

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

**MINUTES OF MEETING HELD
March 30, 2022**

1. CALL TO ORDER

A regular meeting of the Board of Trustees was called to order at 2:36pm by Chairman Benny Rodgers in the Flagler Gallery meeting room of City Hall.

Trustees present were:

Leon Pinder, Chairman
Christopher T. Harrison, Secretary
Benny Rodgers, Trustee
Jose-Luis Rodriguez, Trustee
Bridget M. Souffrant, Trustee
Stephen Hunter, Trustee

Also present were:

Albert Lovingood, Administrators – Resource Centers
Arlene Franconero, Attorney – City of West Palm Beach
Brendan Vavrica, Investment Consultant – AndCo Consulting
Jennifer Chripczuk – Human Resources – City of West Palm Beach
Eric Leventhal - KSDT

2. PUBLIC COMMENTS

There were no public comments.

3. REPORTS

A. ANNUAL AUDIT (PRESENTED BY: ERIC LEVENTHAL)

Eric Leventhal presented the Board with the September 30, 2021, Audited Financial Statement. Mr. Leventhal noted the report is being presented in draft and the final report will be provided upon receipt of the City attorney's response to the audit inquiry letter. Mr. Leventhal started his presentation by informing the Board that his firm has issued an unmodified, clean opinion. The Plan's net position was \$48,597,855 which was 14% higher than the 2020 net position. The total contributions for the year were \$354,046, which was 92% higher than the 2020 contributions. The Plan had \$1,247,001 in total interest and dividend income, which was 2% lower than the 2020 income and a net investment income was \$9,093,376, which was 191% higher than 2020. Benefits paid to members were \$3,464,504 which was roughly 11% higher than the benefits paid during 2020. Mr. Leventhal then reviewed the administrative expenses and discussed the City's pre-funded contributions in detail. The Plan is 117.69% funded and is doing very well. Mr. Leventhal then reviewed the Statement of Fiduciary Net Position in detail with the Board along with the Changes in Fiduciary Net Position and concluded his presentation by informing the Board that his firm did not have any issue with management or any of the service providers while performing this audit.

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A motion was made by Jose-Luis Rodriguez to approve the 2021 Audited Financial Statement as presented. The motion received a second by Leon Pinder and was approved 6-0.

A motion was made by Jose-Luis Rodriguez to approve the Audit Representation Letter upon legal review. The motion received a second by Leon Pinder and was approved 6-0.

**B. QUARTERLY PERFORMANCE REPORT DATED DECEMBER 31, 2021 –
ANDCO CONSULTING (PRESENTED BY: BRENDAN VAVRICA)**

Mr. Vavrica presented the Investment Report for the quarter ending December 31, 2021 and started his presentation by reviewing the AndCo Annual Firm Update with the Board, noting that AndCo now has 87 employees and named Brian Green and Kerry Richardville Partners at the Firm and that AndCo advises on approximately \$123 Billion in client assets as of June 30, 2021.

Mr. Vavrica then reviewed the Plan's asset allocation compliance with the Board, noting that International Equity is only at 9.7%. On October 1, 2021 the Plan's total market value was \$51,057,054. For the quarter, the Plan had a total net transfer of \$321,607, contributions of \$11,868, distributions of \$800,000, management fees of \$50,935, other expenses of \$3,681, income of \$619,604, and appreciation of \$2,027,935, which resulted in the market value of \$52,861,845 as of December 31, 2021. For the Quarter ending December 31, 2021, the Plan was up 5.13% compared to the benchmark rate of 5.40%, the One-Year returns were 15.22% compared to the benchmark rate of 14.35%. The Five-Year returns were 11.46%, compared to the benchmark rate of 12.14%. and since inception the Plan has earned 8.95%, beating the benchmark rate of 8.42%.

Mr. Vavrica then presented the Board with the February 28, 2022, Monthly Flash Report and reviewed the Asset Allocation and Performance Net of Fees in detail with the Board. Mr. Vavrica noted that Clarkston Partners earned 1.25% in the month of February, beating the benchmark rate of 1.13% and the Fund also gave some downward protection of -3.20% compared to the benchmark of -7.29%. Argent Capital had also shown some downward protection in the current quarter with a return of -8.53% compared to the benchmark rate of -12.475 and Pear tree Polaris is at a -3.31% return compared to the benchmark rate of -5.59%. Mr. Vavrica informed the Board that the PIMCO Diversified Global Fixed Income Fund has less than 1% of Russian Exposure. Mr. Vavrica ended his presentation by noting that the markets are very volatile right now and as of this morning the Plan is up \$155,000 or 1.1%.

C. ATTORNEY REPORT

1. LEGISLATIVE UPDATE

City Attorney, Arlene Franconero informed the Board that there were no legislative updates to discuss at this time.

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2. JOHN MONROQUE DISABILITY CONVERSION

Mrs. Franconero informed the Board that she had not identified any irregularities on how Mr. Monroe's Disability Pension Conversion to a Normal Retirement Pension and found nothing in the Plan Ordinance nor in the original Disability Pension Resolution provided to Mr. Monroe that the accumulated COLA would rollover to the normal pension amount. Mr. Lovingood informed the Board that Mr. Monroe did receive a 2% COLA for 2022.

D. CHAIRMAN AND SECRETARY ANNUAL NOMINATIONS

The Trustees discussed electing a new Chairman and Secretary for the 2022 Plan year. Leon Pinder stated that he would be Chairman of the Board and Christopher T. Harrison stated that he would be Secretary of the Board.

A motion was made by Christopher T. Harrison to appoint Leon Pinder to Chairman of the Board. The motion received a second by Benny Rodgers and was approved 5-0.

A motion was made by Leon Pinder to appoint Christopher T. Harrison as Secretary of the Board. The motion received a second by Benny Rodgers and was approved 5-0.

**E. ADMINISTRATIVE REPORT – RESOURCE CENTERS (PRESENTED BY:
ALBERT LOVINGOOD)**

1. Resource Centers System Updates – Processing Benefits

Mr. Lovingood informed the Board that The Resource Centers has implemented a new retirement application tracking notification system. Mr. Lovingood explained that the new system will give retirees updates as to the status of their retirement application and will give an estimated completion date. In the event that there is a delay in the processing of the application, the member will be notified of the delay, what the delay is, and the system will update the estimated completion date.

2. Kenneth Dockswell – Request to Stop Direct Deposit

Mr. Lovingood informed the Board that The Resource Centers has responded to an income verification request from the Nursing home that Mr. Dockswell is living at. Mr. Lovingood informed the Board that the Resource Centers treated the request as if it were a public records request.

3. Pension Payment Verification Update

Mr. Lovingood gave the Board an update on the Payment Verification Letters that were sent out and reviewed those members who have not responded. The Board

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discussed how to proceed with the two members who have not responded and requested that Mr. Lovingood run a death search on the two retirees.

4. COLA 2022 Summary

Mr. Lovingood presented the Board with the 2022 COLA and Activity Report. The Board reviewed and filed the 2022 COLA and Activity Report.

5. Bank Account Signer Update

Mr. Lovingood informed the Board that he is in the process of preparing new signature cards for the Plan's local checking account, custodial bank, and investment managers due to the recent Trustee changes.

4. PLAN FINANCIALS

The financial statements through December 31, 2021, were included in the meeting packets for review along with the disbursements dated February 22, 2022.

A motion was made by Benny Rodgers to approve the disbursements for February 22, 2022, as presented. The motion received a second by Jose-Luis Rodriguez and was approved 5-0.

5. BENEFIT APPROVALS

The Benefit Approvals dated February 22, 2022, were reviewed by the Board.

A motion was made by Jose-Luis Rodriguez to approve the Benefit Approvals Dated February 22, 2022, as presented. The motion received a second by Benny Rodgers and was approved 5-0.

6. MINUTES

The Minutes from the November 16, 2021, Quarterly Board Meeting were reviewed by the Trustees.

A motion was made by Jose-Luis Rodriguez to approve the Quarterly Board Meeting Minutes dated November 16, 2021, as presented. The motion received a second by Benny Rodgers and was approved 5-0.

7. OLD BUSINESS

Jose-Luis Rodriguez inquired about the status of the Plan Administrator RFP. Mrs. Franconero informed the Board that the RFP is out for review, once the review is

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completed, Procurement will post the RFP Notice. The Board requested an update on the Plan Administrator RFP at the next Board Meeting.

8. NEW BUSINESS

Trustee Jose-Louis Rodriguez requested that the Board change the Quarterly Board Meeting from meeting on a Tuesday, to meeting on a Wednesday, Thursday, or Friday. The Trustees discussed changing the Meeting days and agreed to meet on Wednesdays moving forward. Both Leon Pinder and Benny Rodgers noted that they will be in Washington DC for the NCEPERS Conference and inquired about moving the May Board Meeting up a week to be held on May 18, 2022, at 1:30pm, which the Trustees all agreed too.

9. ADDITIONAL REPORTS

There were no additional reports for this Board Meeting.

10. PUBLIC COMMENTS

There were no public comments in person, via zoom, or electronically submitted.

11. NEXT MEETING – WEDNESDAY, MAY 18, 2022, AT 1:30PM

12. ADJOURN

There being no further business to discuss, the Board Adjourned at 4:19pm