

**MINUTES
REGULAR PENSION BOARD MEETING
CITY OF HOLLYWOOD EMPLOYEES' RETIREMENT FUND
TUESDAY, MARCH 28, 2023 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, Barbara Armand, Jeffrey Greene, Charles Howell (electronically joined 9:25a.m.), and David Keller. Also present: Executive Director Christine Bailey; Keith Reynolds, Felicia Ewell, Alan Kosan and Francois Otieno of Segal Marco; and Ronald Cohen of Lorium Law.

A. March 28, 2023 Regular Board Meeting Agenda

MOTION made by Trustee D. Keller, seconded by Trustee G. Keller, to adopt the March 28, 2023 Regular Board Meeting Agenda. In a voice vote of the members present, all members voted in favor. **Motion** passed 6-0. (Trustee Howell had not yet joined the meeting.)

3. CONSENT AGENDA

- A. February 28, 2023 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 6-0. (Trustee Howell had not yet joined the meeting.)

4. FINANCIAL

- A. Ms. Bailey provided the Board with the Final November 30, 2022. She advised that the outstanding reports would be provided at a later date. Ms. Bailey also provided the Budget Variance Report as of March 31, 2023.

5. INVESTMENT (Felicia Ewell – Segal Marco)

A. January 2023 Flash Performance Report

Mr. Reynolds provided the Board with the Flash Performance Report for January 2023. He noted that the Fund's market value of assets as of January 31, 2023 increased to \$430.7 million. He also noted that the estimated return for the Fund was up 3.8% net of fees for the month of January 2023 and up 8.4% net of fees for the fiscal year to date. Mr. Otieno discussed the performance of the private markets.

Trustees discussed the report, the timing of investment return reporting, and the expectations for the Fund's performance. Ms. Ewell advised the status of the investment fees report for all managers. She advised that the report would be provided with the next Quarterly Performance Report.

B. 2023 Investment Allocation Review and New Opportunities Discussion

Mr. Reynolds and Mr. Kosan presented an annual review of the Fund's Investments. Mr. Reynold's noted that Segal had reviewed the Fund's portfolio, cash flow expectations, private markets, and the opportunities in that space. He advised that the Fund's initial private markets allocations in 2016 and 2018 were mature and returning assets to the Fund that would need to be reallocated. Trustees discussed scheduling investment committee meetings and investment manager presentations from the Fund's current managers.

Mr. Kosan advised that his team review the Fund's Private Markets portfolios, and based on current values, discussions with the investment managers, and expected cash flows, his team would determine the best recommendations for the next round of commitments to maintain the targeted allocation.

- C. 2023 Work Plan
Mr. Reynolds provided the Board with the 2023 Work Plan.

6. LEGAL (Ron Cohen – Lorium Law)

A. Legal Update

Mr. Cohen advised that the GTJZ fourth amendment related to member self-service had been signed. He advised that the memorandum of understanding with the City regarding payroll data had also been signed. He also advised that the Segal Contract had been signed and would be in effect until 2025. Trustees expressed their appreciation to Mr. Reynolds and the Segal Team for their services to the Board on behalf of the Fund, the members, and the taxpayers.

Mr. Cohen advised that he had reviewed House Bill HB3 and that there was now a similar bill in the Senate. He reviewed the proposed requirements under the bill.

B. Vercetti Enterprises

Mr. Cohen advised that he, along with attorneys from his firm, met with the Chair, the Executive Director, representatives of the Department of Design and Construction Management (DCM), and representatives of Vercetti. Ms. Bailey advised the contract was signed but advised that Vercetti was requesting a change order as their bid pricing had expired. She provided the Board with the proposed pricing which increased Vercetti's cost to \$338,761. She advised that DCM had reviewed the fees and determined that were reasonable considering price increases in the last six months. Ms. Bailey requested that the Board approve a change order to increasing the contract cost from \$277,839 to \$338,761 with no change in the scope of work.

MOTION made by Trustee Strauss, seconded by Trustee Greene, to allow the Executive Director to proceed with an increase in the Vercetti Contract by \$60,000 with a final change order coming to the Board for approval. After discussion, the **MOTION** was amended, to grant the Executive Director the Board's permission to increase the project costs from \$277,829 to \$338,761, and pending receipt of a change order, the Chair of the Board is authorized to sign the order. In a roll call vote of the members present, all members voted in favor. **Motion** passed 7-0.

7. EXECUTIVE DIRECTOR'S REPORT

A. City Commission Communication

The Board received the City Commission Communication.

B. CPMS Update

Ms. Bailey advised that the CPMS project was on track for a Go-Live date of April 24, 2023. She noted that the project was in its final and most intense phase of Full Systems Testing. She advised that with CPMS, the Pension Fund would for the first time, have all the necessary records for its members in one location, a milestone accomplishment.

Trustees discussed operational changes to assist with the operation of the Fund. Ms. Bailey advised that there may be some delay in reporting but she did not expect changes to member services.

C. Communications from the Executive Director

- Ms. Bailey advised that 4 retirees remained stopped for nonreceipt of their 2022 Life Certificates. She advised that the 2023 Life Certificates were being returned by retirees.
- Ms. Bailey advised that 29 distributions remained for the FY2012 13th Check Settlement totaling \$161,035.52.
- Ms. Bailey advised that 5 distributions remained for the FY2021 13th Check Settlement totaling \$23,130.82.
- Ms. Bailey stated that the Actuary had advised that the CRA requested that he provide calculations related to the Fund and that he would proceed if the Board

permitted. The Board discussed the request. It was determined that it would be more appropriate to have a detailed proposal before any request was made of the Actuary.

- Ms. Bailey advised that the Financial Audit was 99.9% complete.
- Ms. Bailey provided the Board with the DROP Participant List.

8. PUBLIC COMMENTS


There were no public comments.

9. TRUSTEE REPORTS, QUESTIONS AND COMMENTS

Trustee G. Keller advised that effective Friday, March 31, 2023, as City Manager, he would like to continue to serve on the Board but expressed a concern that there might, at times, be a conflict. Trustees congratulated Trustee G. Keller on his appointment and wished him success. It was noted that the Board would be at a disadvantage not have him serve on the Board. Mr. Cohen stated that he would review the issue of conflict and provide his opinion.

10. ADJOURNMENT

MOTION made by Trustee Greene, seconded by Trustee D. Keller, to adjourn the meeting. In a voice vote by the members present, **Motion** passed 7-0. The meeting adjourned at 11:25a.m.



Phyllis Shaw, Chair
4/25/2023

Date