

**MINUTES
REGULAR RETIREMENT COMMITTEE MEETING
CITY OF DELRAY BEACH GENERAL EMPLOYEES' RETIREMENT PLAN
FEBRUARY 17, 2022**

1. Call to Order

Chair Ellingsworth called the meeting to order at 1:01 p.m.

Ms. Castronovo informed the Retirement Committee ("Committee") that Mr. MacManus requested to participate in the Committee meeting via MSTeams because he was out of town and that Ms. Oberhofer requested to participate via MSTeams due to illness.

MOTION made by Mr. Frankel, seconded by Mr. Lege, to allow Mr. MacManus and Ms. Oberhofer to attend the February 17, 2022, Committee meeting via MSTeams. In a voice vote by the members present, **Motion** passed 3-0.

Roll Call

Committee Members present: Chair Howard Ellingsworth, Adam Frankel, John Lege, Thomas MacManus (participated electronically), and Joanna Oberhofer (participated electronically).

Also present: Board Attorney Pedro Herrera (Sugarman, Susskind, Braswell & Herrera as designated by City Attorney), Brendon Vavrica (AndCo Consulting), Pension Administrator Lisa Castronovo, and Pension Specialist Elizabeth Brown.

Agenda Adoption

MOTION made by Mr. Frankel, seconded by Mr. Lege, to adopt the February 17, 2022 Agenda as amended to remove Item 4 (NFP Retirement, Inc. December 31, 2021 Quarterly Report). In a voice vote of all members, **Motion** passed 5-0.

2. Public Comments

None.

3. Consent Agenda

- A. November 18, 2021 Regular Meeting Minutes
- B. Ratification of Plan Expenses and Termination Refunds
- C. Approval/Ratification of New Retirement/DROP/Vested/Death Annuities
- D. Fiduciary Liability Insurance for 2022-23

MOTION made by Mr. Frankel, seconded by Mr. Lege, to approve the Consent Agenda. In a voice vote of all members, **Motion** passed 5-0.

4. NFP Retirement, Inc. December 31, 2021 Quarterly Report

This Item was removed from the Agenda.

5. AndCo Consulting – Brendon Vavrica

- A. Portfolio Performance Review – Quarter End December 31, 2021
Report made part of these Minutes.

Mr. Vavrica presented the December 31, 2021 performance report noting the quarter was fantastic with domestic equity value funds performing extremely well. The Plan's return for the quarter ended December 31, 2021, was 6.08% (net of fees) vs. the benchmark of 5.64%. The Plan's assets increased from \$172.9M to \$184.6M September 30, 2021 to December 31, 2021.

B. Flash Report – January 2022

Report made part of these Minutes.

For the month ended January 31, 2022, the Plan's return, net of fees, was -4.10% vs. the benchmark of -4.56%. The fiscal year to date return was 1.73% vs. the benchmark of 0.82%.

C. Multi-sector Bond Review

Presentation report made part of these Minutes.

Mr. Vavrica said that the multi-sector bond report was requested by the Firefighters' and Police Officers' Boards of Trustees, so he provided it to the Committee for their information.

D. Review Near Term Cash Requirements and Possible Asset Rebalancing

Mr. Vavrica said the Vanguard Total Stock Index fund needed money to cover the next few months of benefit payments.

MOTION made by Mr. Frankel, seconded by Mr. Lege, to transfer, per the investment consultant's recommendation, \$600,000 each from the RhumbLine Growth Fund and RhumbLine Value Fund (for a total of \$1,200,000) to the Vanguard Total Stock Index fund (VTSAX). In a voice vote of all members, **Motion** passed 5-0.

6. Legal Items

Mr. Pedro Herrera provided a brief introduction of himself.

A. Legislative Update

Mr. Herrera said the only bill related to public pension funds moving through the Florida House and Senate was one adding COVID-19 as a disease presumed to be contracted on-the-job for public safety personnel. The bill would not affect civilian employees.

B. Trustee Educational Opportunities

Mr. Herrera told the Committee about the upcoming FPPTA annual conference in June 2022 and the Division of Retirement educational school in late 2022. Mr. Herrera said if the Committee so desired, he could, along with the actuaries and investment consultant, offer in-house education regarding legal, actuarial and investment issues.

7. PENSION ADMINISTRATOR REPORT

Ms. Castronovo: 1) provided a detail of actual administrative and investment-related expenses for October 1, 2021 through February 10, 2022; 2) reported the Pension office mailed 331 benefit verification letters of which 250 had been returned through February 10, 2022; and 3) stated she had in the prior week submitted to the actuaries the data needed by them to prepare the October 1, 2021 actuarial valuation.

8. OTHER BUSINESS

No discussion.

9. ADJOURNMENT

The meeting adjourned at 2:43 p.m.



W. Howard Ellingsworth, Chair



Date