

HOLLYWOOD POLICE OFFICERS' RETIREMENT SYSTEM
Office of Retirement
4205 Hollywood Blvd., Suite 4
Hollywood, Florida 33021

December 20, 2019

MINUTES

A regular meeting of the Hollywood Police Officers' Retirement System was held on Friday, December 20, 2019, at 10:33 A.M., in the Office of Retirement, 4205 Hollywood Blvd., Suite 4, Hollywood, Florida 33021.

PRESENT:

D. Strauss, Chairman; C. Marano, Secretary; C. Boyd; R. Wise; P. Laskowski; R. Brickman and V. Szeto.

Also present were Justin Leo, Active Member; Greg Rossman; Counsel for Restored Retired Members; Laurette Jean, City of Hollywood; Dean McQuiddy, Sawgrass Asset Management; Stuart Kaufman, Legal Counsel - Klausner, Kaufman, Jensen & Levinson and Dave Williams, Plan Administrator.

PUBLIC COMMENT

Member Rick Losenbeck reviewed the 40-hour annual cash out matter. Mr. Losenbeck was part of the negotiating team during the ordinance change of 2019. As a result of the ordinance that passed this year (2019) the city did not include language to include annual cash out as pensionable. Mr. Losenbeck indicated that the city interpretation differed from state law and it should be pensionable. He cited that GE and Fire does have the same provision in their ordinances that passed this year and it is pensionable. Mr. Losenbeck met with city officials who now agree that PD was treated differently than GE and Fire. A possible memo of understanding will follow. He asked the Board to make a determination on the matter. Mr. Kaufman advised to place this item on the Agenda for January 31, 2020 for review and consideration.

Mr. Rossman asked about the status of the restored members. He was informed that the project was undertaken by the Board Actuary and he and his staff are diligently working on the matter. Final reports are expected at the January 31, 2020 meeting.

READING OF THE WARRANTS

The warrants since the last meeting were reviewed and executed by the Board of Trustees.

APPROVAL OF THE MINUTES OF THE November 22, 2019 MEETING

Mr. Strauss asked if there were any additions or corrections to the Minutes of the November 22, 2019 pension board meeting. Mr. Szeto made a motion to approve the Minutes of the November 22, 2019 pension board meeting, which was seconded by Mr. Brickman. All board members voted yes.

ATTORNEY'S REPORT

SUMMARY PLAN DESCRIPTION (SPD): Mr. Kaufman advised he received a draft of the SPD that the actuary authored, and Mr. Williams commented upon. He indicated that he is currently reviewing as well. Mr. Kaufman suggested the Board approve the release upon his final review and approval. The foregoing was placed in the form of a motion by Mr. Brickman, which was seconded by Mr. Laskowski. All board members voted yes.

COVETRUS, INC: Mr. Kaufman stated the lead plaintiff decision is pending in the court.

HD SUPPLY: Mr. Kaufman advised the case is settled and further should be known in the late spring of 2020.

CORRECTIONS MATTER: Mr. Kaufman reported the court is fully briefed. Verbal arguments may or may not be heard.

Entrust Special Opportunity Fund: Mr. Kaufman is reviewing the contractual requirements for the pending queue.

QUARTERLY INVESTMENT REPORT

- Sawgrass Asset – Mr. Dean McQuiddy appeared before the Board to review portfolio. It was reported that the portfolio investment gain from the inception¹ of the investment has increased by \$6,094,609.00². As of September 30, 2019, portfolio market value was \$22,058,393.00. Over the trailing 12 months³ the portfolio returned 7.57% on a net basis compared to the benchmark return of 3.71%. Since inception the portfolio beat the benchmark by 25 basis points (Net).

ADMINISTRATIVE REPORT

Capital Call - Intercontinental US Real Estate Investment Fund, LLC.: A Capital Call was received in the amount of \$3,036,701.00 and the wire will take place on January 2, 2020. The donor manager, Inverness Counsel has been advised accordingly.

Drop Draft Report – Mr. Williams distributed a draft drop report from the actuary as part of the restoration project. As noted prior at this meeting a full report is expected for the January meeting.

Normal Retirement Benefit – Member Jason Bloch is receiving an estimated benefit payment until his final calculation is prepared. Effective January 1, 2020. After review and consideration, a motion was made to approve the warrant request, which was seconded by Mr. Boyd. All board members present voted yes.

Return of Pension Contributions – Mr. Williams outlined a request to return pension contribution of Diivory Edgecomb, terminated October 3, 2019. It was learned during the review that Mr. Edgecomb was legally challenging his termination and seeking to be reinstated. Mr. Kaufman opined that due to Mr. Edgecomb's efforts to be reinstated the request should not be approved at this time. Mr. Williams will send the member a letter and invite him to the next meeting to ensure he is aware of his actions.

Drop Entry - The Drop Entry of Joshua Czerenda on October 15, 2019 was reviewed. Motion by Mr. Szeto to approve Drop Entry, which was seconded by Mr. Boyd. All board members present voted yes.

Drop Loans - Mr. Williams cited the respective member's loan requests. He outlined that each member has the funds in his/her personal Drop account to cover the loans and he/she has been a participant in the Drop plan for the required amount of time. No conflict exists with the 12-month rule. Mr. Laskowski made a motion to approve the loans as noted which was seconded by Mr. Brickman. All board members present voted yes.

¹ Inception Date of the Portfolio - June 23, 2017

² Initial Investment \$16,077,416.00

³ September 30, 2019

NEW BUSINESS

TRUSTEE ELECTION - The elected trustee seat of David Strauss is opening due to his impending retirement. The term for the new trustee will be for the balance of Mr. Strauss' current term which is set to expire in March 2021. Nominations were announced and held December 2-9th. As a result, two members Mr. Justin Leo and Mr. Justin Schweighardt are vying for the seat. The election was held on January 6, 2020 at 9:00 AM thru January 13, 2020 at 9:00 AM. Good luck to both members.

STAFF REVIEW - Mr. Williams presented a salary review for the Board to consider effective October 1, 2019. Mr. Williams also outlined a one-time performance stipend for the Board to consider as a result of all the inherent efforts that were undertaken system wide as a result of the restoration ordinance. Mr. Williams cited the CPI for the year through October 1, 2019 was valued at 1.67%. He also provided a salary breakdown through 3.00% for the Board to consider. Mr. Brickman asked Mr. Williams what he felt the part time staff deserves. Mr. Williams opined the full 3% would be reasonable for the commitment received from Staff.

After review and consideration, a motion was made by Mr. Brickman to approve the one-time stipend and the 3% adjustment for Mrs. Ostrander. Motion seconded by Mrs. Marano. All board members present voted yes.

After review and consideration, a motion was made by Mr. Brickman to approve the one-time stipend and the 3% adjustment for Mrs. Strauss. Motion seconded by Mrs. Marano. All board members with the exception of Mr. Strauss voted yes. Mr. Strauss abstained and will complete Form 8B. Motion passed 6-0-1 abstention.

After review and consideration, a motion was made by Mr. Brickman to approve the one-time stipend and the 3% adjustment for Mr. Williams. Motion seconded by Mrs. Marano. All board members present voted yes.

OPEN DISCUSSION

Mr. Strauss announced his appointment to the Board of Trustees by Mayor Levy. He will be filling the seat currently held by Mr. Wise. The Board and Staff commended Mr. Wise for his efforts on the Board, especially during this most litigious period. Mr. Wise reflected upon his time on the Board and thanked all concerned for the opportunity.

MEETING ADJOURNED

There being no further business, the meeting was adjourned at 11:33 AM.

The next scheduled meeting is January 31, 2020 at 10:30 AM.

Respectfully submitted,

APPROVED:

C. Marano, Secretary

D. Strauss, Chairperson