

**MINUTES**  
**SPECIAL PENSION BOARD MEETING**  
**CITY OF HOLLYWOOD EMPLOYEES' RETIREMENT FUND**  
**TUESDAY, SEPTEMBER 10, 2019 AT 9:00AM**

**1. CALL TO ORDER**

Chair Shaw called the meeting to order at 9:15a.m.

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

Board Members present: Chair Phyllis Shaw, Vice Chair George Keller (Arrived at 10:55am), Secretary Robert Strauss, Christopher Cassidy, Charles Howell, and Cintya Ramos. Also present: Executive Director Christine Bailey; and Ronald Cohen of Rice Pugatch Robinson Storfer & Cohen.

Jeffery Greene was Absent and Excused.

a. September 10, 2019 Special Board Meeting Agenda

**MOTION** made by Trustee Ramos, seconded by Trustee Howell, to adopt the September 10, 2019 Special Board Meeting Agenda. In a voice vote of the members present, all members voted in favor. **Motion** passed 6-0.

**3. LEGAL (Ron Cohen – Rice Pugatch Robinson Storfer & Cohen)**

a. Update on the City of Hollywood v. Board of Trustees of City of Hollywood Employees' Retirement Fund – consideration of the City's request of amortizing the payment of delinquent contributions

Mr. Cohen summarized recent events including the fact that the City indicated that they were considering funding the 2012 13<sup>th</sup> check and the outstanding prefunding of future supplemental distributions as well as the dismissal of the lawsuit against the Fund. He noted that the City has asked the Board to consider allowing a 5-year amortization of the outstanding prefunding of the supplemental pension distributions.

Trustee Keller advised that the City was prepared to pay the 2012 13<sup>th</sup> check and pay the outstanding prefunding amount. He noted that the City was in the process of finalizing the amounts owed to the three City pension funds. In response to a question regarding the timing, Trustee Keller noted that the City expected to finalize an agreement with the Fund and make the payment to the Fund for the distribution of the 2012 13<sup>th</sup> check before September 30, 2019.

Mr. Cohen noted that the City was delinquent in its payment of employer contribution and the question to the Board was, would the Board allow the City to remain delinquent. He noted that any agreement should include the payment of the delinquent prefunding over five years, the payment of the 2012 13<sup>th</sup> check, and what happens to the funds for people who were eligible at the time the benefit should have been paid but are no longer alive. He noted that this would prevent the City from challenging the Fund as we anticipated that those payments would go to the beneficiaries on file, and if not, to the retirees' estates.

In response to a question, Trustee Ramos noted that the City request was that the amortization period begin in FY2021. Trustee Shaw requested a quick turnaround on any agreement that would be drafted.

In response to a question regarding the payment of the FY2020 prefunding amount and the amount to be amortized, Trustee Ramos advised that she would

review the City's FY2020 budget and advise the Board if the City had budgeted for the payment of the FY2020 prefunding amount.

**MOTION** made by Trustee Keller, seconded by Trustee Strauss, to accept the City's request that the outstanding amount for the prefunding of supplemental pension distributions be paid over a 5-year amortization schedule, starting in FY2021, of approximately \$12 million with accrued interest going forward. In a voice vote of the members present, all members voted in favor. **Motion** passed 6-0.

Trustee Cassidy inquired if the payment would include interest as if the funds were in the Plan. Trustee Shaw confirmed that interest would accrue and be paid over the amortization period. Trustee Keller noted that the amount due would be determined by the Fund's actuary.

**MOTION** made by Trustee Strauss, seconded by Trustee Howell, to accept the payment from the City by the end of FY2019 for the 2012 supplemental payment in a lump sum in the amount of \$4.4 million. In a voice vote of the members present, all members voted in favor. **Motion** passed 6-0.

**MOTION** made by Trustee Strauss, seconded by Trustee Keller, to authorize the Board's attorney to draft a settlement agreement with the City/Plan Sponsor pursuant to the Board's discussion. In a voice vote of the members present, all members voted in favor. **Motion** passed 6-0.

**MOTION** made by Trustee Keller, seconded by Trustee Strauss, to include the FY2020 prefunding payment in the 5-year amortization schedule if it was not included in the City's FY2020 Budget.

After discussion, the Board concluded that, additional information was needed and, if necessary, the Board could address the matter at its regular meeting. The motion was withdrawn.

Trustee Keller thank everyone for their cooperation and patience. Trustee Strauss requested that the attorney work toward completing the agreement by the September 18, 2019 City Commission Meeting.

4. **PUBLIC COMMENTS**

There were no public comments.

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

There were no public comments.

6. **ADJOURNMENT**

**MOTION** made by Trustee Strauss, seconded by Trustee Howell to adjourn the meeting. In a voice vote by the members present, **Motion** passed 6-0. Meeting adjourned at 10:15a.m.

  
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Phyllis Shaw, Chair

9/23/19  
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Date