

**MINUTES
REGULAR PENSION BOARD MEETING
CITY OF HOLLYWOOD EMPLOYEES' RETIREMENT FUND
TUESDAY, FEBRUARY 23, 2021 AT 9:00AM**

1. CALL TO ORDER

Chair Shaw called the meeting to order at 9:05a.m.

2. ROLL CALL AND PLEDGE OF ALLEGIANCE

All attendees participated telephonically. Board Members: Chair Phyllis Shaw, Vice Chair Jeffrey Greene, Secretary Robert Strauss, Christopher Cassidy, Melissa Cruz, Charles Howell and George Keller. Also present: Executive Director Christine Bailey; Keith Reynolds, and Felicia Ewell of Segal Marco; and Ronald Cohen of Rice Pugatch Robinson Storfer & Cohen.

- a. February 23, 2021 Regular Board Meeting Agenda

MOTION made by Trustee Greene, seconded by Trustee Keller, to adopt the February 23, 2021 Regular Board Meeting Agenda. In a voice vote of the members present, all members voted in favor. **Motion** passed 7-0.

MOTION made by Trustee Cassidy, seconded by Trustee Greene, to excuse Trustee Keller from the January 19, 2021 Regular Board Meeting. In a voice vote of the members present, all members voted in favor. **Motion** passed 7-0.

3. CONSENT AGENDA

- a. January 14, 2021 Special Meeting Minutes
b. January 19, 2021 Regular Meeting Minutes
c. January 28, 2021 Special Board Meeting Minutes
d. Ratification of Distributions (Contributions and DROP) and Plan Expenses
e. Approval/Ratification of New Retirements/DROP/Vested/Death Annuities

MOTION made by Trustee Greene, seconded by Trustee Strauss, to approve Consent Agenda. In a voice vote of the members present, all members voted in favor. **Motion** passed 7-0.

4. FINANCIAL

- a. Ms. Bailey provided the Board with the Draft January 31 2021 Financial Operations and Investment Summaries. She also provided the Budget Variance Reports for Fiscal Year as of January 31, 2021.

Ms. Bailey advised that the market value of the Fund's exceeded \$400 million. She also advised that the Fund received the final payment from the City for the 2020 Employer Contribution of \$1.37 million, representing the outstanding balance of \$1.34 million as at September 30, 2021 plus interest through January 31, 2021.

5. INVESTMENT (Keith Reynolds – Segal Marco)

- a. January 2021 Flash Performance Report
Mr. Reynolds provided the Board with the Flash Performance Report for December 2020. He advised that the January Report was not yet available. He noted that the market value of the assets available for investment was \$404 million, up 11.2% for the calendar year, and up 8.9% for the fiscal year to date.
- b. Work Plan 2021
Mr. Reynolds provided the Board with the 2021 Work Plan. He noted that the plan would develop in more detail after the 2021 investment ideas discussion scheduled for March 23, 2021.

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

- a. Update on Investment Contract
Mr. Cohen advised that he had reviewed the Brightwood Capital documents, prepared a side letter, which was submitted to Brightwood, and he awaited a response from Brightwood. He also advised that the closing had been extended to the end of March.

b. Legislative Update

Mr. Cohen advised that beginning January 1, 2021 new legislation required public employers, their contractors and subcontractors, to use an E-Verify system to verify the eligibility of their employees to work in the United States.

Trustee Shaw questioned the impact of this legislation on out of state contractors. Mr. Cohen advised that any contractor who wishes to do business with the City will be required to use an E-Verify system. Trustee Shaw questioned the requirement for overseas contractors. Mr. Cohen noted that foreign entities would need some documentation allowing them to work in the United States.

The Board requested that the Fund register with E-Verify.

c. Attendance and Telephone Participation Policy

Mr. Cohen provided an updated resolution to clearly clarify that the Telephone Participation portion of the Policy is waived during the period of time that the City is under a State of Emergency and a Policy, rule, regulation or order of any entity which has authority to declare a state of emergency or issue emergency orders; permits or requires the Board to meet entirely utilizing communication media technology.

In response to a question, Mr. Cohen noted that there was no requirement in any State law that a quorum be physically present at a Board meeting. He stated that there are no reported decisions on routine virtual meetings where a quorum is not physically present without an emergency. He stated that he anticipated that any such ruling would not require a physically present quorum. He expected guidance could come from the legislature.

Mr. Cohen advised that Broward County could declare a state of emergency.

MOTION made by Trustee Strauss, seconded by Trustee Cassidy to approve the amended language to the Telephone Participation Policy as presented by the Board Attorney. In a roll call vote of the members present, all members voted in favor. **Motion** passed 7-0.

d. Proposed Changes to the By-Laws and Operating Procedures

Mr. Cohen provided with amendments to the Operating Procedures of the Board of Trustees to establish procedures to allow individuals with claims for benefits other than disability benefits to be heard by the Board.

MOTION made by Trustee Greene, seconded by Trustee Keller, to approve the proposed changes to the By-Laws and Operating Procedures as presented. After discussion the Motion was amended by Trustee Greene, and the amendment was accepted by Trustee Keller to:

MOTION made by Trustee Greene, seconded by Trustee Keller, to approve the proposed changes to the By-Laws and Operating Procedures with the inclusion of Section C.3.E, F, G, and O with the language in O changed to the decisions of the Board will be final and the review of the Board's decision will be in the appropriate court. In a roll call vote of the members present, all members voted in favor. **Motion** passed 7-0.

e. Executive Director's Evaluation

Mr. Cohen advised the Board that he received three evaluation forms that scored Ms. Bailey 54, 58, and 59 out of 60. Mr. Cohen advised that the Board set the following goals and objectives for Ms. Bailey: New website, new pension software, employee benefit seminars, office space, administrative (banking/investment), and audit RFP. The Board thank Ms. Bailey for her service.

MOTION made by Trustee Cassidy, seconded by Trustee Strauss to increase the Executive Director's salary by 4%. In a roll call vote of the members present, **Motion** passed 6-1. Trustee Cruz opposed the motion.

7. EXECUTIVE DIRECTOR'S REPORT

a. City Commission Communication

The Board received the City Commission Communication.

b. Pension Office Relocation

Ms. Bailey advised that there might have been minor changes to the units that were done without permit. So, if purchased, these changes might have to be brought into compliance. Mr. Robert Ludicke and Mauricio Pages of Land Science advised that an inspection of the property did not identify any recognized environmental concerns. They noted that their inspection provided no evidence of asbestos or lead based paint. They identified minor repairs that were needed as well as an issue with the electrical panel for the floor but advised that the property manager appeared to be addressing that issue.

Ms. Bailey advised that the estimated cost of all the issues identified was less than \$10,000 and a concession had been requested from the seller.

MOTION made by Trustee Cassidy to obtain an estimate of the cost to bring the property up to code. The motion was not seconded.

c. LAID OVER ITEM: Records Retention Policy

Ms. Bailey advised that the proposed policy had been amended to extend the holding period for ballots until 30 days after the time for filing an election challenge had passed, if no challenge had been submitted or if an election challenge had been submitted, 30 days after the challenge had been disposed of.

MOTION made by Trustee Cassidy, seconded by Trustee Greene to adopt the Records Retention Policy. In a roll call vote of the members present, all members voted in favor. **Motion** passed 7-0.

d. Contractual Services

Ms. Bailey advised that the Board's current contracts with Rice Pugatch, GRS, Segal, and Marcum would be expiring in 2021. She advised that the contract with Rice Pugatch would be expiring on April 26, 2021 but included two one-year extensions. She also advised that Mr. Cohen had offered to extend the current contract for a three-year period holding the current rate constant.

MOTION made by Trustee Cassidy, seconded by Trustee Greene to extend Mr. Cohen's contract under the same conditions and terms for a three-year period. In a roll call vote of the members present, all members voted in favor. **Motion** passed 7-0.

MOTION made by Trustee Strauss, seconded by Trustee Cassidy to not do RFPs for GRS and Segal Services until the Declaration of Emergency was lifted. In a roll call vote of the members present, the **Motion** failed 3-4. Trustees, Shaw, Greene, Cruz and Howell opposed the motion.

It was noted that the auditing contract would be reviewed by the Audit Committee. In response to a question, Mr. Cohen advised that there is no requirement that the Fund issue RFPs to obtain vendor services.

Trustees requested a breakdown of the current contracts, including the inception dates and any renewal periods.

e. Communications from the Executive Director

- Ms. Bailey advised that the 2021 Life Certificates had been mailed to retirees and more than half had been returned. She also advised that approximately 20

members had not yet returned their 2020 or 2021 life certificates. She noted that these retirees were sent a separate life certificate request letter in 2021 which advised them that their benefits would be discontinued in March 2021 if they did not respond by February 28, 2021.

- Ms. Bailey advised the Board that 32 distributions remained for the FY2012 13th Check Settlement totaling \$185,819.44.
- Ms. Bailey advised that in discussion with the City, there would be no charge back for services provided to the Fund. It was noted, however, that the City's assistance would be limited by the availability of resources.
- Ms. Bailey advised that Mr. Tisdale's benefits would be discussed at the March meeting.
- Ms. Bailey advised that the DROP Statements for December 2020 has been issued.
- Ms. Bailey advised that FPPTA would be holding their New Trustee, CPPT and CEU Programs online from March through May 2021.
- Ms. Bailey provided the DROP and Planned Retirement Participant Lists.

8. PUBLIC COMMENTS


There were no public comments.


9. TRUSTEE REPORTS, QUESTIONS AND COMMENTS

Trustees thanked Ms. Bailey and Mr. Cohen for all the work they have done on behalf of the participants. Trustees commented on the length of the meeting and recommended ways to reduce discussion during the meeting. Trustee Shaw thanked the administrative staff and noted the continued good relationship with the City. Trustee Cassidy requested that any materials that cannot be made available at least a week before the meeting should not be included on the agenda.

10. ADJOURNMENT

MOTION made by Trustee Keller, seconded by Trustee Cruz, to adjourn the meeting. In a voice vote by the members present, all members voted in favor. **Motion** passed 7-0. The meeting adjourned at 12:18p.m.



Phyllis Shaw, Chair


Date