

MINUTES
REGULAR PENSION BOARD MEETING
CITY OF HOLLYWOOD EMPLOYEES' RETIREMENT FUND
TUESDAY, OCTOBER 22, 2024 AT 9:00AM

1. CALL TO ORD8R

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 Barbara Armand; Secretary Robert Strauss; Jeffrey Greene; David Keller; and George Keller. Also present: Executive Director Christine Bailey; Keith Reynolds, Alan Kosan, and Michael St. Germaine of Segal Marco; and Ron Cohen of Lorium Law.

A. October 22, 2024 Regular Board Meeting Agenda

MOTION made by Trustee D. Keller, seconded by Trustee Greene to adopt the October 22, 2024 Regular Board Meeting Agenda. In a voice vote of the members present, all members voted in favor. **Motion** passed 6-0.

B. Absent and Excused

MOTION made by Trustee Greene, seconded by Trustee Strauss, to excuse the absence of Trustee D. Keller at the September 17, 2024 Regular Meeting of the Board of Trustees. In a voice vote of the members present, all members voted in favor. **Motion** passed 6-0.

3. CONSENT AGENDA

- A. September 17, 2024 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 D. Keller, 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.

4. FINANCIAL

A. Financial Reports and Investment Summary

Ms. Bailey provided the Preliminary September 2024 Financial Report and Investment Summaries. She also provided the Budget Variance Report as of September 30, 2024.

5. INVESTMENT (Keith Reynolds – Segal Marco)

A. New Opportunities Discussion – Private Equity

Mr. Reynolds provided background on the Private Equity Allocation. Mr. Kosan provided an overview of the Private Equity Program. He discussed the allocation options for the program going forward. Mr. St. Germaine summarized the key program objectives and the commitment pacing targets of the program. In response to a question from Trustee Strauss, Mr. St. Germaine noted that the projections of the forecasted cashflows on Page 7 of the presentation considered the Plan's assumed interest rate, and also assumed that no additional contributions were made to the program. He noted that future commitment did not need to be made to the same managers.

In response to a question from Trustee G. Keller, Mr. Reynolds advised that the recommended allocation to Private Equity remained at 10%. He advised that interest rates were coming down and there were new opportunities to invest in Private Equity.

Mr. St. Germaine presented the options going forward for the program construction and commitment pacing, namely the Multi-Manager model, the Primary Fund model and the Hybrid mandate. He discussed the pros and cons of each option. In response to a questions regarding the performance reporting timeline of each option, Mr. St. Germaine noted that any fund of fund or secondary fund would normally take the longest to report

performance, and a more rapid response would be provided by the primary fund model. He also noted that the primary fund model would increase the number of investment managers and accounts for the Plan, and increase legal and custodial fees.

Trustees requested an analysis of the cost and benefit of each option, including the increased administrative costs and performance report timing. Based on the analyses, Trustees requested that Segal provide their recommendation for the program model and pacing of the new investments.

- B. 2024 Work Plan
Mr. Reynolds reviewed the 2024 Work Plan.

6. LEGAL (Ron Cohen – Lorium Law)

A. Legal Update

Mr. Cohen advised the Board that the GTJZ contract was almost complete with minor changes including a clause that the contract would extend beyond October 30th with the agreement of both parties. Mr. Cohen advised that he contacted the attorney regarding the guardian ad litem for Gina McDonald. He stated that the attorney informed him that the court in North Carolina had appointed her sister as guardian ad litem. Mr. Cohen stated that he then contacted the attorney for the guardian ad litem and the attorney advised that they were putting together the paperwork that was needed to pay the benefit based on the instructions of the guardian ad litem.

Mr. Cohen advised that the Executive Director's contract would be completed in November.

With regards to the Tisdale-Ferguson case, Mr. Cohen advised that he did attend a case management conference. He advised that the judge postponed the hearing to December as the judge stated that the case was not yet at issue, meaning the pleadings were not finished. Mr. Cohen advised that opposing counsel had filed a motion to strike the Fund's affirmative defenses and that he would be preparing a response.

With regards to the damage to the new offices, he advised that invoices totaling \$5,380 were received and forwarded to Frost Property Management. He stated that Frost Property Management advised that the issue would be addressed at the next meeting of the Board of Directors of the Condominium.

B. Request for Executive Session to Discuss Pending Litigation

Mr. Cohen requested an Executive Session to discuss the pending lawsuit Virginia Tisdale-Ferguson v. Blanche T. Pressley and the Board of Trustees of the City of Hollywood Employees' Retirement Fund.

7. EXECUTIVE DIRECTOR'S REPORT

A. City Commission Communication

The Board received the City Commission Communication as amended.

B. Pension Office Renovation Update

Ms. Bailey advised that the anticipated relocation date had been moved to January 2025. The final connections would be made by the City's IT Department and the Public Works Department would assist with the relocation.

C. Member Consideration – Membership in COHERF

Ms. Bailey advised that a question had arisen regarding the eligibility of City of Hollywood Police and Fire Pension Funds retirees to join COHERF if they were employed in a fulltime civilian position by the City. She advised that some of these retirees were members of the Plan, and some were not.

Ms. Bailey advised that based on her review of the ordinance she believed that they were mandated to join. In response to a question from Trustee Armand, Ms. Bailey advised that these employees are not covered by the coordination of benefits ordinance provision as they were all hired after the coordination of benefits provision was discontinued.

Mr. Cohen advised that based on his understanding these individuals did retire and separate from service, and might be required to join the Plan. He stated that he would revisit the coordination of benefits provision. Trustee Strauss advised that the Board had discussed this issue in the past and that the Board determined that eligibility for the Plan should be determined by the Human Resources Department as the Employer.

The Board discussed the question and concluded that based on the ordinance language and past practice, these individuals were mandated into the Plan. The Board also discussed the repayment of any arrears due for those Police retirees that did not join on fulltime hire by the City.

D. Proposed COHERF 2025 Calendar and Board Meeting Dates.

Ms. Bailey provided the Board with a proposed calendar and proposed Board meeting dates for calendar year 2025. Ms. Bailey noted that the recommendation included an October Board meeting and did not include a November Board meeting. Ms. Bailey advised that she anticipated that the January Board meeting would be held in the new offices and the City Commission would be invited to that meeting

MOTION made by Trustee Greene, seconded by Trustee G. Keller, to accept the COHERF 2025 Calendar and Board Meeting dates. In a voice vote of the members present, all members voted in favor. **Motion** passed 6-0.

E. Communications from the Executive Director

- Ms. Bailey requested the approval of the Proposed Employee Trustee Election Process

MOTION made by Trustee G. Keller, seconded by Trustee Strauss, 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 6-0.

- Ms. Bailey advised that the release of the Member Self Service portal was a success with members having little to no difficulty accessing and using the site. She advised that 188 members had already set up their user accounts.
- Ms. Bailey provided the DROP Participant List.

8. **PUBLIC COMMENTS**

There were no public comments.


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

Trustee Armand advised that she would be unable to attend the December meeting and requested that she be excused. Trustee G. Keller reminded the Board that early voting had begun and he expected that the new Commission would be seated on November 20th. He advised that there would be discussion in preparation for contract negotiations. Trustee Strauss noted the exceptional investment performance return. Trustee Shaw noted the successes of the year and the plans for the upcoming year.

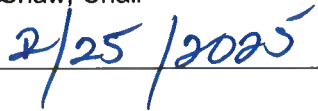
Trustee G. Keller requested that we consider the possibility of broadcasting the Pension Board meetings. Trustee Greene acknowledged the improvements in the Plan and congratulated the Trustees, staff, attorney and consultants that have taken the Plan to where it is today.

10. **ADJOURNMENT**

MOTION made by Trustee D. Keller, seconded by Trustee Greene, to adjourn the meeting. In a voice vote by the members present, **Motion** passed 6-0. The meeting adjourned at 11:15a.m.



Phyllis Shaw, Chair



Date