

**MINUTES  
REGULAR PENSION BOARD MEETING  
CITY OF HOLLYWOOD EMPLOYEES' RETIREMENT FUND  
TUESDAY, SEPTEMBER 28, 2021 AT 9:00AM**

**1. CALL TO ORDER**

Chair Shaw called the meeting to order at 9:00a.m.

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

All attendees participated virtually. Board Members present: Chair Phyllis Shaw, Secretary Robert Strauss, Melissa Cruz (joined 9:05a.m.), Charles Howell, and George Keller. Also present: Executive Director Christine Bailey; Zindy Agredo of City of Hollywood; Keith Reynolds, Francois Otieno, and Felicia Ewell of Segal Marco; Diane McNally and Matthew Jackson of Segal; and Ronald Cohen of Lorium Law.

Trustee Cassidy was absent.

a. September 28, 2021 Regular Board Meeting Agenda

**MOTION** made by Trustee Strauss, seconded by Trustee Keller, to adopt the September 28, 2021 Regular Board Meeting Agenda. In a voice vote of the members present, all members voted in favor. **Motion** passed 4-0.

b. Absent and Excused

**MOTION** made by Trustee Strauss, seconded by Trustee Howell, to excuse the absence of Trustee Cassidy. In a voice vote of the members present, all members voted in favor. **Motion** passed 5-0.

**3. CONSENT AGENDA**

- a. August 24, 2021 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 Strauss, seconded by Trustee Keller, to approve the Consent Agenda. In a voice vote of the members present, all members voted in favor. **Motion** passed 5-0.

**4. FINANCIAL**

a. Financial Reports and Investment Summary

Ms. Bailey provided the Board with the Final May 2021 Financial Operations and Investment Summary as well as the Draft August 2021 Summary. She also provided the Budget Variance Reports for Fiscal Year 2021 as of August 31, 2021 with the approved modified budget. In response to questions, Ms. Bailey noted that the negative variances that remained were for investment managers whose fees were based on assets under management which were increased with performance. She noted that the variance in the budget would be lower as additional expenses for September, including accruals, are included in the budget but not in the actual expenditures to date. The Board requested that the budget variance report reflect that the investment management fees not invoiced separately, were not outstanding but were being paid.

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

a. July 2021 Flash Performance Report

Mr. Reynolds provided the Board with the Flash Performance Report for July 2021. He noted that the market value of the assets available for investment as of July 31, 2021 was \$424.5 million, up 0.2% net of fees for the month ended July 31, 2021, and up 20.6% net of fees for the fiscal year to date. Mr. Reynolds advised the Board of organizational changes at GoldPoint. The Board requested that GoldPoint be placed on the Watch List for organizational changes with a review of effect of the changes in approximately 4 months.

b. Emerging Manager Program and Other Asset Allocation Considerations

Mr. Reynolds provided an overview of the Emerging Manager Program and the Private Credit Allocations. He recommended that the Board consider private credit investments in Neuberger Berman Private Debt Fund IV and Marathon Healthcare Finance, and consider a fixed income investment in LM Capital under the emerging manager program.

c. Work Plan 2021

Mr. Reynolds provided the 2021 Work Plan.

d. Board Insurance Update

Ms. McNally and Mr. Jackson presented the renewal proposals for Workplace Violence and Cyber Liability policies. Ms. McNally noted that no proposer was willing to offer Workplace Violence with residence coverage.

**MOTION** made by Trustee Howell, seconded by Trustee Cruz, to accept the \$2 million limit in liability with an increased cost from \$3,536 to \$3,807 plus taxes and fees. In a roll call vote of the members present, all members voted in favor. **Motion** passed 5-0.

Ms. McNally and Mr. Jackson reviewed the cyber insurance quotes and highlighted the changes in coverage and cost in the marketplace. They noted that there were new exclusions in the excess cover, primarily ransomware.

**MOTION** made by Trustee Strauss, seconded by Trustee Keller, to accept the recommendation of Segal with the Ascent option for the cyber liability insurance coverage. Mr. Jackson stated that recommendation was to renew the Travelers policy at \$3 million to keep the insurance at the same level as last year, and to acquire the excess option with the Ascent policy over the Evolve policy. In a roll call vote of the members present, all members voted in favor. **Motion** passed 5-0.

**6. LEGAL (Ron Cohen – Lorium Law)**

a. Legal Update

Mr. Cohen advised that the Affiliated contract and side letters were signed and submitted. He advised that Affiliated had accepted the documents and would sign at their next closing. He also advised that the PTG contract was signed and effective September 16, 2021.

b. Virginia Tisdale-Ferguson v. the Board of Trustees of the City of Hollywood Employees' Retirement Fund, and Blanche T. Pressley, a/k/a/ Blanche Tisdale

Mr. Cohen advised that he had submitted the Fund's response to the court's order to show cause in the lawsuit filed by Ms. Tisdale-Ferguson. He advised that he has also filed several motions to dismiss on the basis of sovereign immunity. He also filed a claim to strike their claim for attorney's fees. He noted that Ms. Blanche Tisdale had not defended in the case.

c. Request for Executive Session to Discuss Pending Litigation

Mr. Cohen requested an Executive Session to discuss Pending Lawsuit Virginia Tisdale-Ferguson v. the Board of Trustees of the City of Hollywood Employees' Retirement Fund, and Blanche T. Pressley, a/k/a/ Blanche Tisdale. He noted the conditions of the session.

**7. EXECUTIVE DIRECTOR'S REPORT**

a. City Commission Communication

The Board received the City Commission Communication and requested that the meetings be schedule as in person meetings.

b. Proposed Employee Election Process

Ms. Bailey provided the proposed employee election procedures, dates and deadlines.

**MOTION** made by Trustee Keller, seconded by Trustee Howell, to approve the chronological order on events for the election of an Employee Trustee. In a voice vote of the members present, all members voted in favor. **Motion** passed 5-0.

c. Pension Office Relocation

Zindy Agredo, City of Hollywood Department of Design and Construction Management, reviewed the status and steps needed to renovate the new Pension Offices. She reviewed the applicants and costs for the schematic phase of the project, noting that the next phase would be design. She recommended that the Board consider hiring Core Concepts or Kaller Architect for this phase of the project.

In response to questions, Ms. Argedo noted that the renovation time would take approximately three to four months but could be impacted by the permitting process. She noted that the estimated cost of design was \$26,000 and the estimated cost proposed for the full renovation was \$262,000. She noted that this was amount needed to be fine-tuned as finishes and other factors may alter that estimate.

In response to a question from Trustee Strauss, Ms. Agredo noted that the current space would require demolition at a cost that should not exceed \$10,000.

**MOTION** made by Trustee Keller, seconded by Trustee Cruz, to proceed with Core Concepts for the new offices. In a roll call vote of the members present, all members voted in favor. **Motion** passed 5-0.

**MOTION** made by Trustee Keller, seconded by Trustee Strauss, to authorize staff to acquire a demolition company at a cost not to exceed \$10,000 and provide backup for ratification at the next meeting. In a roll call vote of the members present, all members voted in favor. **Motion** passed 5-0.

d. Rules For Supplemental Pension Benefits

Ms. Bailey provided the Board with the rules for the supplemental pension distributions and the proposed new rules for supplemental pension distributions. She noted that the changes included replacing the preamble with the actual ordinance language; clarification that a member who died after the end of the fiscal year to which the benefit applies, had vested the benefit, and his/her beneficiary or estate would be entitled to the benefit; clearly stating that members vested on October 1, 2002, who otherwise qualify, were eligible for the benefit once they began receiving pension benefits; and clarification of which transferred police officers and firefighters were eligible for the benefit.

**MOTION** made by Trustee Keller, seconded by Trustee Cruz, to approve the rules of the supplemental pension distribution (13<sup>th</sup> Check), as amended. In a roll call vote of the members present, all members voted in favor. **Motion** passed 5-0.

e. Member Consideration – Survivor Benefits of Joseph Bowman

Ms. Bailey advised that Mr. Bowman's beneficiaries had petitioned the Board seeking an investigation and alternative arrangements for the recoupment of the overpayment to Mr. Bowman. Mr. Cohen requested that the Board provide authorization for him to look into the best way to make the claim. He requested that the Board allow him, at a cost of \$3,000 to consult with a probate attorney and make a recommendation to the Board.

**MOTION** made by Trustee Keller, seconded by Trustee Howell, to authorize Mr. Cohen to look further into this matter and to hire a professional, who is expert in the field of probates, up to a cost of \$3,000. In a roll call vote of the members present, all members voted in favor. **Motion** passed 5-0.

f. Personnel Considerations

Ms. Bailey provided survey data of the pension funds, including staff size, salaries, and benefits. She noted that the information obtain would be used to determine the staffing of the new pension office.

Ms. Bailey advised that Veron Sibble and Yvonne Narayan both received exceptional performance reviews. She requested that they be granted salary increases in line with the annual CPI for South East Florida for August of 4.2%. She also requested that the contributions to their 401(a) be increased to 16.3%.

**MOTION** made by Trustee Keller, seconded by Trustee Cruz, to increase the contributions to the 401(a) from the current rates to 16.3% for both employees. In a roll call vote of the members present, all members voted in favor. **Motion** passed 5-0.

**MOTION** made by Trustee Keller, seconded by Trustee Strauss, to increase the salaries of 4.2% for Veron Sibble and Yvonne Narayan. In a roll call vote of the members present, all members voted in favor. **Motion** passed 5-0.

g. Communications from the Executive Director

- Ms. Bailey advised that 21 of the 2021 Life Certificates remain outstanding.
- Ms. Bailey advised that 31 distributions remained for the FY2012 13th Check Settlement totaling \$179,324.79.
- Ms. Bailey provided information on the inception and terms of the Fund's administrative contracts. She advised that Segal would agree to a three-year extension at no increase in cost. She also advised that GRS would agree to a three-year extension with an increase in the cost of the actuarial valuation report by the CPI each year up to a maximum of 3% per annum.

**MOTION** made by Trustee Strauss, seconded by Trustee Keller, to approve the renewal of the GRS contract as presented. In a roll call vote of the members present, all members voted in favor. **Motion** passed 5-0.

**MOTION** made by Trustee Strauss, seconded by Trustee Keller, to renew the Segal contracts as presented. In a roll call vote of the members present, all members voted in favor. **Motion** passed 5-0.

- Ms. Bailey provided the CPMS project manager's risk assessment regarding the delay in the start of the PTG contract and the need for a detailed project plan.
- Ms. Bailey provided the print ready Summary Plan Description. She requested the Board's approval to hire Gary Levinson. She noted that the printing cost quoted was \$3,650. She noted that the quote from Minuteman was over \$10,000.

**MOTION** made by Trustee Cruz, seconded by Trustee Strauss, to approve Gary Levinson at a cost not to exceed \$4,000. In a roll call vote of the members present, all members voted in favor. **Motion** passed 5-0.

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

9. **PUBLIC COMMENTS**

Erik Ofengand provided public comments.

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

Trustee Keller advised that it was anticipated that certain CRA employees might be transitioning to the City which might increase membership. Trustee Cruz advised that she had resigned from the City and would be leaving the Board. Trustees thanked Trustee Cruz for her service.

11. **ADJOURNMENT**

**MOTION** made by Trustee Strauss, seconded by Trustee Howell, to adjourn the meeting. In a voice vote by the members present, all members voted in favor. **Motion** passed 5-0. The meeting adjourned at 12:00p.m.



Phyllis Shaw, Chair

12/9/2021  
Date