mr. David Stamm thanked the Board for the opportunity for him to meet with them. Mr. Stamm then reviewed the positioning of the Fund with the Board throughout the fiscal year along with the effects that the COVID-19 Pandemic had on the Fund and the economy. The Fund's positioning was reviewed with the Board in response to the pandemic, along with some promising reports coming out regarding two possible vaccines in the pipeline. Mr. Stamm then reviewed the Growth versus Value Markets with the Board from 1996 through September 30, 2020. The bulk of the returns in the equity markets were driven by Apple, Microsoft, Amazon, Google, and Facebook. The sector neutral strategy was then reviewed with the Board. In the third quarter, Fortune Brands Home & Security, Inc, Keurig Dr. Pepper, and Microchip Technology were added to the portfolio, and Eaton Corporation, Intel Corporation, and ONEOK were sold. Mr. Stamm concluded his presentation by reviewing the characteristics overview with the Board.

**INVESTMENT CONSULTANT REPORT – ANDCO CONSULTING
(PRESENTED BY: John McCann)**

Mr. John McCann started his presentation by reviewing the fiscal year to date return on the Pension Plan which is at 7.33% compared to fund policy rate of 11.06%. Mr. McCann then reviewed each individual manager, noting that Argent Capital is improving and reviewed the historical performance of Argent Capital. Garcia Hamilton did great for the fiscal year, beating their

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benchmark rate at the one-year, three-year, and five-year in addition to beating the benchmark since inception. Templeton has not been doing well, the research department at AndCo informed Mr. McCann that Templeton is no longer an approved investment and that PIMCO is the recommended replacement for this fund. The Plan is currently invested in PIMCO and Mr. McCann made the recommendation to terminate Templeton Global Total Return Fund and transfer those funds into the PIMCO Diversified Fixed Income Fund. Trustee Jose-Luis Rodriguez asked what Mr. McCann means by no-longer approved? Mr. McCann clarified that with the poor returns, AndCo will not recommend investing in that fund.

A motion was made by Christopher Harris to terminate Templeton Global Total Return Global Fixed Income Fund and transfer those funds into the PIMCO Diversified Global Fixed Income Fund. The motion received a second by Leon Pinder and was approved 6-0.

Mr. McCann then reviewed the Blackrock Multi Asset Income with the Board, noting that they did well in the third quarter; however, for the fiscal-year-to-date, returns were at 2.3% compared to the benchmark of 9.36%. Mr. McCann stated that he wants to keep an eye on this fund to see if they start to improve.

Mr. McCann reported in the third quarter, the Pension Plan started with \$44,109,280 in assets. Net transfers totaled \$21,990 with contributions totaling \$14,500 and distributions totaling \$750,000. Other expenses totaled to \$3,032, total income was \$207,261, and the ending market value as of September 30, 2020 was \$45,585,779. For the fiscal year, the Pension Plan started with \$45,537,089 in assets, with contributions totaling \$57,279, and distributions totaling \$1,575,000. Other expenses totaled \$12,534, total income was \$1,285,599 and the ending market value as of September 30, 2020 was \$45,585,779.

**ADMINISTRATIVE REPORT – RESOURCE CENTERS (PRESENTED BY:
Albert Lovingood)**

MEETING DISBURSEMENTS: The Board reviewed the disbursement list presented through November 17, 2020.

A motion was made by Christopher Harrison to approve the disbursements through November 17, 2020 as presented. The motion received a second by Leon Pinder and was approved 6-0.

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BENEFIT APPROVALS: The Board reviewed the Benefit Approvals dated November 17, 2020.

A motion was made by Christopher Harrison to approve the Benefit Approvals dated November 17, 2020 as presented. The motion received a second by Leon Pinder and was approved 6-0.

FINANCIAL STATEMENTS: The Board reviewed the Plan's Financial Statements.

2021 PROPOSED BOARD MEETING DATES: Albert Lovingood presented the Board with the 2021 Board Meeting Schedule. The Trustees reviewed the proposed dates and Jennifer Chripczuk informed the Board that Armando Fana is unable to attend the Board Meeting at 2:30 pm, though he can attend if the Board Meetings start at 3:30pm. There was a lively discussion regarding the options available of the Board Meetings moving forward. The Board opted to table the Board Meeting Schedule until the next Board Meeting.

AUDIT ENGAGEMENT LETTER: Mr. Lovingood presented the Board with the Audit Engagement Letter for review.

A motion was made by Leon Pinder to approve the Audit Engagement Letter as presented. The motion received a second by Christopher Harrison and was approved 6-0.

TRUSTEE ELECTIONS: Mr. Lovingood informed the Board that the notice of Trustee Elections have started to go out to the members with ample time for them to respond.

ATTORNEY REPORT – CITY OF WEST PALM BEACH (PRESENTED BY: STACEY WEINGER)

Attorney Stacey Weinger had nothing to report; however, Mrs. Weinger did request a copy of the Contract that the Pension Plan has with The Resource Centers.

OTHER BUSINESS

PENSION CHECK DELAY: Mr. Lovingood informed the Board that there was one retiree who had contacted The Resource Centers and the City regarding her pension check not showing up in her mail on the Pension Payment date. In the past there has been times where her Pension check was received a day or two after the Pension Payment Date; however, with the COVID-19 Pandemic, mail has been significantly delayed. There was a lengthy

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discussion regarding the various options available to members with regards to their Pension Payments.

A motion was made by Chris Harrison to send out a letter to all Pension members receiving a physical monthly Pension payment suggesting the utilization of direct deposit due to unforeseen delays from delays in mail service. The motion received a second by Leon Pinder and was approved 6-0

ADDITIONAL INVESTMENT REPORTS

Mr. Lovingood noted the following additional reports were in the Trustee packets for informational purposes: Argent Capital 08-31-2020 Portfolio Activity Report and the American Realty 10-21-2020 Distribution Letter.

PUBLIC COMMENTS

There was no public comment.

ADJOURN

There being no other business, and the next regular meeting having been scheduled for February 23, 2021 at 2:30 P.M., the meeting was adjourned at 3:42 P.M.

Mark Parks, Secretary