

**MINUTES**  
**REGULAR PENSION BOARD MEETING**  
**CITY OF HOLLYWOOD EMPLOYEES' RETIREMENT FUND**  
**THURSDAY, FEBRUARY 22, 2018 at 9:00AM**

**1. CALL TO ORDER**

Chair Shaw called the meeting to order at 9:07a.m.

**2. ROLL CALL AND PLEDGE OF ALLEGIANCE**

Board Members present: Chair Phyllis Shaw, Vice-Chair Jeffrey Greene (Departed at 10:38am and returned at 11:43am), Christopher Cassidy, Charles Howell, George Keller (arrived 10:01am), Cintya Ramos (Departed at 10:57am) and Robert Strauss.

Also present: Executive Director Christine Bailey, Keith Reynolds of Segal Marco, Glenn Thomas of Lewis, Longman & Walker, Justine Steele, and Paul Bassar of the City of Hollywood Procurement Department.

a. February 22, 2018 Regular Board Meeting Agenda

**MOTION** made by Trustee Strauss, seconded by Trustee Howell, to approve the February 22, 2018 Regular Board Meeting Agenda as presented. In a voice vote by the members present, all members voted in favor. **Motion** passed 6-0.

**3. CONSENT AGENDA**

- a. November 27, 2017 Regular Meeting Minutes
- b. December 14, 2017 Regular Meeting Minutes
- c. January 25, 2018 Special Meeting Minutes
- d. Ratification of Distributions (Contributions and DROP) and Plan Expenses
- e. Approval/Ratification of New Retirements/DROP/Vested/Death Annuities

Trustee Cassidy requested that item 3a be pulled.

**MOTION** made by Vice-Chair Greene, seconded by Trustee Howell, to approve Consent Agenda Items 3b. and 3e. In a voice vote by the members present, all members voted in favor. **Motion** passed 6-0.

**MOTION** made by Trustee Cassidy, seconded by Trustee Howell, to approve Agenda Item 3a. In a voice vote by the members present, all members voted in favor. **Motion** passed 6-0.

**ADDED ITEM**

**7. ADMINISTRATIVE ISSUES**

- d. Financial Reports

**MOTION** made by Trustee Cassidy, seconded by Trustee Strauss, to add Agenda Item 7e to the Agenda. **Motion** passed 6-0. This occurred after a brief discussion of the December 2017 minutes which mentioned the Treasurer's Report.

**4. TREASURER'S REPORT**

The Treasurer's reports for November 2017 as well as the draft report for December 2017 were provided to the Board for review.

**5. INVESTMENT ISSUES (Keith Reynolds – Segal Marco Advisors)**

- a. December 30, 2017 Quarterly Performance Review

Mr. Reynolds reported the Fund experienced very strong performance for the quarter end December 31, 2017 with assets of \$338.6 million and year to date returns of 13.78%.

Mr. Reynolds advised the Board that Frontier increased their fees by 2 basis points to cover administrative costs. The Board expressed their disappointment in the fee increase and in the way that the Fund was notified of the increase. Frontier was placed on the Watch List for their fee increase, their underperformance and their poor communication with the Fund.

Mr. Reynolds reported that the Fund outperformed its benchmark in the three and five year periods with less risk than the benchmark policy index.

**ACTION REQUIRED:**

- Segal will notify Frontier of their Watch List status and expressing the Board's concerns.
- Segal will include a single page report showing Manager fees and earnings and a single page report tracking terminated manager performance.
- b. January 2018 Flash Report  
Mr. Reynolds reported the Fund's value was \$345 million on January 31, 2017. The Fund's rate of return for the month of January 2017 was 2.6%, and for the fiscal year date was 5.9%.
- c. Draft 2018 Work Plan  
Mr. Reynolds provided a Draft 2018 Work Plan for the review of current managers, consideration of potential investments and Trustee education.
- d. *Frontier*  
(Addressed during Agenda Item 5a.)

**TAKEN OUT OF ORDER**

**7. ADMINISTRATIVE ISSUES**

- a. Request for Proposal for Board Attorney  
Paul Bassar of the City of Hollywood Procurement Department provided an overview of the RFP process to date and noted that all proposers have extended their proposed pricing through the end of the first quarter of 2018.

**MOTION** made by Trustee Cassidy, to reject all proposals and for the Board advertise and hire its own attorney. The motion was not seconded.

Trustees agreed to submit their evaluations to the Executive Director by Friday March 2<sup>nd</sup> and see the top three candidates at the next meeting.

**6. LEGAL ISSUES (Jim Linn – Lewis, Longman & Walker)**

- a. Attendance and Telephone Participation Policy.  
The Board received a draft policy on Attendance and Telephone Participation at Board Meetings for review. After discussion, the Board requested changes to the draft policy including having the Board make the decision to permit participation, and communicating the request to participate by phone to the Executive Director or a designee.

**7. ADMINISTRATIVE ISSUES**

The Board agreed to move the March meeting to 1:00pm in an effort to increase participation by the participants and the public.

b. City Commission Report.

The Board requested that the changes to the City Commission Report to provide more current and relevant information to the Commission.

c. FPPTA Conference

The Board was notified of the attendance of the Chair at the FPPTA Education Committee 2018 in April 2018.

d. Communications from the Executive Director

The Board received Communications from the Executive Director.

e. Financial Reports

The Board discussed removing the Treasurer's Report as an Agenda Item and making it a part of the communications from the Executive Director. The Board also discussed more timely communication of expenditures to the Board. The Executive Director will prepare a recommendation to the Board of how to proceed.

**8. PUBLIC COMMENTS**

Public comment was made by: William Vulpis and Richard Weiner

**9. TRUSTEE REPORTS, QUESTIONS AND COMMENTS**

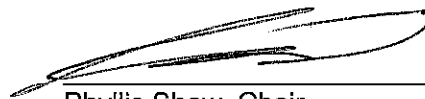
Trustees discussed an audit of member records and transactions. Ms. Bailey agrees to sample audit the members' cases and report back to the Board.

**10. PENSION COORDINATOR'S REPORT**

The Trustees received the Executive Director's Report.

**11. ADJOURNMENT**

**MOTION** made by Trustee Strauss, seconded by Trustee Keller, to adjourn the meeting. In a voice vote by the members present, **Motion** passed 6-0. Meeting adjourned at 12:31 p.m.



Phyllis Shaw, Chair

4/10/18  
Date