



Legislation Text

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TO: Mayor and Commissioners
FROM: Katerri Johnson, City Clerk Department
THROUGH: Mark R. Lauzier, City Manager
DATE: November 20, 2017

PRESENTATION TO RETIRING GENERAL EMPLOYEES PENSION BOARDMEMBER, MR. STEPHEN SWANK.

Background:

Stephen served as a General Retirement Committee Member for sixteen years and as General's Chair for ten years or more. During his time as Chair, Stephen steered us on a steady course during times of market crisis - as e.g., in the aftermath of the Twin Towers attack and the U. S. financial crisis of 2008. Stephen wisely kept us out of alternative investments that have been in vogue for the past several years as some under-funded plans searched for yield - in a low interest environment. Many, if not the majority, of City and State funds have suffered as a result. Some cities and even states are even facing bankruptcy on account of mounting pension deficits. CAPERS, the largest public sector fund, recently took a huge loss and finally divested themselves from their high cost hedge fund holdings. Until recently, General has wisely allocated 5% or less in International Equities. Many other plans have suffered losses by over allocating in this sector. As a result of Stephen's leadership, and with the support of other past and present General committee members, the Delray General Fund, is, and has been, a Leroy Collins Institute "A" rated fund with a funded ratio of almost 100%.