

**MINUTES**  
**ANNUAL PENSION BOARD MEETING**  
**CITY OF HOLLYWOOD EMPLOYEES' RETIREMENT FUND**  
**TUESDAY, DECEMBER 8, 2020 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, Secretary Robert Strauss (telephonically), Christopher Cassidy, Jeffrey Greene, Charles Howell (telephonically), and Adam Reichbach (telephonically). Also present: Executive Director Christine Bailey; Keith Reynolds, Felicia Ewell and Francois Otieno of Segal Marco; and Ronald Cohen of Rice Pugatch Robinson Storfer & Cohen.

A. December 8, 2020 Annual Board Meeting Agenda

**MOTION** made by Trustee Greene, seconded by Trustee Cassidy, to adopt the December 8, 2020 Annual Board Meeting Agenda. In a voice vote of the members present, all members voted in favor. **Motion** passed 7-0.

B. Election of Chair, Vice Chair and Secretary

**MOTION** made by Trustee Howell, seconded by Trustee Strauss, to nominate Phyllis Shaw to the position of Chair. In a voice vote by the members present, all members voted in favor. **Motion** passed 7-0.

**MOTION** made by Trustee Cassidy, seconded by Trustee Keller, to nominate Jeffrey Greene to the position of Vice Chair. In a voice vote by the members present, all members voted in favor. **Motion** passed 7-0.

**MOTION** made by Trustee Cassidy, seconded by Trustee Keller, to nominate Robert Strauss to the position of Secretary. In a voice vote by the members present, all members voted in favor. **Motion** passed 7-0.

**3. CONSENT AGENDA**

- A. October 27, 2020 Regular Meeting Minutes
- B. Ratification of Distributions (Contributions and DROP) and Plan Expenses
- C. Approval/Ratification of New Retirements/DROP/Vested/Death Annuities

**MOTION** made by Trustee Greene, seconded by Trustee Strauss, to approve Consent Agenda Items 3a through 3c. 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 October 31, 2020 Financial Operations and Investment Summaries. Ms. Bailey noted that this was the first report for FY2021 and therefore the opening balances would no longer reflect the October 1, 2018 balances. She also noted that since the Fiscal Year 2020 balances had not been finalized, the October 1, 2020 balances on the preliminary report were subject to change.
- b. Ms. Bailey provided the Board with the Budget Variance Report as of October 30, 2020. She noted that the Investment Manager Fees would be reported quarterly as part of the Quarterly Investment Performance Review.

**5. INVESTMENT (Keith Reynolds, Felicia Ewell and Francois Otieno – Segal Marco)**

- a. October 2020 Flash Performance Report  
Mr. Reynolds provided the Board with the Flash Performance Report for October 2020. He noted that not all managers had reported their performance. He noted the Fund's market value of assets as of October 31, 2020 increased to \$376.5 million. He noted that the estimated return for the Fund was about 6.8% for the fiscal year. He noted that the Fund's return for October 2020 was in line with the policy index.

- b. Second Quarter Performance Report  
Mr. Reynolds provided the Board with the Fund's Second Quarter Performance Report for the quarter ended June 30, 2020.
- c. Investment Policy Statement Update  
Mr. Otieno provided the Board with language to update the Investment Policy Statement to include the Emerging Manager Program.

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

- d. Nuveen TALF 2.0 Update  
Mr. Otieno advised the Board that the market dislocation assumptions underlying the Nuveen TALF 2.0 Investment were not realized and therefore the expected Investment return would not materialize. He advised that Nuveen had agreed to allow the Fund to withdraw its interest in the investment and cancel the commitment.

**MOTION** made by Trustee Greene, seconded by Trustee Cassidy, to accept the consultant's recommendation to withdraw from Nuveen TALF 2.0 and rescind the contract. In a roll call vote of the members present, all members voted in favor. **Motion** passed 7-0.

- e. 2020 Work Plan  
Ms. Ewell provided the Board with the review of the Fund's accomplishments in calendar year 2020. She noted that the Fund has completed the ALM Study and conducted successful searches in Private Credit and Emerging Markets. She also noted that the Fund updated the Investment Policy Statement.

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

- a. Update on Investment Contract  
Mr. Cohen advised the Board that he awaited certain documents from Brightwood. He advised that based on his conversations with Brightwood, the final close was expected to occur in February 2021.

**7. EXECUTIVE DIRECTOR'S REPORT**

- a. City Commission Communication  
The Board received the City Commission Communication with the addition of the October 2020 assets of \$376.5 million and the rate of return of -0.41%.
- b. Relocation  
Ms. Bailey provided the Board with a comparative analysis of Purchasing 2450 Hollywood Boulevard and leasing 6600 Taft Street. The Board discussed the purchase of 2450 Hollywood Boulevard.

**MOTION** made by Trustee Greene, seconded by Trustee Keller, to make an offer to purchase the 3 units/6 suites with an appraisal to be done prior to the offer. In a roll call vote of the members present, all members voted in favor. **Motion** passed 7-0.

The Board requested information on the properties monthly maintenance fee, a market analysis comparing square footage costs and fees, two years of financial reports, the building's budget, minutes of the of the Board of Director's meeting for the last 3 year, a list of improvements in the last 5-10 years and a list of any planned improvements in the future.

- c. Records Retention Policy  
In the interest of time, this Item was moved to the January 19, 2021 meeting.

d. Proposed 2021 Board Meeting Dates

Ms. Bailey provided the Board with the Proposed 2021 Board Meeting Dates.

**MOTION** made by Trustee Cassidy, seconded by Trustee Keller, to approve the Proposed 2021 Board Meeting Dates. In a voice vote of the members present, all members voted in favor. **Motion** passed 7-0.

e. Member Consideration – John Tisdale

Ms. Bailey requested the Board's guidance on the payment of the survivor benefits of deceased retiree John Tisdale. She advised that there were two separate claims for the survivor benefit. She explained the nature of both claims and noted that the attorney for one of the claimants had requested additional time to review documentation and address the Board in January.

Diana Centorino, attorney for Virginia Ferguson stated that Mr. Tisdale was blind and expressed concern about the signatures and situation. Mr. Cohen noted that the Fund could interplead the benefit. In response to a question, he noted that the Fund could pay the benefit on a preliminary basis to Ms. Tisdale until the matter was resolved. He noted that this preliminary payment would not be a final decision and not be prejudicial to Ms. Ferguson in any way.

**MOTION** made by Trustee Cassidy, seconded by Trustee Strauss, for the continuance of this discussion to allow the attorney to present her case. 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 Greene, to pay the current beneficiary on file contingent upon resolution/final outcome of the dispute between parties. In a roll call vote of the members present, all members voted in favor. **Motion** passed 7-0.

f. Personnel Consideration

Ms. Bailey advised the Board that a compensation study would take some time and requested that in the interim, the grant a 2% salary increase to Veron Sibble and Yvonne Narayan effective October 1, 2020.

**MOTION** made by Trustee Cassidy, seconded by Trustee Keller, to approve a 2% salary increase for Veron Sibble and Yvonne Narayan effective October 1, 2020. In a roll call vote of the members present, all members voted in favor. **Motion** passed 7-0.

g. Communications from the Executive Director

- Ms. Bailey advised the Board that 31 life certificates remained outstanding, she advised that the 2021 certificate requests would go out in January. She noted that these retirees would be sent a separate letter stopping their benefits on February 28 should the certificate not be returned timely.
- Ms. Bailey advised the Board that 34 distributions remained for the FY2012 13<sup>th</sup> Check Settlement totaling \$202,910.62.
- Ms. Bailey advised the Board that she was in discussion with the City regarding reimbursement of City support that may be needed with the CPMS project. She also advised that demonstrations of their product had been set up with both CPMS proposers for January 13, 2021.
- Ms. Bailey advised that the concerns presented at the workshop regarding the Summary Plan Description were resolved. She noted that the Actuary had identified an additional concern regarding the purchase of previous service by a participant in planned retirement and how their benefit would be calculated versus those of participants in the DROP. Ms. Bailey recommended that the benefits be calculated in a similar manner as the benefits of DROP participants. The calculation would be based on the credited service as of the planned

retirement date and recalculated on the date that all the previous service had been purchased.

- Ms. Bailey provided the Board with the DROP and Planned Retirement Participant Lists.

**8. PUBLIC COMMENTS**


There were no public comments.

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

Trustee Shaw expressed thanks and appreciation to the Board members, staff and consultants for their work in 2020.

**10. ADJOURNMENT**

**MOTION** made by Trustee Strauss, seconded by Trustee Howell, to adjourn the meeting. In a voice vote by the members present, **Motion** passed 7-0. The meeting adjourned at 12:05p.m.



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Phyllis Shaw, Chair

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Date

1/28/2021