

AGENDA ITEM 1

**NO BACKUP
FOR THIS SECTION**

AGENDA ITEM 2

**NO BACKUP
FOR THIS SECTION**

AGENDA ITEM 3

ITEM 3.a.

**MINUTES of
MAY 26, 2016
REGULAR PENSION
BOARD MEETING**

**MINUTES
REGULAR PENSION BOARD MEETING
CITY OF HOLLYWOOD EMPLOYEES' RETIREMENT FUND
THURSDAY, MAY 26, 2016**

1. CALL TO ORDER

Chair Shaw called the meeting to order at 9:07 a.m.

2. ROLL CALL AND PLEDGE OF ALLEGIANCE

Board Members present: Chair Phyllis Shaw, Vice-Chair Jeffrey Greene, Chris Cassidy, Raquel Elejabarrieta, George Keller (arrived at 9:25 a.m.), and Richard Templeton. Dan Matlow was absent. Also present: Pension Coordinator Lisa Castronovo, Tami Thornton for Board Secretary Tammie Hechler, and Glenn Thomas (via telephone) for Board Attorney James Linn (Lewis, Longman & Walker).

3. CONSENT AGENDA

- a. April 13, 2016 Special Meeting Minutes
- b. April 28, 2016 Regular Meeting Minutes
- c. May 10, 2016 Special Meeting Minutes
- d. Excuse Trustee Elejabarrieta from April 28, 2016 Regular Board Meeting
- e. Excuse Trustee Matlow from May 10, 2016 Special Board Meeting
- f. Ratification of Distributions (Contributions and DROP) and Plan Expenses
- g. Approval/Ratification of New Retirement/DROP/Vested/Death Annuities

MOTION made by Mr. Templeton, seconded by Ms. Elejabarrieta, to approve Consent Agenda Items 3.a - g. In a voice vote by the members present, all members voted in favor. **Motion** passed 5-0.

4. TREASURER'S REPORT – Taken out of order

Ms. Dziejdzic reported the Fund's assets decreased \$1.1 million from \$2.93 million to \$291.9 million on March 31, 2016. It was noted the reduction in balance was due to disbursements. Investment return was up 4.97% from October 2, 2015.

5. INVESTMENT ISSUES (Keith Reynolds, Segal Rogerscasey)

- a. Baird Advisors Presentation (Charles Groeschell and Jeffrey Simmons)
Report made part of these Minutes

Mr. Groeschell stated that Baird's investors sought consistent quarter in/quarter out as well as year in/year out returns and they looked at securities from the bottom up with the major emphasis on the quality of the investment. Mr. Groeschell continued that the Fund benefited from its investment with Baird because of Baird's long-term relationships focusing on clients and direct communication, their experienced management team, their total focus on fixed income management, and their culture and resources as key to future success.

- b. Neuberger Berman Presentation (Mike Foster & William Wallace)
Report made part of these Minutes

Mr. Murphy noted that the Neuberger portfolio was structured to be very conservative with principal preservation and assets available for liquidity on an ongoing basis. Mr. Murphy emphasized the stability and viability of Neuberger Berman through the years. Mr. Murphy explained that when lower quality investments outperform higher quality investments, the higher quality portfolio will underperform thus explaining why the Fund's Neuberger Berman investment had been slightly underperforming the benchmark for the past few quarters.

The Board requested Mr. Reynolds to present material and information at the August 2016 regular Board meeting about changing/updating the Fund's fixed income investments.

- c. March 31, 2016 Quarterly Performance Review
Report made part of these Minutes

Mr. Reynolds reported the performance for the quarter ended March 31, 2016 was good considering how poorly the quarter started. Mr. Reynolds noted the Fund ranked 9th among 254 other similar sized funds for the quarter end March 31, 2016, 9th for fiscal year to date (October 1, 2015 – March 31, 2016), and 1st for the full year April 1, 2015 – March 31, 2016. Mr. Reynolds added the changes made to the Fund over the last three years had proven very beneficial to the Fund.

(Chair Shaw handed the gavel to Mr. Templeton at 10:12 a.m. and took it back at 10:15 a.m.)

- d. Flash Performance Review

Mr. Reynolds reported that the Fund's market value was \$293 on April 30, 2016. The various sector allocations were very close to their respective target allocations. Mr. Reynolds continued by noting that monies would be pulled from domestic equity in the future as needed to fund the new alternative investments in HarbourVest's Dover Street IX, Neuberger Berman's Crossroads XXI, and IFM's global infrastructure fund. Mr. Reynolds recommended transferring in the immediate at least \$3 million from Northern Trust to the cash account to cover upcoming distributions as well as the first capital call for Neuberger Berman's Crossroads XXI. Mr. Reynolds added that on June 30, 2016, \$2.5 million would come into the cash account from real estate manager Morgan Stanley and such money should stay in that account to cover additional distributions coming payable in July and August.

MOTION made by Mr. Templeton, seconded by Mr. Keller, to transfer \$5 million from Northern Trust to the cash account immediately. In a voice vote by the members present, all members voted in favor. **Motion** passed 6-0.

MOTION made by Mr. Templeton, seconded by Ms. Elejabarrieta, to leave the \$2.5 million from Morgan Stanley in the cash account once it was deposited. In a voice vote by the members present, all members voted in favor. **Motion** passed 6-0.

Mr. Reynolds noted that due to the increase in the dollar amount of the monthly retirement benefits paid it was necessary to increase the monthly deposits coming from Baird Advisors and Neuberger Berman. Mr. Reynolds concluded with his recommendation to hold off changing the transfer amount until after his fixed income educational presentation to the Board in August.

6. LEGAL ISSUES (Glenn Thomas)

Mr. Thomas had nothing to report.

7. ADMINISTRATIVE ISSUES

a. City Commission Communication

At its April 28, 2016 meeting, the Board agreed to send regular communications to the City Commission, City Manager and Assistant City Managers. Ms. Castronovo provided the Board with a City Commission Communication for their discussion and review. Board discussion followed.

b. Fund Administration, Preplanning – continued discussion

Ms. Castronovo summarized her May 19, 2016 memorandum to the Board regarding preparations for self-administration of the Fund and highlighted the items she felt needed immediate attention: 1) selection of a Board secretary; 2) the need to review/revise contracts with Board attorney, Board actuary, and Board investment consultant to transfer contract from service provider and City to service provider and Board of Trustees; 3) adopt an authorization form for payment of Fund expenses; and 4) communication to the City's Department of Finances that effective immediately all Fund expenses were to be paid from the Fund, not the City's general expense fund.

The Board collectively agreed to table the selection of a Board secretary until the June meeting when all Board members could be present.

Chair Shaw suggested the Board establish a budget for fiscal year 2016/17 as a trial in advance of the requirement to establish a budget for fiscal year 2017/18. Mr. Templeton suggested that Finance provide information on the Fund's expenditures for the past year. Chair Shaw said she wanted to hold a special meeting or workshop in July 2016 to begin work on the Fund becoming independent of the City. Chair Shaw emphasized the importance of all Board members to take the time to complete their assigned duties regarding the Fund self-administration before the special meeting/workshop in July.

Chair Shaw thanked Ms. Elejabarrieta for her service on the Board. Mr. Keller also expressed his appreciation to Ms. Elejabarrieta for her service to the Board and City. Vice-Chair Greene also thanked Ms. Elejabarrieta for her time and service.

8. PUBLIC COMMENTS

Public comment was heard from Ron Bolton – 1150 NW 71st Avenue, Plantation, FL

9. TRUSTEE REPORTS, QUESTIONS AND COMMENTS

Mr. Keller stated the City was working hard, in spite of the budget shortfall for fiscal year 2016/17, to move forward with implementing an excess benefit plan to provide benefits to those retirees adversely affected by IRC Section 415. Mr. Keller recommended that each of the City's retirement funds have a seat at the City's budget workshops so the City would have a better understanding of the decisions made by the respective Boards and to be more prepared for the overall impact and ramification of such decisions.

Chair Shaw emphasized the need for the Board members to work together to move forward with what they started and had approved: being self-sufficient and independent of the City.

10. PENSION COORDINATOR'S REPORT (Lisa Castronovo)

Ms. Castronovo stated she paid for the dinner provided at the Board's special meeting as she was previously told the Fund could not pay for food. Vice-Chair Greene said he felt the Trustees should each pay for themselves rather than have the Fund pay. Mr. Keller stated the City most likely would not have a problem paying for food provided at meal times during special meetings/workshops as this was standard practice for City meetings/workshops.

Ms. Castronovo provided information on office space becoming available at the Chamber of Commerce July 1, 2016 to which the Board could consider moving the Pension Office. Mr. Templeton said he thought it was premature to discuss moving the Pension Office since decisions regarding the Pension Coordinator's contract and the current lease situation should be discussed first. The Board decided to hold off on looking for office space.

11. ADJOURNMENT

MOTION made by Ms. Elejabarrieta, seconded by Mr. Keller, to adjourn the meeting. In a voice vote by the members present, **Motion** passed 6-0. Meeting adjourned at 11:24 a.m.

Phyllis Shaw, Chair

Date

ITEM 3.b.

**EXCUSE ABSENCE
of TRUSTEE MATLOW
from
MAY 26, 2016
REGULAR MEETING**

(No backup included for this Item)

ITEM 3.c.

**RATIFICATION OF
DISTRIBUTIONS
(Contributions and DROP)
and
PLAN EXPENSES**

PLAN DISTRIBUTIONS

EMPLOYEES' RETIREMENT FUND
Refunds and Distributions
June 23, 2016 Regular Pension Board Meeting

Refunds of Contributions

<u>Name</u>	<u>Refund</u>
Colebrook, Rodney	\$ 39,125.09
Lalla, Matthew	55,106.77
Nieves, Queenester	4,008.80
Walton, Laurie-Anne	10,776.70
	<u>\$ 109,017.36</u>

DROP Distributions

Calhoun, Taylor	\$ 419,951.22
Corriveau, Alan	350,247.98
Denapoli, Linda	112,856.67
Ebanks, Barbara	95,992.35
Epstein, Jaye	237,679.89
Koeppel, Barbara	131,816.08
Lambert, Donald	133,473.23
Macrae, Kathy	82,860.03
Malec, Diane	129,232.67
Riggins, Michael	81,043.80
Wong, Nancy	122,096.88
Zabric, William	338,053.60
	<u>\$ 2,235,304.40</u>

TOTAL: \$ 2,344,321.76

EMPLOYEES RETIREMENT FUND

Payment Requests Processed During the Period

May 1, 2016 through May 31, 2016

Manager Fees

Segal Rogerscasey (April 2016)	\$	10,833.33
Neuberger Berman (quarter ending 06/30/16)		28,113.37
Wellington Management (quarter ending 03/31/16)		70,985.45
Brandes International (quarter ending 03/31/16)		37,242.00
Baird Advisors (quarter ending 03/31/16)		34,830.64
		<u>182,004.79</u>

Quarterly Custodian Fees

Wells Fargo Bank, N.A. (quarter ending 03/31/16)		<u>14,735.89</u>
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Pension Coordinator Fees

LECastronovo Co., Inc. (May 2016)		<u>13,173.33</u>
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Miscellaneous

Print Shop Charges (Election Notice)		328.50
Sharp - Copier Lease Payment (04/01/16 - 04/30/16)		157.06
Sharp - Copier Lease Credit (05/01/16 - 05/31/16)		153.87
Gil Lichtshein, MD, PA		2,500.00
United Postal Service		107.26
United Postal Service		7.23
United Postal Service		40.54
		<u>3,294.46</u>

Total	\$	<u><u>213,208.47</u></u>
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ITEM 3.d.

**APPROVAL/RATIFICATION of
NEW RETIREMENTS/DEATHS**

EMPLOYEES' RETIREMENT FUND

New Retirement/DROP/Death/Vested Annuities - Monthly Amounts June 23, 2016 Regular Pension Board Meeting

April 2016

Thomas, Jason - retirement (from DROP Police)	\$	322.39
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May 2016

Paul, Jr., Vernon - retirement (from Vested status)	\$	1,082.77
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June 2016

Smith, Jeannette - retirement (from Vested status)	\$	3,648.68
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July 2016

Calhoun, Taylor - retirement (from DROP)	\$	5,821.03
Corriveau, Alan - retirement (from DROP)		4,854.86
DeNapoli, Linda - retirement (from DROP)		1,564.33
Ebanks, Barbara - retirement (from DROP)		1,330.57
Epstein, Jaye - retirement (from DROP)		3,294.53
Koeppel, Barbara - retirement (from DROP)		1,827.13
Lambert, Donald - retirement (from DROP)		1,850.10
Macrae, Kathy - retirement (from DROP)		1,148.54
Malec, Diane - retirement (from DROP)		1,791.32
Riggins, Michael - retirement (from DROP)		1,123.37
Wong, Nancy - retirement (from DROP)		1,692.41
Zabric, William - retirement (from DROP)		4,685.83

AGENDA ITEM 4

CITY OF HOLLYWOOD, FLORIDA

EMPLOYEES RETIREMENT FUND

TREASURER'S REPORT

April 30, 2016

<u>Investment Balances</u>	<u>Market Value</u>	<u>Book Value</u>	<u>Unrealized Gain (Loss)</u>
Balance, October 1, 2015	\$ 286,269,704.92	\$ 262,602,326.02	\$ 23,667,378.90
Contributions and Payments:			
City Contributions		9,767,849.00	
Employee Contributions		1,743,005.67	
Pension Disbursements		(18,433,628.20)	
Administrative Expenses		(183,615.91)	
Net Contributions/Payments		<u>(7,106,389.44)</u>	
Investment Income:			
Dividends Received		1,456,205.41	
Interest Received - net		1,298,774.22	
Gain on Sales		766,675.71	
Commission Recapture		2,605.24	
Quarterly Investment Fees		(522,238.04)	
Net Investment Income		<u>3,002,022.54</u>	
Balance, April 30, 2016	<u>294,762,538.30</u>	<u>258,497,959.12</u>	<u>36,264,579.18</u>
Increase (Decrease) for the Period	\$ <u>8,492,833.38</u>	\$ <u>(4,104,366.90)</u>	\$ <u>12,597,200.28</u>

Unrealized Gain (Loss) Account

Composition of Increases (Decreases)

Thompson, Siegel & Walmsley	\$ 1,457,959.67
Frontier Capital Management	1,259,109.06
Wellington International	1,014,107.40
Northern Trust	5,331,611.56
Brandes Investment Partners	1,649,162.10
Total Equity Managers	<u>10,711,949.79</u>
Baird Advisors	558,206.05
Neuberger & Berman	407,608.55
Morgan Stanley	301,083.05
Principal Investors	618,352.84
	\$ <u>12,597,200.28</u>

Investment Return

Net Investment Income	\$ 3,002,022.54
Increase (Decrease) in Unrealized Gain/Loss	12,597,200.28
Total Investment Return for Period	\$ <u>15,599,222.82</u>

Beginning Market Value of Assets	\$ 286,269,704.92
Plus/(Less): Net Contributions/Payments	(7,106,389.44)
Assets Available for Investment	\$ <u>279,163,315.48</u>

Investment Return as a % of Assets Available for Investment 5.59%

AGENDA ITEM 5

ITEM 5.a.

FLASH PERFORMANCE REVIEW

**(Backup material not available
at time of this printing)**

AGENDA ITEM 6

ITEM 6

DISABILITY APPLICATIONS

Timothy Irwin – Duty

**CITY OF HOLLYWOOD, FLORIDA
PENSION COORDINATOR
MEMORANDUM TO THE PENSION BOARD**

DATE: June 16, 2016
TO: Board of Trustees of the Employees' Retirement Fund
FROM: Lisa Castronovo, Pension Coordinator *lca*
SUBJECT: Duty Disability Application from **TIMOTHY IRWIN**

ISSUE:

Timothy Irwin's duty disability retirement application

EXPLANATION:

Timothy Irwin was born on January 4, 1969; he is now 47 years old. He started working for the City of Hollywood fulltime on November 21, 2005. As of today's date, June 16, 2016, he is credited with 10 years, 7 months of service for pension benefit purposes. Mr. Irwin is currently on unpaid leave from the City. His last paid day with the City was December 9, 2015. His most recent employment with the City was as a repairman in the meter shop at Underground Utilities. As of the date of his injury/disease onset (August 3, 2013), he was a Wastewater Treatment Mechanic 1.

If Mr. Irwin were to continue to work for the City, both the Frozen Accrued Benefit and the benefit he accrues after March 4, 2014 would be payable on his 62nd birthday (January 4, 2031) because he will have worked 25 years at that time. If Mr. Irwin leaves the City before completing 25 years of service, his normal retirement date to receive the Frozen Accrued Benefit is January 4, 2024 (his 55th birthday) and the normal retirement date for him to receive the benefit he accrues after March 4, 2014 is January 4, 2034 (his 65th birthday).

Copies of his application, accompanying physicians' reports, attendance record for the last year, most recent performance review, City job description (as of August 3, 2013), signed medical release, and the independent physician's report are attached.

If a Duty Disability benefit is granted, Mr. Irwin's monthly benefit, based on the "normal" option and his current hourly rate of pay of \$24.71, would be \$3,212.30 (= $\$24.71 \times 2080 = \$51,396.80 \times 75\% = \$38,547.60 / 12$). Mr. Irwin will be able to elect to receive his benefit as a "Joint and Equal" or "Joint and Half" optional form of benefit and consequently take an actuarial reduction in the benefit.

Ms. Tammie Hechler, Director of Human Resources, informed me that she would submit her determination regarding Mr. Irwin to me no later than June 22, 2016. I will provide her opinion at the June 23, 2016 Board meeting.

RECOMMENDATION: Consider Mr. Timothy Irwin's disability retirement application.

TREATMENT PLANT MECHANIC I

DEPT: PUBLIC UTILITIES

CODE: 5452

PAYGRADE: 24

CHARACTERISTICS OF THE CLASS

This is skilled and semi-skilled work in the maintenance and repair of water and wastewater plants and equipment. Employees in this class are responsible for assuring the efficient and safe mechanical operation of equipment and machinery at large utilities operations. Repair work is performed in accordance with established schedules, with special assignments resulting from periodic inspection or from reports from plant operations personnel and supervisors. Work may involve an element of personal danger and exposure to adverse weather conditions and toxic substances. Work is inspected by a skilled supervisor while in process and upon completion for quality of results. Functional supervision may be exercised over unskilled and semi-skilled employees.

EXAMPLES OF ESSENTIAL FUNCTIONS

1. Repairs and maintains plant equipment necessary for the flow and treatment of water or wastewater.
2. Repairs small, gasoline-fueled engines, pumps, and other equipment; replaces bearings, wheels, and pulleys.
3. Assists in the installation of new equipment.
4. Performs brazing and soldering, and non-skilled level painting, plumbing and carpentry in the maintenance of plant and equipment.
5. Positions and connects chlorine cylinders; check cylinders for leaks.
6. Performs/completes generator inspection, preventative maintenance and the preventative maintenance check list.
7. Performs related work as required for this position description only.

REQUIREMENTS

A. Training and Experience:

Graduation from high school or GED, plus two (2) years of experience in mechanical maintenance and repair, or an equivalent combination of training and experience. Must obtain a CDL Class "B" license within six (6) months of hire.

B. Knowledge, Abilities and Skill:

Knowledge of the methods, practices, tools, materials, and principles of operation of utilities equipment.

Knowledge of the practices and tools utilized in general maintenance work.

Knowledge of the hazards and safety precautions of the mechanical trades and work with toxic substances.

Some knowledge of the principles, practices, and safety precautions of welding.

Skill in the operation of a dump truck, crane truck, vector to clean wells, and sewer cleaning equipment.

Skill in the use and care of hand and power tools.

Ability to work from sketches, specifications, and brief oral instructions.

Ability to establish and maintain effective working relationships with superiors and fellow employees.

Ability to diagnose operating anomalies and effect necessary repair.

Ability to maintain and compile work records.

AGENDA ITEM 7

ITEM 7.a.

IRS COMPLIANCE ORDINANCE

(Backup not available at this time)

ITEM 7.b.

LITIGATION UPDATE

(No backup)

AGENDA ITEM 8

ITEM 8.a.

**CITY COMMISSION
COMMUNICATION**

**CITY OF HOLLYWOOD, FLORIDA
PENSION COORDINATOR
MEMORANDUM TO THE PENSION BOARD**

DATE: June 16, 2016
TO: Board of Trustees of the Employees' Retirement Fund
FROM: Lisa Castronovo, Pension Coordinator *lee*
SUBJECT: City Commission Communication

ISSUE:

Regular communication with City Commissioners and other interested parties

EXPLANATION:

Attached is proposed City Commission Communication for the May 26, 2016 regular Board meeting.

RECOMMENDATION:

For review and discussion

CITY OF HOLLYWOOD, FLORIDA EMPLOYEES' RETIREMENT FUND BOARD OF TRUSTEES MAY 26, 2016 REGULAR MEETING

Board's Communication to the City Commission

Items Requiring City Commission Action

- None

Items of Interest to the City Commission

- The Employees' Retirement Fund ranked #1 out of 250 funds of similar size as measured by the Fund's investment consultant in overall investment performance for the one year period April 1, 2015 – March 31, 2016

Items Submitted for City Commission Consideration

- None

Summary of May 26, 2016 Regular Board Meeting:

Board Members present: Chair Phyllis Shaw
Vice-Chair Jeffrey Greene
Christopher Cassidy
Raquel Elejabarrieta
George Keller
Richard Templeton

Board member absent: Dan Matlow

Also present: Lisa Castronovo, Pension Coordinator
Tami Thornton for Secretary Tammie Hechler
Glenn Thomas for Board Attorney James Linn

INVESTMENT MATTERS:

Fixed income money manager Baird Advisors made a presentation. The representative stated that Baird's investors sought consistent quarter in/quarter out as well as year in/year out returns and they looked at securities from the bottom up with the major emphasis on the quality of the investment. The representative added that the Fund benefited from its investment with Baird because of Baird's long-term relationships focusing on clients and direct communication, their experienced management team, their total focus on fixed income management, and their culture and resources as key to future success.

Fixed income money manager Neuberger Berman made a presentation. The representative noted that the Neuberger portfolio was structured to be very conservative with principal preservation and assets available for liquidity on an ongoing basis. Mr. Murphy emphasized the stability and viability of Neuberger Berman through the years. Mr. Murphy explained that when lower quality investments outperform higher quality investments, the higher quality portfolio will underperform thus explaining why the Fund's Neuberger Berman investment had been slightly underperforming the benchmark for the past few quarters.

Keith Reynolds, representing Segal Rogerscasey, the Board's investment consultant, reported the Fund's market value on March 31, 2016 was \$293.2 million. Mr. Reynolds added that the Fund ranked 9th among 254 other similar sized funds for the quarter end March 31, 2016, 9th for fiscal year to date (October 1, 2015 – March 31, 2016), and 1st for the full year April 1, 2015 – March 31, 2016.

Mr. Reynolds recommended transferring at least \$3 million from Northern Trust to the Fund's cash account to cover upcoming distributions as well as the first capital call for \$2 million for the Fund's new investment in a private equity fund through money manager Neuberger Berman. Mr. Reynolds added that on June 30, 2016, \$2.5 million would come into the cash account from real estate manager Morgan Stanley and such money should stay in that account to cover additional distributions coming payable in July and August. The Board agreed via motions to transfer \$5 million from Northern Trust to the cash account as soon as possible to cover upcoming cash demands and to leave the \$2.5 million from Morgan Stanley in the cash account to cover cash needs in July and August.

ADMINISTRATIVE MATTERS:

Chair Shaw suggested the Board establish a budget for fiscal year 2016/17 as a trial in advance of the requirement to establish a budget for fiscal year 2017/18. Chair Shaw added she wanted to hold a special meeting or workshop in July 2016 to begin work on the Fund becoming independent of the City and she emphasized the need for all Board members to commit to working as a cohesive group to assure as easy as possible transition to independence.

ITEM 8.b.

FUND ADMINISTRATION

**CITY OF HOLLYWOOD, FLORIDA
PENSION COORDINATOR
MEMORANDUM TO THE PENSION BOARD**

DATE: June 16, 2016
TO: Board of Trustees of the Employees' Retirement Fund
FROM: Lisa Castronovo, Pension Coordinator *lee*
SUBJECT: Fund Administration, Preplanning

ISSUE:

Preparing for self-administration of the Fund

EXPLANATION:

At its May 18, 2016 meeting, the City Commission passed on second reading Proposed Ordinance PO-2016-09 which changes the way the Fund is administered.

RECOMMENDATION:

Discussion item

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF HOLLYWOOD, FLORIDA, AMENDING SECTION 33.025 OF THE CODE OF ORDINANCES, "EMPLOYEES' RETIREMENT FUND", PROVIDING FOR STAGGERED TERMS FOR MEMBERS OF THE BOARD OF TRUSTEES APPOINTED BY THE CITY COMMISSION; PROVIDING FOR THE ENGAGEMENT OF ACTUARIAL, LEGAL AND OTHER SERVICES BY THE BOARD OF TRUSTEES, AND PAYMENT FROM THE FUND FOR SUCH SERVICES; PROVIDING FOR AN ANNUAL ADMINISTRATIVE EXPENSE BUDGET AND REPORT; PROVIDING FOR CODIFICATION, SEVERABILITY AND CONFLICT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Commission of the City of Hollywood has determined it to be in the best interest of the City and its employees to amend the City Code to authorize the Board of Trustees of the City of Hollywood Employees' Retirement Fund to engage legal, actuarial and other services necessary for the operation of the Fund, and to pay for such services from the Fund; and

WHEREAS, the Board of Trustees of the City of Hollywood Employees' Retirement Fund has determined it to be in the best interest of the members and beneficiaries of the Retirement Fund for the Board to be able to engage legal, actuarial and other services necessary for the operation of the Fund, and to pay for such services from the Fund; and to establish an annual administrative expense budget and provide a report on expenses; and

WHEREAS, the Board of Trustees has also determined it to be in the best interest of the members and beneficiaries of the Retirement Fund for the Board members who are appointed by the City Commission to have staggered terms;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA:

Section 1: That Section 33.025(R) of the Code of Ordinances is hereby amended to read as follows:

TITLE III: ADMINISTRATION

* * *

(Coding: Words and figures underscored are additions to existing law; words and figures ~~struck-through~~ are deletions.)

CHAPTER 33: CITY EMPLOYEES

* * *

RETIREMENT

EMPLOYEES' RETIREMENT FUND

§ 33.025 PENSIONS AND RETIREMENT

* * *

(R) *Management.*

* * *

(2) The terms of office of all Board members shall be three years, except to provide staggered terms for Board members appointed by the City Commission, the first such appointment occurring on or after May 18, 2016 shall be for a term expiring June 30, 2018, notwithstanding any other provision of this section.

Section 2: That Section 33.025(S) of the Code of Ordinances is hereby amended to read as follows:

TITLE III: ADMINISTRATION

* * *

CHAPTER 33: CITY EMPLOYEES

* * *

RETIREMENT

EMPLOYEES' RETIREMENT FUND

§ 33.025 PENSIONS AND RETIREMENT

* * *

(S) *Administration.*

~~(1) For the purposes of administering the Fund in accordance with the terms of this plan and to execute the orders and directions of the Board of Trustees and the committee on investments, there shall be created in the office of the City Manager a Division of Pensions.~~

~~(2) The Division of Pensions shall be subject to all the laws, rules and regulations governing all departments, divisions and bureaus of the city government. To the extent possible, the accounts and records of the Fund shall be integrated with the operations of the city government.~~

~~(13) The Board shall annually select from among its members a City Manager shall appoint a person to serve as secretary, of the Fund who shall perform such duties as may be assigned by the Board.~~

(2) The official custody and supervision of the Fund (and assets thereof) shall be vested in the Board. Payment of benefits and disbursements from the Fund may be made by a disbursing agent but only upon written authorization from the Board.

(3) Assets of the Fund may be deposited with the Director of the Department of Financial Services of the city, acting in a ministerial capacity only, who shall be liable in the same manner and to the same extent as he or she is liable for the safekeeping of funds for the city. Any assets so deposited with the Director of the Department of Financial Services of the city shall be kept in a separate fund or clearly identified as assets of the Fund. Alternatively, the Board may deposit assets of the Fund in a qualified public depository as defined in F.S. § 280.02, which depository with regard to such funds shall conform to and be bound by all of the provisions of F.S. Ch. 280.

~~(4) The Director of the Department of Financial Services of the city shall be ex officio treasurer of the Fund and shall be the official custodian of all cash and securities and books and accounts belonging to the Fund which shall be maintained in a special trust fund for the account of the Fund. He or she shall receive all moneys and securities for the account of the Fund, deposit such moneys and make payments for purposes specified in this plan upon vouchers signed by him or her, in accordance with authorization of the Board.~~

(45) The pension coordinator secretary shall maintain custody of all be in charge of records, files, and all papers and documents of the Fund and belonging to the Board. All such records, files and documents shall be stored in the pension office with appropriate backup approved by the Board.

(56) The Board shall engage such actuarial, accounting, legal, and other services as shall be required to transact the business of the Fund. The compensation of such persons engaged by the Board shall be paid from the Fund at such rates and in such amounts as determined by the Board. The city shall retain an attorney to serve as legal advisor to the Board.

~~(7) The City Manager, subject to applicable rules and regulations governing the employment of personnel, may employ actuarial, medical, clerical and other assistants as may be required in the operation of the Fund and to effectuate the purposes of this plan.~~

~~(68) A separate corporate surety bond shall be furnished by the Finance Director, acceptable to the Board, of such amount as the Board shall designate. The Board shall purchase insurance coverage, including fiduciary insurance and surety bonds, in such amounts and under such terms as determined by the Board; and surety bonds shall be taken out covering the chairman and secretary of the Board, in favor of the Fund, in amounts stipulated by the Board.~~

~~(79) All expenses for the administration and operation of the Fund as approved by the Board. The legal advisor, the pension coordinator, and the costs of the pension coordinator's office shall be paid by the Fund. All other costs and expenses incurred in the administration of the Fund shall be paid by the city, and no part of such expenses shall be charged to the Retirement Fund, except as otherwise specifically provided in the plan. Beginning with the fiscal year commencing October 1, 2017, the Board shall provide a detailed accounting report of its expenses for each fiscal year, and make the report available to all members and the City. The report must include all administrative expenses that, for purposes of this subsection, are expenses relating to any legal counsel, actuary, pension coordinator, and other service provider, office expenses, and all travel and other expenses paid to or on behalf of the members of the Board or anyone else on behalf of the plan.~~

~~(8) Beginning with the fiscal year commencing October 1, 2017, the Board shall adopt and operate under an administrative expense budget for each fiscal year, provide a copy of the budget to the City, and make available a copy of the budget to all members before the beginning of the fiscal year. If the Board amends the administrative expense budget, the board must provide a copy of the amended budget to the City and make available a copy of the amended budget to all members.~~

~~(940) The Board shall ensure that proper Proper and adequate records and accounts are shall be established and maintained which will give full effect to the requirements of this plan.~~

~~(1044) Beginning with the fiscal year commencing October 1, 2017, an An annual audit of books, accounts and records of the Fund shall be made by a certified public accountant selected by the Board. As part of the audit, an annual report shall be prepared by the Director of the Department of Financial Services and be audited by a certified public accountant as of the close of each fiscal year for submission to the Board, showing the assets and liabilities of the fund at the end of such year and the income and expenditures for the year and other data pertinent to the operation of the Fund. A synopsis of such report may be prepared for distribution to the members of the Fund.~~

~~(1142) The Board shall engage a person or entity an independent contractor to serve as pension coordinator. The Board may shall provide an office for the pension coordinator, or may contract with the pension coordinator for an office. The pension~~

coordinator shall be available during normal business hours to assist members and retirees in matters related to their pensions and retirement as provided in this plan.

Section 3: That it is the intention of the City Commission that the provisions of this ordinance shall become and be made a part of the Code of Ordinances of the City of Hollywood, Florida, and the provisions of this ordinance may be renumbered to accomplish such intention.

Section 4: That if any word, phrase, clause, subsection or section of this ordinance is for any reason held unconstitutional or invalid, the invalidity thereof shall not affect the validity of any remaining portions of this ordinance.

Section 5: That all sections or parts of sections of the Code of Ordinances, all ordinances or parts of ordinances, and all resolutions or parts of resolutions in conflict herewith be and the same are hereby repealed to the extent of such conflict.

Section 6: That this ordinance shall be in full force and effect immediately upon its approval by a "majority plus one" vote of the City Commission and 50% plus one of the voting members of the Employees' Retirement Fund.

ADVERTISED on _____, 2016.

PASSED on first reading this _____ day of _____, 2016.

PASSED AND ADOPTED on second reading this _____ day of _____, 2016.

PETER BOBER, MAYOR

ATTEST:

PATRICIA A. CERNY, MMC
CITY CLERK

APPROVED AS TO FORM & LEGALITY
for the use and reliance of the
City of Hollywood, Florida only:

JEFFREY P. SHEFFEL, CITY ATTORNEY

ITEM 8.c.

**BOARD SECRETARY
SELECTION**

**CITY OF HOLLYWOOD, FLORIDA
PENSION COORDINATOR
MEMORANDUM TO THE PENSION BOARD**

DATE: June 16, 2016
TO: Board of Trustees of the Employees' Retirement Fund
FROM: Lisa Castronovo, Pension Coordinator *lee*
SUBJECT: Board Secretary Selection

ISSUE:

Selection of Board Secretary

EXPLANATION:

Per Proposed Ordinance PO-2016-09, rather than the City Manager appointing a Board secretary, the Board shall select the secretary. Since the Ordinance was adopted on second reading on May 18, 2016 with several provisions taking effect upon adoption of which this is one, the Board needs to select a secretary.

RECOMMENDATION:

Select a person from the Board to serve as Board secretary

AGENDA ITEM 9

**NO BACKUP
FOR THIS SECTION**

AGENDA ITEM 10

**NO BACKUP
FOR THIS SECTION**

AGENDA ITEM 11

**CITY OF HOLLYWOOD, FLORIDA
PENSION COORDINATOR
MEMORANDUM TO THE PENSION BOARD**

DATE: June 16, 2016
TO: Board of Trustees of the Employees' Retirement Fund
FROM: Lisa Castronovo, Pension Coordinator *lee*
SUBJECT: Pension Coordinator Report

ISSUE:

Items of interest from the Pension Coordinator

EXPLANATION:

- 1) Trustee Howell and I are attending the annual FPPTA conference in Orlando June 26 – June 29, 2016.
- 2) As of today, I have processed the DROP distributions and monthly payments for all of the DROP members who retired on May 31, 2016. We are currently working on finalizing the same for all DROP members retiring on June 30, 2016.
- 3) For the past several weeks, Jeanne and I have been actively working on gathering medical reports from duty disability applicant Ifatunbi Adefunmi's treating physicians. To date, we are waiting on reports from the final two treating physicians. As soon as we receive them, I will submit all documentation to Tammie Hechler, Director of Human Resources, to obtain her opinion regarding Ms. Adefunmi's ability to work and whether or not the City has an employment position in which to place Ms. Adefunmi.
- 4) Trustee Howell has requested the Fund pay \$100 to FPPTA to reinstate his CPPT designation. Per FPPTA (see attached email), before they will reinstate Trustee Howell's CPPT designation, the \$100 reinstatement fee must be paid and Trustee Howell must retake the Advanced CPPT course and complete the respective exam at an upcoming Trustees' School. Please advise if the Board is agreeable to the Fund paying the \$100 reinstatement fee as well as the expenses that will be incurred for Trustee Howell to attend a Trustees' School to retake the Advanced Course and exam.

RECOMMENDATION:

For your information and discussion

Lisa Castronovo

From: Stephanie Wehrly <stephanie@fppta.org>
Sent: Friday, June 17, 2016 10:51 AM
To: Lisa Castronovo
Subject: RE: CPPT reinstatement requirements

Hi, Lisa,

In order for someone who was once certified to be re-instated to the CPPT program the individual must sit through the advanced course and re-take the advanced exam at one of the schools as well as pay a \$100 re-instating fee.

Please let me know if you need anything else.

Stephanie

Stephanie Wehrly
Assistant to Chief Executive Officer
CPPT Records Manager
2946 Wellington Circle East
Tallahassee, FL 32309
P: 800.842.4064 ext. 104
F: 850-668-8514
www.fppta.org
Join us on [Facebook!](#)



32nd Annual Conference
Hyatt Regency Orlando
9801 International Drive
June 26 - 29, 2016

- FYI -

Lisa Castronovo

From: The Segal Group <segalgroup@segalgroup.net>
Sent: Thursday, June 16, 2016 12:33 PM
To: Lisa Castronovo
Subject: The Segal Group Announces New President and CEO

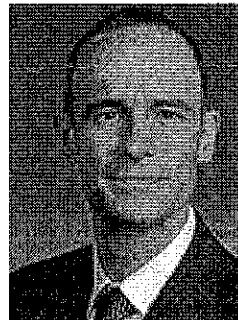
If you are having trouble viewing this message, please view the [Web version](#) or [text-only version](#).



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The Segal Group Announces New President and CEO

On October 1, **David Blumenstein**, Segal Consulting's National Director of Multiemployer Consulting, will succeed **Joseph A. LoCicero** as President and CEO of The Segal Group. Mr. LoCicero will continue in a senior role with the firm as Chairman, and **Howard Fluhr**, who served as President and CEO before Mr. LoCicero and is currently Chairman, will transition to Chairman Emeritus, a role also held by another former President and CEO, **Robert D. Krinsky**.



David Blumenstein

John DeMairo will continue as President and CEO of Segal Rogerscasey and he will assume the role of Vice Chairman of The Segal Group. Mr. DeMairo will succeed **Tim Biddle**, who served the firm for many years as Vice Chairman and will continue in his role as a Senior Vice President and Consultant.

> [Learn more](#)

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AGENDA ITEM 12

**NO BACKUP
FOR THIS SECTION**