

CORRECTED
MINUTES
REGULAR PENSION BOARD MEETING
CITY OF HOLLYWOOD EMPLOYEES' RETIREMENT FUND
TUESDAY, JANUARY 21, 2020 AT 9:00AM

1. CALL TO ORDER

Chair Shaw called the meeting to order at 9:10a.m.

2. ROLL CALL AND PLEDGE OF ALLEGIANCE

Board Members present: Chair Phyllis Shaw, Secretary Robert Strauss, Christopher Cassidy, Jeffery Greene, Charles Howell and Adam Reichbach. Also present: Executive Director Christine Bailey; Keith Reynolds of Segal Marco; Diane McNally of Segal Select Insurance and Ronald Cohen of Rice Pugatch Robinson Storfer & Cohen.

George Keller was absent and excused.

a. January 21, 2020 Regular Board Meeting Agenda

MOTION made by Trustee Greene, seconded by Trustee Cassidy, to adopt the January 21, 2020 Regular Board Meeting Agenda. In a voice vote of the members present, all members voted in favor. **Motion** passed 6-0.

3. CONSENT AGENDA

- A. December 10, 2019 Annual Meeting Minutes
- B. Ratification of Distributions (Contributions and DROP) and Plan Expenses
- C. Approval/Ratification of New Retirements/DROP/Vested/Death Annuities

Agenda Item 3a. – It was noted that included in the minutes was Trustee Keller's Form 8B Memorandum of voting conflict for county, municipal, and local public officers. The memorandum stated that on December 10, 2019, Trustee Keller abstained from voting on matters related to the Agenda Item 7c. Restoration of Benefits – Impact of Break-in-Service and the Interpretation of the related Ordinance Changes.

Trustee Cassidy requested that Agenda Item 3b. be pulled.

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

Trustee Cassidy noted that there were redactions in the Agenda Item. Ms. Bailey advised that she had redacted information that she believed were immaterial on invoices such as account numbers and charges to other City Agencies. The Board discussed the redaction of information from the documents presented for approval.

MOTION made by Trustee Cassidy, seconded by Trustee Strauss, to not redact any information from the Calendar of Items unless it is legally required by the Sunshine Laws. In a voice vote of the members present, the **Motion** passed 4-2. Trustees Shaw and Greene opposed the motion.

Ron Cohen reminded Trustees that under Chapter 286, they are required to vote unless they have a private gain or in certain quasi-judicial hearings situations.

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

4. FINANCIAL

- a. Ms. Bailey provided the Board with the Final June 30, 2019 through Final August 31, 2019 and the Draft September 30, 2019 Financial Operations and Investment Summaries. She also provided the Budget Variance Report as of December 31, 2019. Ms. Bailey explained the relationship between the administrative fees on the Summary and the Variance Report.

5. INVESTMENT (Keith Reynolds – Segal Marco)

a. November 2019 Flash Performance Report

Mr. Reynolds provided the Board with the Flash Performance Report for November 2019. He noted that the U.S. equity markets did very well and the Fund's market value of assets increased to \$358.9 million, with an additional \$4 million increase anticipated in December. He also noted that the markets were up so far in January. He reminded the Board that the flash report was preliminary and did not include the performance reports of all the managers. He noted that the Fund's rate of return for the calendar year-to-date was over 15% based on the manager's performance reports to date.

b. Third Quarter Performance Report

Mr. Reynolds reported the Fund's performance for the quarter ended September 30, 2019. He noted that the assets available for investments were \$333.6 million and performance was 0.80% for the quarter. He noted that for the one-year period the fund returned 4.31%. He stated that this performance ranked in the top half of the Fund's peer group and that for the five-, seven- and ten-year periods, the Fund was right at the top decile of its peers. He noted that the Fund did this with less risk than its peers. The Board discussed the drags on the portfolio and it was noted that managers would be reviewed at the conclusion of the Asset Liability Study. He stated that the Fund returned 7.59% for the three-year period ended 9/30/2019 with a standard deviation of 6.53%.

c. Board Insurance Update

Diane McNally provided the Board with an overview of the proposed Workplace Violence and Assailant Insurance Coverage. She advised that the recommendation was to purchase a policy with Indian Harbor Insurance Company. She noted that there were five liability limit options available.

MOTION made by Trustee Greene, seconded by Trustee Strauss, to table the discussion to the next regular meeting or earlier. In a voice vote of the members present, all members voted in favor. **Motion** passed 6-0. The Board requested a copy of the recommended policy and that this policy expire at the same time as the Board's other insurance policies.

d. Work Plan 2020

Mr. Reynolds provided the Board with the 2020 Work Plan.

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

a. Request for Executive Session to Discuss Pending Litigation

Mr. Cohen requested an Executive Session to discuss Pending Litigation with Glover v, Kolari, City of Hollywood Employees' Retirement Fund, and City of Hollywood. He noted the conditions of the session.

Trustee Strauss inquired about the development of an overpayment recoupment policy. Mr. Cohen advised that he was working on a policy with Ms. Bailey. Trustee Strauss asked if the settlement agreement in the City lawsuit had been finalized. Mr. Cohen advised that it was. Mr. Cohen noted that he was in discussion with the other attorneys to dismiss the case with prejudice and would report back to the Board once the case was dismissed.

7. EXECUTIVE DIRECTOR'S REPORT

a. City Commission Annual Report

The Board received the City Commission Annual Report. The Board requested that an amendment to reflect the time period that Trustees were on the Board.

b. City Commission Communication

The Board received the City Commission Communication with recommended changes.

- c. i. Administrative Considerations – Proposed Board Meeting Dates
Ms. Bailey noted that the Board had discussed changing the time of the March Board meeting to accommodate an Investment Meeting at 9:00am.

MOTION made by Trustee Reichbach, seconded by Trustee Strauss, to reschedule the March 31, 2020 meeting from 9:00am to 10:15am and to schedule an Investment Committee Meeting at 9:00am. In a voice vote of the members present, all members voted in favor. **Motion** passed 6-0.

- c. ii Administrative Considerations – Executive Director Evaluation Forms
Evaluation Forms were provided to the Board. Trustees were asked to complete and submit the evaluations by the next Board meeting.

d. Communications from the Executive Director

- Ms. Bailey advised the Board that the FY2019 financial audit was ongoing and that the 2019 Actuarial Valuation Data request was almost complete.
- Ms. Bailey advised the Board that the 2020 Life Certificates would soon be mailed to Retirees. The Board discussed a recommendation to conduct the Disability Retirees Tax Return Request and Life Certificate in a single request. The Board determined that they should remain separate requests.
- Ms. Bailey provided the Board with the 2020 administrative workflow including the Disability Medical reviews requested by the Board.
- Ms. Bailey advised that the anticipated date for the issuance of the Summary Plan Description has been delayed to June 2020 to allow for revisions and final review.
- Ms. Bailey advised the Board that, of the 741 annuitants eligible for the FY2012 13th Check Settlement, 637 had been distributed. She noted that the distributions to the estates or beneficiaries of an additional 104 deceased annuitants would require additional research.
- Ms. Bailey provided the Board with the DROP and Planned Retirement Participant Lists. She also noted that there was still one member whose benefits are suspended because he has not yet returned the 2019 Life Certificate.

8. **PUBLIC COMMENTS**

There were no public comments.

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

Trustee Cassidy requested that the Website be updated.

10. **ADJOURNMENT**

MOTION made by Trustee Greene, seconded by Trustee Reichbach, to adjourn the meeting. In a voice vote by the members present, **Motion** passed 6-0. The meeting adjourned at 11:42a.m.



Phyllis Shaw, Chair
11/17/2020

Date