

**MINUTES  
REGULAR PENSION BOARD MEETING  
CITY OF HOLLYWOOD EMPLOYEES' RETIREMENT FUND  
TUESDAY, July 26, 2022 AT 9:00AM**

**1. CALL TO ORDER**

Chair Shaw called the meeting to order at 9:20a.m.

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

Board Members present: Chair Phyllis Shaw, Vice Chair George Keller, Barbara Armand, Jeffrey Greene (electronically), Charles Howell (electronically), and David Keller. Also present: Executive Director Christine Bailey; Zindy Agredo and Karyn Sashi of City of Hollywood Department of Construction and Management; Keith Reynolds, Felicia Ewell and Rosa Limas of Segal Marco; and Ron Cohen of Lorium Law.

Trustee Robert Strauss was absent. Trustee Greene had yet taken the Oath of Office and did not vote.

**A. July 26, 2022 Regular Board Meeting Agenda**

**MOTION** made by Trustee D. Keller, seconded by Trustee G. Keller, to adopt the July 26, 2022 Regular Board Meeting Agenda. In a voice vote of the members present, all members voted in favor. **Motion** passed 5-0.

**B. Absent and Excused**

**MOTION** made by Trustee Armand, seconded by Trustee D. Keller, to excuse the absence of Trustee G. Keller from the June 24, 2022 Special Meeting of the Board of Trustees. In a voice vote of the members present, all members voted in favor. **Motion** passed 5-0.

**3. CONSENT AGENDA**

- A. June 21, 2022 Regular Meeting Minutes
- B. June 24, 2022 Special Meeting Minutes
- C. Ratification of Distributions (Contributions and DROP) and Plan Expenses
- D. Approval/Ratification of New Retirements/DROP/Vested/Death Annuities

**MOTION** made by Trustee D. Keller, seconded by Trustee G. Keller, to approve Consent Agenda Items 3a through 3d. In a voice vote of the members present, all members voted in favor. **Motion** passed 5-0.

**4. FINANCIAL**

- A. Ms. Bailey provided the Board with the January and February 2022 Final as well as the June 2022 Draft Financial Operations and Investment Summaries. She also provided the Budget Variance Report as of June 30, 2022.

**5. DISABILITY APPLICATION**

- A. Order Granting the Application for Disability of William Gardiner.  
Mr. Cohen summarized the content of the Order and advised that the Board had not specified the date of approval of Mr. Gardiner's Disability Application. He advised that after reviewing the Disability file and discussions with Ms. Bailey, they both recommend that the date be set at April 5, 2022, Mr. Gardiner's last day of employment with the City, working 0.07 hours.

**MOTION** made by Trustee Armand, seconded by Trustee D. Keller, to approve the Order granting the Application for Disability of William Gardiner effective April 5, 2022. In a roll call vote of the members present, all members voted in favor. **Motion** passed 5-0.

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

**A. April 2022 Flash Performance Report**

Mr. Reynolds provided the Board with the Flash Performance Report for May 2022. He noted that the Fund's market value of assets as of May 31, 2022, increased to \$431.7 million. He also noted that the estimated return for the Fund was up 0.2% net of fees for the month of May 2022, and down 3.3% net of fees for the fiscal year to date.

**B. SMID Value Transition Timeline**

Mr. Reynolds advised the Board that BTIG did not work out and that Mr. Cohen was currently working with State Street. Ms. Limas advised that BTIG had decided to close the transition management portion of their business. She noted that this would not impact the timeline of the transition.

Mr. Cohen advised that he worked with BTIG until Mr. Reynold advised that they had withdrawn. He advised that he had been working with State Street but had a few issues, the most significant being compliance with the Florida Statute that required the Fund and its contractors to use E-Verify. He noted that there was not yet a contract in place with EARNEST Partners. Ms. Limas advised that there were other transition managers that the Fund could consider for the transition panel.

**MOTION** made by Trustee D. Keller, seconded by Trustee G. Keller, to add Macquarie as a backup to State Street and in the case there is an issue with State Street that is not resolved satisfactorily, to move on and have Segal to look at Loop Capital further and any other firms to get the panel up to at least four. In a roll call vote of the members present, all members voted in favor. **Motion** passed 5-0.

**C. 2022 Work Plan**

Mr. Reynolds provided the Board with the 2022 Work Plan. Mr. Reynolds advised that Diane McNally would be presenting the Insurance Update at the August Meeting. Mr. Reynolds noted that Entrust would provide an update of the Blue Ocean Fund and would discuss opportunities in the Market.

**7. LEGAL (Ron Cohen – Lorium Law)**

**A. Legal Updates**

Mr. Cohen noted the issues with BTIG, State Street and EARNEST Partners discussed earlier. He advised that the Nationwide restatement documents was finalized and submitted before the July 31, 2022 deadline. He also advised that the Neuberger Berman documents were completed. He noted that he was finalizing the GTJZ extension.

**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 noted that the Court had denied Ms. Tisdale-Ferguson's motion for rehearing. He noted that he would no longer be requesting an executive session to discuss pending litigation. He noted that Ms. Ferguson still had the right to seek a review in the 4<sup>th</sup> District Court of Appeal. He noted that she had until 30 days from the date of the court order to seek review.

**C. Policy on Expenditures by the Executive Director**

Mr. Cohen provided the Board with a proposed Policy on Expenditures by the Executive Director. He requested that the Policy be amended to include the words "from the Contingent Reserve" after the phrase "up to \$5,000", in the Resolved paragraph.

**MOTION** made by Trustee B. Armand, seconded by Trustee D. Keller, to adopt the Policy on Expenditures by the Executive Director, so that the Executive Director will be permitted to spend up to \$5,000 from the Contingent Reserve. In a roll call vote of the members present, all members voted in favor. **Motion** passed 5-0.

**8. EXECUTIVE DIRECTOR'S REPORT**

**A. City Commission Communication**

Ms. Bailey provided the City Commission Communication for the month of July 2022. The Board requested that the communication include an update on transition management.

**B. Pension Office Renovation**

Ms. Sashi updated the Board on the Pension Office Renovation. She advised that the drawings were signed and sealed by the architect and have been sent to permitting. She also advised that the invitation to bid would soon be posted for 30 calendar days.

**C. CPMS Update**

Mr. John Reidy and Mr. Paul Wallace of PTG provided an update of the CPMS Project. Mr. Reidy reviewed the work to date and the current status of the project. He discussed the revision for the implementation schedule to an anticipated System go-live date in February 2023 and a Member Self Service go-live of May 2023.

Mr. Wallace reviewed the database screens, including Member Basic Information; Employment, Service, Earnings and Contribution Histories; DROP Account Detail; and Benefit/Financial Information. Mr. Reidy also discussed the latest security review report on PTG. He noted that the database CPMS database was based on 19 separate conversation files from disparate systems. Mr. Ziegler noted that there was now historical data in CPMS for 2029 active and inactive members with their data going back as far as September of 2003.

Ms. Bailey advised that the CPMS Project was enormous and taking time away from the day-to-day operations of the Fund. She requested that the Board agree to an extension of the go-live dates to 2023. The Board acknowledged the progress to date and agreed to the extension of the go live dates.

**D. Independent Auditors for the Fiscal Year ending September 30, 2022**

Ms. Bailey requested that the Board allow Marcum LLP to conduct the Independent Auditors for the Fiscal Year ending September 30, 2022

**MOTION** made by Trustee D. Keller, seconded by Trustee Armand, to approve he extension of Marcum LLPs current contract to conduct the FY 2022 Financial Audit at a cost of \$21,000. In a roll call vote of the members present, all members voted in favor. **Motion** passed 5-0.

**E. Communications from the Executive Director**

- Ms. Bailey advised that only one 2021 life certificate remained outstanding. She advised that 130 of the 2022 life certificates remained outstanding. Trustee Shaw thanked Ms. Narayan for her work with the retirees on the life certificate projects.
- Ms. Bailey advised that 29 distributions remained for the FY2012 13<sup>th</sup> Check Settlement totaling \$163,628.25.
- Ms. Bailey advised that the FY 2021 13<sup>th</sup> Check was paid on July 18, 2022. She noted that some of the recipients of the 13<sup>th</sup> check had passed away and the once proper documentation was provided by their beneficiaries or estates, those payments would be made.

Ms. Bailey advised that there was an issue with 13<sup>th</sup> Check recipients who retired with Duty Disability. She noted that 10% of the benefit was withheld for taxes from all 13<sup>th</sup> Check recipients as the benefit was not based on the type of retirement but on years of contributory service. She advised that two retirees strongly disagreed with taxes been withhold. The Board discussed the taxability of the benefit and determined that since individual circumstances vary, each

recipient could reclaim any taxes withheld. Ms. Bailey advised that the recipients 1099R would state that the taxable amount of the benefit was undetermined.

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

**9. PUBLIC COMMENTS**

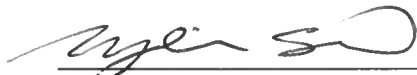
There were no Public Comments.

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

There were no Trustee Comments.

**11. ADJOURNMENT**

**MOTION** made by Trustee D. Keller, seconded by Trustee Howell, to adjourn the meeting. In a voice vote by the members present, **Motion** passed 5-0. The meeting adjourned at 11:40a.m.

  
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Phyllis Shaw, Chair  
Date 9/20/2022