

**MINUTES  
REGULAR COMMITTEE MEETING  
CITY OF DELRAY BEACH DEFERRED COMPENSATION PLANS  
NOVEMBER 7, 2023**

**1. CALL TO ORDER, ROLL CALL**

The meeting was called to order at 9:39 a.m.

Committee Members present: Lisa Castronovo, Hugh Dunkley, Duane D'Andrea, Craig Mahoney, and Jeffrey Rasor

Also present: Matt Dickey (NFP Retirement, Inc.)

Public attendees: none

**2. AGENDA ADOPTION**

**MOTION** made by Mr. Mahoney, seconded by Mr. Dunkley, to adopt the November 7, 2023, Regular Committee Meeting Agenda as revised to move Item 5.e. (Election of Officers) to Item 3 and Item 5.c. (Committee Bylaws, Policies and Procedures) to Item 4 and renumbering the remainder of the Agenda accordingly. In a voice vote by the members present, **Motion** passed 5-0.

**3. ELECTION OF OFFICERS** (moved from Item 5.e.)

**MOTION** made by Mr. Mahoney, seconded by Mr. D'Andrea, for Hugh Dunkley to be Chair. In a voice vote by the members present, **Motion** passed 5-0.

**MOTION** made by Mr. Mahoney, seconded by Mr. Dunkley, for Lisa Castronovo to be Vice-chair. In a voice vote by the members present, **Motion** passed 5-0.

**4. COMMITTEE BYLAWS, POLICIES AND PROCEDURES** (moved from Item 5.c.)

The Deferred Compensation Plans Committee ("Committee") discussed the governance, policies, and procedures they would follow. The City's three retirement plan boards did not have formal bylaws, policies and procedures so there was no template to use. Mr. Dickey suggested the Committee use bylaws adopted by some of his other clients and that he would provide Ms. Castronovo with some samples.

**MOTION** made by Mr. Mahoney, seconded by Mr. D'Andrea, to table the adoption of bylaws, policies and procedures until the Committee could review sample bylaws and Ms. Castronovo to make recommended changes. In a voice vote by the members present, **Motion** passed 5-0.

The Committee discussed administrative support for the Committee and how the Committee would operate within the City. Since Ms. Castronovo was a Committee member, the members asked Mr. Dickey if he could take the minutes and document the meeting as well as prepare the necessary reports. The Committee members noted, however, that since Mr. Dickey did not have access to the City's website, City staff would still need to draft, post and provide the agenda and pertinent backup material. Discussion ensued on how other City boards and committees utilized City staff, and specifically the pension administrator and specialist.

**MOTION** made by Mr. Mahoney, seconded by Mr. Rasor, that the City's pension staff draft, prepare, post, and provide the agenda and backup material and that NFP provide the reports and minutes, and have City administration appoint the pension specialist or similar position as staff-Committee liaison. In a voice vote by the members present, **Motion** passed 5-0.

The Committee discussed the Administrative Allowance Account and excess revenue policy. Similar to the Police, Fire, and General Employees' Boards, the Committee wanted to disburse any excess funds to participants in December of each year leaving 25% of the Administrative Allowance Account as of the prior March 31<sup>st</sup> in the account.

**MOTION** made by Mr. Mahoney, seconded by Ms. Castronovo, to disburse Administrative Allowance Account funds to participants in December of each year, leaving 25% of the Administrative Allowance Account's balance as of the prior March 31<sup>st</sup> in the account. In a voice vote by the members present, **Motion** passed 5-0.

## 5. COMMENTS

- a. Public  
None
- b. Board of Trustees of Firefighters' Retirement System  
None
- c. Active and Retired Members of the Plan  
None

## 6. REPORTS

- a. **September 30, 2023 Fiduciary Investment Review**, NFP Retirement Inc., Matt Dickey  
Report made part of these Minutes  
Mr. Dickey provided a number of updates:
  - 1) The Committee discussed SECURE Act 2.0 and the optional provisions. Of the optional provisions going into effect in 2024, the Committee elected to include the Domestic Abuse Victims, Self-Certification for Hardship Withdrawal, and the Federally Declared Disaster Relief provisions. Once MissionSquare is ready to amend the Plan document, these optional provisions will be put in place.
  - 2) The Committee reviewed a benchmark report for their current plan assets with MissionSquare. The current total assets across all City plans were held by MissionSquare, who was the recordkeeper. The MissionSquare fee was 3bps, well below the benchmark average, though based on the size of the City's total assets held at MissionSquare, there might be negotiating power should the City pursue another recordkeeper.
  - 3) The Committee reviewed Module 1 for Fiduciary Fitness which covered Fiduciary Duties and Responsibilities.
  - 4) There were three investment options on watchlist: Fidelity Diversified International, Invesco Global R5, and Western Asset Core Bond I. Based on the proposed Investment Policy Statement and NFP's recommendation, no action was taken on those funds.

## 7. ADMINISTRATIVE ITEMS

- a. MissionSquare Discussion  
The Committee discussed their concerns with MissionSquare's services since they transitioned from ICMA-RC to MissionSquare and changed their website.

**MOTION** made by Ms. Castronovo, seconded by Chair Dunkley, to issue a public RFP for recordkeeping services, joining the City's deferred compensation plans with the City's three DROP plans in the RFP. In a voice vote by the members present, **Motion** passed 5-0.

Discussion ensued regarding the process. Mr. Dickey offered that NFP could source and run the RFP project through their software portal or work with the City's procurement department, whichever was preferred. Chair Dunkley said the City would take Mr. Dickey's offer under advisement and confirm with the City Attorney if NFP could run the RFP or if the procurement department had to do it.

b. Policies and Procedures for Selecting Investment Funds/Investment

The Committee discussed the process and necessary policies to put in place for selecting investments. Mr. Dickey suggested using the sample investment policy statement including the Scorecard System Methodology that he provided. The Committee said they wanted to review the statement before adopting.

**MOTION** made by Mr. Mahoney, seconded by Vice-chair Castronovo, to table the adoption of an investment policy statement until the next meeting. In a voice vote by the members present, **Motion** passed 5-0.

c. Committee Bylaws, Policies and Procedures – moved to Agenda Item 3.

d. Adoption of 2024 Committee Meeting Schedule

The Committee agreed to meet quarterly starting in March 2024.

**MOTION** made by Ms. Castronovo, seconded by Mr. Razor, to hold the next meeting on March 12, 2024. In a voice vote by the members present, **Motion** passed 5-0.

e. Election of Officers – moved to Agenda Item 2.

**ADJOURNMENT**

The meeting adjourned at 11:49 a.m.

I, Hugh Dunkley, the undersigned, am the Chair of the City of Delray Beach Deferred Compensation Plans Committee. The information provided herein is the Minutes of the November 7, 2023 regular meeting of said body. These Minutes were formally approved and adopted by the Committee on \_\_\_\_\_.

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Deferred Compensation Plans Committee