

AGENDA ITEM 1

**NO BACKUP
FOR THIS SECTION**

AGENDA ITEM 2

**NO BACKUP
FOR THIS SECTION**

AGENDA ITEM 3

ITEM 3.a.

**MINUTES of
DECEMBER 17, 2015 REGULAR
PENSION BOARD MEETING**

MINUTES
REGULAR PENSION BOARD MEETING
CITY OF HOLLYWOOD EMPLOYEES' RETIREMENT FUND
THURSDAY, DECEMBER 17, 2015

1. CALL TO ORDER

Chair Shaw called the meeting to order at 9:37 a.m.

2. ROLL CALL AND PLEDGE OF ALLEGIANCE

Board Members present: Chair Phyllis Shaw, Vice-Chair Jeffrey Greene (arrived at 9:39 a.m.), Ralph Dierks, Raquel Elejabarrieta, George Keller and Richard Templeton. Board Members Absent: Daniel Matlow. Also present: Pension Coordinator, Lisa Castronovo; Board Secretary, Tammie Hechler; Board Treasurer, Matthew Lalla; and Board Attorney, James Linn.

3. LEGAL ISSUES (James Linn)

a. Attorney/Client Meeting

Attorney – Client session to discuss pending litigation (City of Hollywood vs. The Board of Trustees of the Employees Retirement Fund of the City of Hollywood, and the Board of Trustees of the City of Hollywood Firefighters Retirement System, and the Board of Trustees of the City of Hollywood Police Officers Retirement System).

Members of the public were instructed to leave the room at 9:38 a.m. so Mr. Linn could conduct a closed attorney-client session.

The public meeting reopened at 10:02 a.m. at which time a break was called. The meeting resumed at 10:13 a.m.

b. Pension Ordinance Amendment update - Item pulled for later discussion

4. CONSENT AGENDA

- a. November 17, 2015 Regular Meeting Minutes
- b. December 3, 2015 Sub-committee Meeting Minutes
- c. December 9, 2015 Special Meeting Minutes
- d. Excuse Vice-Chair Jeffrey Greene from December 9, 2015 Special Board Meeting
- e. Ratification of Distributions (Contributions and DROP) and Plan Expenses
- f. Approval/Ratification of New Retirement/DROP/Vested/Death Annuities

MOTION made by Mr. Templeton, seconded by Mr. Dierks, to approve Consent Agenda Items 4.a,c,d,e and f. In a voice vote by the members present, all members voted in favor. **Motion** passed 6-0.

MOTION made by Mr. Templeton, seconded by Mr. Dierks, to approve Consent Agenda Item 4.b. In a voice vote by the members present, all members voted in favor. **Motion** passed 6-0.

5. TREASURER'S REPORT (Matthew Lalla)

Mr. Lalla reported an increase in the Fund's assets of \$1.64 million/0.54% (net of disbursements) from \$300.44 million on October 2, 2015 to \$302.05 million on December 9, 2015.

6. INVESTMENT ISSUES (Keith Reynolds)

a. Flash Performance Review

The Fund's market value on November 30, 2015 was \$303 million with a November 2015 rate of return of 4.19% compared to the benchmark of 4.10%. Mr. Reynolds noted that all of the asset classes, with the exception of real estate which was overweight, were close to target. To bring real estate back in line, Mr. Reynolds recommended moving \$2.5 million from Morgan Stanley to the cash account to bring real estate closer to target and to provide cash for upcoming distributions. Real estate manager Morgan Stanley requires ninety (90) day advance notice to liquidate funds so Mr. Reynolds recommended notifying them by December 31, 2015 of the Fund's desire to liquidate \$2.5 million.

MOTION made by Vice-Chair Greene, seconded by Mr. Templeton, to have Morgan Stanley liquidate \$2.5 million and move such monies to the Retirement Fund's cash account by March 31, 2016. In a voice vote by the members present, all members voted in favor. **Motion** passed 6-0.

Mr. Reynolds reported SMID-cap equity growth manager Frontier's long-term rate of return had been historically good though recent performance had not been good. Mr. Reynolds continued that while Frontier under-performed in 2015, SMID-cap value manager TSW outperformed its respective benchmark making, in his opinion, the two managers a good pairing for the Retirement Fund.

Mr. Reynolds reported the Federal Reserve raised interest rates on December 16, 2015 which was a good sign the economy was improving and that there was not a lot of pressure on the inflation front. Mr. Reynolds continued that real estate investments had benefited from low interest rates in recent years which was reflected by the above-benchmark returns provided by Principal Global Investors and Morgan Stanley over the past several quarters. Mr. Reynolds stated that with interest rates starting to rise, the returns posted by the real estate managers in the future would likely remain good but most likely not as strong as they had been.

b. Retainer Proposal

Mr. Linn referred to Segal Rogerscasey's December 10, 2015 letter regarding their increased fees proposal. Mr. Linn stated if the Board agreed to the increase, Segal Rogerscasey contract with the Board should be updated to reflect the new fee structure.

Mr. Templeton stated he felt it would be prudent for the Board to send out a Request for Proposal (RFP) for investment consultant services.

Mr. Reynolds stated the traditional annual consulting fee would be \$90,000 plus \$40,000 annually or alternatives asset class work (\$130,000 annually). Mr. Reynolds stated Segal Rogerscasey's belief that the strong relationships they have with the alternatives managers they would bring to the Board would save the Retirement Fund more than \$40,000 per year thus more than paying for that annual fee.

Vice-Chair Greene stated his belief that Segal Rogerscasey should be entitled to their professional fee while the Board pursues a RFP for investment consultant services.

Mr. Dierks stated that Segal Rogerscasey had earned the increase in fees they were seeking since they had brought a lot of value to the Board and the Retirement Fund.

MOTION made by Vice-Chair Greene, seconded by Mr. Keller, to go forward with the new fee structure of \$90,000 annual fee starting January 1, 2016 with an annual two percent (2%) increase and implement the \$40,000 fee when the alternative investments are implemented.

Discussion ensued regarding the term length of the contract and when the \$40,000 should be paid. Vice-Chair Greene stated he felt it should not be paid until the manager was in place and managing Fund money. Mr. Reynolds stated there was a lot of behind the scenes work to be done before a manager was brought to the Board and then once interviewed and hired there was a lot of additional work to be done to get the manager on board.

AMENDED MOTION by Vice-Chair Greene, seconded by Mr. Keller, to accept Segal Rogerscasey's proposal of \$90,000 annual traditional fee and \$40,000 annual fee for alternatives consulting beginning January 1, 2016 with a two percent (2%) annual increase and the right to cancel the contract with 30 or 60 day notice and to renew annually unless and until one party or the other objects to continued service.

Chair Shaw and Mr. Templeton stated their desire to remove the annual 2% percent increase from the Motion. Vice-Chair Greene and Mr. Keller stated they thought the annual increase issue would keep coming back unnecessarily for the Board to address.

In a voice vote by the members present, **Motion** failed 3-3 (Chair Shaw, Mr. Templeton and Mr. Dierks voted in opposition).

Discussion continued.

AMENDED MOTION by Vice-Chair Greene, seconded by Mr. Keller, to accept Segal Rogerscasey's proposal of \$90,000 annual traditional fee and \$40,000 annual fee for alternatives consulting beginning January 1, 2016 without the automatic two percent (2%) annual increase and enter into a three (3) year contract with no more than a 60 day cancellation notice clause. In a voice vote by the members present, **Motion** passed 6-0.

3. **LEGAL ISSUES (James Linn) – Taken out of order**

b. Pension Ordinance Amendment update

Mr. Linn presented the revised draft of a Pension ordinance amendment as it related specifically to the administration of the Retirement Fund. Mr. Linn noted he had, per the Board's instruction at the last meeting, revised the draft amendment to 1) have the Pension Coordinator maintain custody of all records of the Fund and the Board, 2) have all such records stored in the Pension Office with appropriate backup as approved by the Board, and 3) the Board shall lease the space for the Pension Office and the Board's meeting room and equip the office and meeting room with necessary equipment and furnishings with the costs approved by the Board and paid by the Fund.

Discussion followed regarding both the Fund leasing the Pension Office versus the Pension Coordinator doing so and the Pension Coordinator's status as an independent contractor versus as employee of the Board. Mr. Linn will research the matter based on the new rules regarding independent contractors and report back to the Board. Mr. Linn stated he would make some other minor revisions and bring the amendment back to the Board for review at the next Board meeting.

7. ADMINISTRATIVE ISSUES

c. Board Elections – Chair and Vice-Chair for service January – December 2016 -

Taken out of order

Vice Chair Greene suggested postponing the Board elections until the new member of the Board was elected and could participate in the election. Ms. Castronovo responded that the By-laws and the Ordinance dictate that the election be held at the last Board meeting of each year.

Ms. Elejabarrieta nominated Phyllis Shaw as Chair. Mr. Keller seconded the nomination. In a voice vote by the members present, all members voted in favor. Nomination was accepted 6-0.

Mr. Dierks nominated Jeffrey Greene as Vice-Chair. Mr. Keller seconded the nomination. In a voice vote by the members present, all members voted in favor. Nomination was accepted 6-0.

a. Board of Trustees' By-Laws

The Board collectively agreed to revise Article II, Sections 1 and 2 of the By-Laws to read that in order to be eligible to serve as Chair or Secretary on the Board, a Board member must have served on the Board for at least one (1) year. There was discussion regarding the day-to-day financial operation of the Fund, specifically who would be responsible for paying the bills, keeping the Fund's books, etc. Ms. Castronovo was directed to contact the City's Police and Fire Board administrators to find out how they handle such duties.

b. Pension Administration Software discussion

There was discussion regarding the Request for Proposal (RFP) for the Retirement Fund custodian. Vice-Chair Greene noted there were references in the RFP that the custodian contract was between the City and the custodian, not the Board and custodian. Chair Shaw stated it must remain as such until the amendment to the Ordinance changing the Board's administrative duties was adopted.

Ms. Castronovo updated the Board on her endeavors regarding the pension administration software RFP. Ms. Castronovo reported she had met with several software providers and had also talked to an IT consultant who offered to present to the Board an overview of what the Board should expect regarding the transition to and expense of new pension administration software. Ms. Castronovo informed the Board of her understanding that the cost to implement new software would be in six figures and most likely in the mid-six figures.

Discussion ensued regarding software used by other local entities, specifically the City's Police and Fire pension administrators, and whether or not the Retirement Fund could avail itself of such software. Mr. Keller stated the City's IT Director was looking into doing an RFP for enterprise resource planning (ERP) for the City in 2016 and perhaps the pension administration software component could be added to the RFP and be included as part of all respondents' bids. Mr. Keller stated he would talk to the IT Director regarding the possibility of including the pension administration software as part of the overall City package. Ms. Castronovo noted that pension administrative software was a very specific service not done by many software developers. The Board agreed for Ms. Castronovo to not send the RFP for pension administration software until she talked to Mr. Keller regarding what the City was doing or could do to include the pension part.

8. PUBLIC COMMENTS

There were no public comments.

9. TRUSTEE REPORTS, QUESTIONS AND COMMENTS – Item tabled

10. PENSION COORDINATOR'S REPORT (Lisa Castronovo) – Item tabled

11. ADJOURNMENT

MOTION made by Vice-Chair Greene, seconded by Mr. Keller, to adjourn the meeting. In a voice vote by the members present, **Motion** passed 6-0. Meeting adjourned at 12:06 p.m.

Phyllis Shaw, Chair

Date

ITEM 3.b.

**EXCUSE ABSENCE
of TRUSTEE MATLOW
from
DECEMBER 17, 2015 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
January 28, 2016 Regular Pension Board Meeting

Refunds of Contributions

<u>Name</u>	<u>Refund</u>
Detrick, Gino	\$ 853.88
Lauridia, Thomas	3,824.97
Lopez, Carlos	9,706.34
Louis, Jean Karl	968.96
Matthews, Orianna	7,545.25
Murphy, Kevin	360.65
Payne, Jerry	1,159.45
Rodriguez, Francisco	6,063.11
Sanders, Derrick	3,262.39
	\$ <u>33,745.00</u>

DROP Distributions

Coyle, Charles *	\$ 260,000.00
Gonzalez, Norberto	149,792.21
	\$ <u>409,792.21</u>

TOTAL: \$ 443,537.21

* Remaining balance to be paid after December 31, 2015
rate of return has been determined and quarterly
earnings have been credited

EMPLOYEES RETIREMENT FUND

Payment Requests Processed During the Period
December 1, 2015 through December 31, 2015

Manager Fees

Segal Rogerscasey (November 2015)	\$ <u>6,375.00</u>
-----------------------------------	--------------------

Pension Coordinator Fees

LECastronovo Co., Inc. (December 2015)	<u>13,173.33</u>
--	------------------

Travel Advances/Expenses

FPPTA Trustees School (Orlando, Florida)

George Keller	450.00
Lisa Castronovo	450.00
Phyllis Shaw	450.00
Raquel Elejabarrieta	<u>1,350.00</u>
	<u>2,700.00</u>

Miscellaneous

Sharp - Copier Lease Payment (11/01/15 - 11/30/15)	152.30
HostGator (December 2015)	<u>10.95</u>
	<u>163.25</u>

Total	\$ <u><u>22,411.58</u></u>
-------	----------------------------

ITEM 3.d.

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

EMPLOYEES' RETIREMENT FUND

New Retirement/DROP/Death/Vested Annuities - Monthly Amounts

January 28, 2016 Regular Pension Board Meeting

October 2015

McHale, Timothy - retirement	\$	343.97
------------------------------	----	--------

December 2015

Gonzalez, Norberto - retirement (from DROP)	\$	2,137.93
---	----	----------

January 2016

Aleman, Hector - retirement (from Vested)	\$	1,108.18
Coyle, Charles - retirement (from DROP)		4,537.79
Simmons, Carl - retirement (from Vested)		647.37

Benefits Stopped

Kark, Joyce - died 12/29/2015 *	\$	4,453.24
---------------------------------	----	----------

* Death certificate has been requested

AGENDA ITEM 4

CITY OF HOLLYWOOD, FLORIDA

**EMPLOYEES RETIREMENT FUND
TREASURER'S REPORT
November 30, 2015**

<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		532,443.30	
Pension Disbursements		(5,439,938.78)	
Administrative Expenses		(75,115.65)	
Net Contributions/Payments		<u>4,785,237.87</u>	
Investment Income:			
Dividends Received		147,385.08	
Interest Received - net		258,474.10	
Gain on Sales		158,670.39	
Commission Recapture		968.11	
Quarterly Investment Fees		(27,953.43)	
Net Investment Income		<u>537,544.25</u>	
Balance, November 30, 2015	<u>302,488,881.35</u>	<u>267,925,108.14</u>	<u>34,563,773.21</u>
Increase (Decrease) for the Period	\$ <u>16,219,176.43</u>	\$ <u>5,322,782.12</u>	\$ <u>10,896,394.31</u>

Unrealized Gain (Loss) Account

Composition of Increases (Decreases)

Thompson, Siegel & Walmsley	\$ 875,412.38
Frontier Capital Management	1,888,828.59
Wellington International	2,214,269.69
Northern Trust	5,884,266.95
Brandes Investment Partners	674,577.75
Total Equity Managers	<u>11,537,355.36</u>
Baird Advisors	(462,434.09)
Neuberger & Berman	(178,526.96)
Morgan Stanley	0.00
Principal Investors	0.00
	\$ <u>10,896,394.31</u>

Investment Return

Net Investment Income	\$ 537,544.25
Increase (Decrease) in Unrealized Gain/Loss	10,896,394.31
Total Investment Return for Period	\$ <u>11,433,938.56</u>

Beginning Market Value of Assets	\$ 286,269,704.92
Plus/(Less): Net Contributions/Payments	4,785,237.87
Assets Available for Investment	\$ <u>291,054,942.79</u>

Investment Return as a % of Assets Available for Investment	<u>3.93%</u>
---	--------------

Treasurer's Report
Pension Board Meeting – January 28, 2015

Investment Balances

For the current fiscal year, investment balances have decreased from approximately \$300.44 million (as of 10/2/2015) to approximately \$297.5 million (as of 1/15/16).

- An decrease of approximately \$2.94 million or 0.98% net of disbursements

Investment Returns

November	3.93%
October	3.81%
September	1.77%
August	3.02%
July	6.84%
June	5.99%
May	6.67%
April	6.13%
March	5.46%
February	5.43%
January	2.27%
December	2.96%
November	2.81%
October:	1.34%
September:	10.92%
August:	12.90%
July:	10.12%

AGENDA ITEM 5

ITEM 5.a.

HARBOURVEST PRESENTATION

(Regarding Alternatives Investment in
Secondaries/Special Situations
Private Equity Fund)

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

ITEM 5.b.

FLASH PERFORMANCE REVIEW

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

AGENDA ITEM 6

ITEM 6.a.

SEGAL ROGERSCASEY CONTRACT

**(No backup material is available for this
Section at the time of this printing)**

ITEM 6.b.

LITIGATION UPDATE

**(No backup material is available for this
Section at the time of this printing)**

ITEM 6.c.

PENSION ORDINANCE AMENDMENT

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF HOLLYWOOD, FLORIDA, AMENDING SECTION 33.025 OF THE CODE OF ORDINANCES, "EMPLOYEES' RETIREMENT FUND", 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;

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

Section 1: 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 actual 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.

~~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 coordinatorsecretary 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. 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 all other service providers, 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 first fiscal year commencing more than one year after adoption of this Ordinance, 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 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 first fiscal year commencing more than one year after adoption of this Ordinance, 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.~~

(11-12) 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 2: 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 3: 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 4: 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 _____, 2015.

PASSED on first reading this _____ day of _____, 2015.

PASSED AND ADOPTED on second reading this _____ day of _____, 2015.

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

AGENDA ITEM 7

**NO BACKUP
FOR THIS SECTION**

AGENDA ITEM 8

**NO BACKUP
FOR THIS SECTION**

AGENDA ITEM 9

**NO BACKUP
FOR THIS SECTION**

AGENDA ITEM 10

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

DATE: January 22, 2016
TO: Board of Trustees of the Employees' Retirement Fund
FROM: Lisa Castronovo, Pension Coordinator *lec*
SUBJECT: Pension Coordinator Report re Pension Administration Software

ISSUE:

Update re Pension Administration Software

EXPLANATION:

At the Wednesday, January 20, 2016 City Commission meeting, the City Commission approved a resolution authorizing City officials to execute an agreement with a consulting firm to provide the City with a "needs analysis" regarding the City's information technology infrastructure. The "needs analysis" will be done in multiple phases and steps culminating in implementation of enterprise resource planning ("ERP").

Per a conversation with IT Director Raheem Saccharin regarding if the ERP services the City is seeking would or could include pension administrative software, Mr. Saccharin responded that pension administration software was not projected to be included at this time. My thought: considering the City just this week authorized the hiring of the consulting firm to do the "needs analysis," the time frame to prepare and post the RFP for the ERP is several months off with the implementation of the ERP a few years off. Further, per a conversation I had a couple of weeks ago with one of the pension software vendors I have been in contact with, he knows of only one ERP vendor who also provides pension administration software. He added that of the cities who have implemented that vendor's pension administrative software, all have been unhappy and are seeking replacement pension administration software or have already replaced it.

The Retirement Fund is currently using software over ten years old, has never been updated or maintained and is running on an obsolete server. It is my opinion that this Fund needs an updated pension administration software system now and cannot wait 2-4 years to implement new software (assuming we "piggyback" our pension software request with the City's ERP request). I have been warned by the IT department that once the server hosting the current software fails, I will lose all pension management capabilities. I asked if the current system can be backed up or switched to another server and received the response of "no, you need to get new up-to-date software as soon as possible because we will not maintain or attempt to maintain the old server or switch your old software to another server; once that server goes, it goes."

Based on the foregoing, I recommend one of two things: 1) proceed with posting the RFP I have and hire as soon as possible a respondent to get a system up and running hopefully by the close of 2016, or 2) do as the City did and hire an IT consultant who could support us from "a-z": review, analyze and define our exact needs, develop and distribute the RFP, analyze the proposals, select the semi-finalists, support the contract negotiations, oversee/aid in the software development and implementation, and provide post-implementation support.

RECOMMENDATION:

Consider the immediate need facing the Retirement Fund and proceed with either posting an RFP for pension administration software or hiring an IT consultant to support and aid us through the entire process.

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

DATE: January 22, 2016
TO: Board of Trustees of the Employees' Retirement Fund
FROM: Lisa Castronovo, Pension Coordinator *lc*
SUBJECT: Pension Coordinator Report

ISSUE:

Items of interest from the Pension Coordinator

EXPLANATION:

- 1) On Thursday, January 14, 2016, the City released through BidSync the RFP for a Fund custodian. On Friday, January 15, 2016, International magazine "Pensions & announced in its "Current Events" section the Fund's custodian search. Responses are due by 3:00 p.m. on Tuesday, February 9, 2016. **RECOMMENDATION:** Hold a special Board meeting as soon as possible after February 9, 2016 to review the responses and rate the respondents. Submission of the Board's top choices must be submitted to the Department of Finance by Friday, February 12, 2016 to be included on the City Commission's Wednesday, March 2, 2016 Agenda.
- 2) Christopher Cassidy and Jitendra Patel submitted by the December 17, 2015 deadline their respective Applications for Candidacy for the one (1) upcoming opening employee-elected Trustee position. On Monday, January 4, 2016, Messrs. Cassidy and Patel were notified of their accepted applications and right to start campaigning.
- 3) Election Day for the employee-elected Trustee position will be Tuesday, February 9, 2016, 7:30 a.m. – 5:00 p.m., at City Hall's first floor, east entrance. Early voting will be Monday, February 1 – Friday, February 5, 2016 9:00 a.m. – 4:00 p.m. each day in the Pension Office. Employees were notified of the upcoming election via a notice included with their January 22, 2016 payroll check. A reminder email to vote will be sent to all employees the Friday before early voting (January 29th) and also the Monday (February 8th) before Election Day.
- 4) See attached January 7, 2016 email from Wells Fargo regarding their offer to reduce their annual fees by approximately \$20,300 effective April 1, 2016.
- 5) See attached December 23, 2015 email from International equity manager Wellington Trust Company regarding the SEC's investigation into their affiliate Wellington Management Company LLP.
- 6) See attached January 21, 2016 email from recently retained securities monitoring law firm Scott + Scott regarding a possible securities issue with Tesco PLC. **RECOMMENDATION:** Decide how you would like to proceed.
- 7) See attached January 11, 2016 email from fixed income Dupont Capital Management regarding their market review of 2015's 4th quarter and their outlook for 2016. I am sharing as I found it insightful.

- 8) We are (or will be shortly) processing two duty disability applications: Ifatunbi Adefunmi and Timothy Irwin.
- 9) In order to cover three DROP account disbursements and per Keith Reynolds advice, it was necessary to transfer \$1.1 million from the large cap S&P 500 indexed equity fund at Northern Trust to the cash account in early January. At the beginning of February, another \$500,000 will be transferred from the S&P 500 indexed fund to the cash account to cover three more DROP account disbursements.
- 10) NCPERS Annual Conference and Exhibition is in San Diego Sunday, May 15 - Wednesday, May 18, with their Trustee Educational Seminar on Saturday May 14 & Sunday, May 15. A very preliminary schedule of events for the conference is attached. RECOMMENDATION: let me know if you would like to attend the Conference and/or Seminar.

RECOMMENDATION:

For your information (other than Items 1, 6 and 10)

Item 10

WELLS FARGO EMAIL

Lisa Castronovo

From: Karl.Hutchinson@wellsfargo.com
Sent: Thursday, January 07, 2016 4:56 PM
To: Lisa Castronovo
Subject: City of Hollywood Proposed Fee Reductions

Lisa,

The Pricing Committee has approved the following reductions effective 4/1/16:

Current Fees:

- 2.0 bps on the first \$50 million in assets
- 1.0 bps on the next \$75 million in assets
- 0.50 bps on the remaining assets
- \$2 per benefit payment
- \$0.50 postage per benefit payment

Proposed:

- 0.50 bps on all assets
- \$1.50 per benefit payment
- Postage fees have been eliminated

All other per transaction trading fees remain the same.

Net impact will be approximately \$20,300 annual reduction in fees.

Thoughts?

Karl

Karl Hutchinson

Vice President, Senior Relationship Manager

Wells Fargo Institutional Retirement and Trust
MAC 22759-010 | 2169 Belcrest Circle | Royal Palm Beach, FL, 33411
Tel (561) 795-9934 | Cell (561) 723-6564 | Fax (561) 795-1866
Karl.Hutchinson@wellsfargo.com

This electronic mail message contains information from Wells Fargo Bank, which is confidential and privileged information. If you are not the intended recipient, please be aware that any disclosure, photocopying, distribution or use of the contents of the received information is prohibited. If you have received this e-mail in error, please reply to the sender immediately and permanently delete this message and all copies of it. If you no longer wish to receive these emails, please notify the sender. Thank you.

 Please consider the environment before printing this email.

Item 10

WELLINGTON TRUST EMAIL

Lisa Castronovo

From: Wellington Trust Company <gmwtcclientemail@wellington.com>
Sent: Wednesday, December 23, 2015 12:45 PM
To: Lisa Castronovo
Subject: Wellington Management: Regulatory Update



Lisa Castronovo
City of Hollywood Employees' Retirement Fund

Dear Client,

You may recall that we contacted you in July 2015 to let you know that the US Securities and Exchange Commission (SEC) was conducting an investigation of our affiliate, Wellington Management Company LLP, regarding its policies, procedures, and practices on the handling of material non-public information.

I am writing to inform you that on 18 December 2015 the SEC notified Wellington Management that it had concluded its investigation, and does not intend to recommend an enforcement action.

We are pleased with this outcome and continue to believe that Wellington Management's policies and procedures, including those around the handling of material non-public information, are robust and meet its regulatory obligations in all the markets in which it does business.

As always, we value the confidence you have placed in us. Should you have additional questions, please contact your relationship manager.

Sincerely,

Adam T. Puritz
President

Item 10

**SCOTT + SCOTT EMAIL
with accompanying Settlement Notice
and Bank Claim Form**

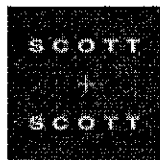
Lisa Castronovo

From: Michael G. Burnett <mburnett@scott-scott.com>
Sent: Thursday, January 21, 2016 10:40 AM
Subject: Settlement Alert - Tesco PLC -
Attachments: Tesco Claim Form.pdf; Tesco Settlement Notice.pdf

I hope this e-mail finds you well. This message is to alert you to a pending securities fraud settlement in which the Fund may be eligible to submit a claim. The settlement is on behalf of all persons who purchased or otherwise acquired Tesco PLC's ("Tesco" or the "Company") American Depositary Receipts ("ADRs") or Tesco F Shares between April 18, 2018 and September 22, 2014.

Due to the early start date of the class period, we are alerting all of our clients, as well as their respective custodial banks, so the bank can review its records to determine whether the Fund incurred a potentially recoverable loss in this case. While the ultimate amount of recovery available to the Fund depends on various factors, such as the plan of allocation in this settlement, the potential loss may make the Fund eligible to submit a claim in this settlement. Please check with the bank to determine whether a claim should be filed. Attached is a blank claim form.

The deadline for filing claims in this matter is **May 5, 2016** which simply means that a claim form must be postmarked by that date. Please feel free to contact me directly if you have any questions or concerns.



Michael G. Burnett, Attorney
SCOTT+SCOTT, Attorneys at Law, LLP
156 South Main Street
Colchester, CT 06415
Phone 860.531.2663
www.scott-scott.com

This transmittal may be a confidential attorney-client communication or may otherwise be privileged or confidential. If it is not clear that you are the intended recipient, you are hereby notified that you have received this transmittal in error; any review, dissemination, distribution or copying of this transmittal is strictly prohibited. If you suspect that you have received this communication in error, please notify Scott+Scott LLP immediately by telephone at 860.531.2663 or e-mail at mburnett@scott-scott.com and immediately delete this message and all its attachments.

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

IN RE TESCO PLC SECURITIES LITIGATION

Case: 14 Civ. 8495-RMB

**NOTICE OF PENDENCY AND PROPOSED
SETTLEMENT OF CLASS ACTION**

TO: ALL PERSONS WHO PURCHASED OR OTHERWISE ACQUIRED TESCO AMERICAN DEPOSITORY RECEIPTS ("ADRs") (TRADING SYMBOL TSCDY) OR TESCO F SHARES (TRADING SYMBOL TSCDF) BETWEEN APRIL 18, 2012 AND SEPTEMBER 22, 2014, INCLUSIVE, AND WHO ARE NOT EXCLUDED FROM THE SETTLEMENT CLASS AS DESCRIBED BELOW IN SECTION II. B:

- **PLEASE READ THIS NOTICE CAREFULLY.**
- **IF YOU WISH TO COMMENT IN FAVOR OF THE SETTLEMENT OR OBJECT TO THE SETTLEMENT, YOU MUST FOLLOW THE DIRECTIONS IN THIS NOTICE.**
- **YOU MAY BE ELIGIBLE TO RECEIVE MONEY FROM THE SETTLEMENT OF THIS CASE.**
- **YOUR LEGAL RIGHTS MAY BE AFFECTED BY THIS LAWSUIT.**
- **TO RECEIVE MONEY FROM THIS SETTLEMENT, YOU MUST SUBMIT A VALID PROOF OF CLAIM AND RELEASE FORM ("CLAIM FORM") POSTMARKED ON OR BEFORE MAY 5, 2016.**
- **IF YOU DO NOT WISH TO PARTICIPATE IN THE SETTLEMENT, YOU MAY REQUEST TO BE EXCLUDED BY SENDING A WRITTEN REQUEST FOR EXCLUSION THAT MUST BE POSTMARKED ON OR BEFORE APRIL 5, 2016.**
- **IF YOU RECEIVED THIS NOTICE ON BEHALF OF A CLASS MEMBER, AS DEFINED BELOW, WHO IS DECEASED, YOU SHOULD PROVIDE THE NOTICE TO THE AUTHORIZED LEGAL REPRESENTATIVE OF THAT CLASS MEMBER.**

YOU ARE HEREBY NOTIFIED AS FOLLOWS:

A proposed settlement (the "Settlement") has been reached between the Settling Parties, as defined below, in this class action pending in the United States District Court for the Southern District of New York (the "Court") brought on behalf of all individuals and entities described above (the "Class"). The Court has preliminarily approved the Settlement and has conditionally certified the Class for purposes of settlement only. The terms of the Settlement are set forth in a Stipulation of Settlement, which is available at www.tescosecuritieslitigation.com. You have received this Notice of Pendency and Proposed Settlement of Class Action ("the Notice") because the Settling Parties' records indicate that you may be a member of the Class. This Notice is designed to inform you of your rights, how you can submit a claim and how you can comment in favor of the Settlement or object to the Settlement. If the Settlement is finally approved by the Court, the Settlement will be binding on you, unless you exclude yourself, even if you do not submit a Claim Form to obtain money from the Settlement and even if you object to the Settlement.

The Settlement creates a fund in the amount of **\$12,000,000** in cash (the "Settlement Fund") for the benefit of members of the Class ("Class Members") who purchased or otherwise acquired Tesco ADRs or Tesco F Shares between April 18, 2012 and September 22, 2014, inclusive (the "Class Period"). Your recovery from the Settlement Fund will be calculated according to the Plan of Allocation which is detailed below in Section II. E. Your recovery will depend on a number of variables, including the number of shares that you purchased during the Class Period and the timing of any purchases and sales that you made. **Lead Counsel estimates that the average recovery per damaged share of Tesco ADRs under the Settlement is \$0.41 before deduction of fees and expenses, and the average recovery per damaged share of Tesco F Shares under the Settlement is \$0.12 before deduction of fees and expenses.** If you have any questions regarding the Plan of Allocation or your potential recovery, you may contact Lead Counsel or the claims administrator, Epiq Systems, Inc. ("Claims Administrator"), whose contact information is listed below in this Notice.

There will be a fairness hearing on the Settlement ("Fairness Hearing") at **2:00 p.m. on April 21, 2016** in Courtroom 17B of the Daniel Patrick Moynihan United States Courthouse, 500 Pearl Street, New York, NY 10007.

I. BACKGROUND OF THE CASE

On or after October 23, 2014, six securities class action lawsuits were filed against Tesco PLC ("Tesco") and certain former officers and/or directors of Tesco. These cases were consolidated into a single proceeding on March 19, 2015, and captioned *In re Tesco PLC Securities Litigation*, under the case number 14-CV-08495-RMB (the "Action"). On March 19, 2015, the Court also appointed Mr. Stephen Klug as lead plaintiff ("Lead Plaintiff") and approved Lead Plaintiff's selection of Kahn Swick & Foti, LLC as lead counsel ("Lead Counsel") in the Action.

On June 18, 2015, Lead Plaintiff filed the Second Amended Complaint (the "Complaint") against Defendants Philip Clarke, Laurie McIlwee, Richard Broadbent (collectively, the "Individual Defendants"), and Tesco (collectively with the Individual Defendants, "Defendants").

Tesco is a multinational grocery and general merchandise retailer formed under the laws of the United Kingdom and headquartered in England. In the Complaint, Lead Plaintiff alleged that Defendants violated Section 10(b) of the Securities Exchange Act of 1934, and Rule 10b-5 promulgated thereunder, by making materially false and misleading statements and omissions regarding, among other things, Tesco's improper accounting and supplier practices, and its true financial condition. Lead Plaintiff further alleged that the prices of Tesco's ADRs and F Shares were artificially inflated because of the failure to disclose this material information.

Defendants have denied and continue to deny Lead Plaintiff's allegations. Defendants moved to dismiss the Complaint, denying all claims and contentions alleged by Lead Plaintiff in this Action, and maintaining that Lead Plaintiff did not adequately allege any valid claim under the federal securities laws. The Court has not ruled on Defendants' motion to dismiss.

Mr. Klug and Tesco (the "Settling Parties") and their respective counsel have determined that settlement of the Action is advantageous, considering the risks and uncertainties to each side of continued litigation. Lead Plaintiff and Lead Counsel have determined that the Settlement is fair, reasonable, and adequate and is in the best interests of the members of the Class.

Excluded from the Class are all persons and/or entities who brought claims in the litigation captioned: *Western & Southern Life Insurance Co., et al. v. Tesco PLC*, No. 15-cv-658-SSB-SKB, currently pending in the United States District Court for the Southern District of Ohio (the "Ohio Litigation"). The Ohio Litigation arises out of the same set of facts as this Action, but is not a class action, but rather an individual action against Tesco for violations of federal securities laws and Ohio state laws. Plaintiffs in the Ohio Litigation are The Western and Southern Life Insurance Company, Western & Southern Financial Group, Inc., Integrity Life Insurance Company, and Touchstone Strategic Trust. The Ohio Litigation is ongoing and there is currently a motion to transfer the Ohio Litigation to the United States District Court for the Southern District of New York.

II. TERMS OF THE SETTLEMENT

The Stipulation of Settlement sets forth the terms of the Settlement, and provides for the following:

A. What is the total size of the Settlement?

Tesco will pay (or cause to be paid) into an escrow account, pursuant to the Stipulation of Settlement dated November 19, 2015, cash in the amount of \$12,000,000.00 which will earn interest for the benefit of the Class.

B. Am I included in the Settlement?

You are a member of the Class and are included in the Settlement if (i) you purchased or otherwise acquired Tesco ADRs or Tesco F Shares between April 18, 2012 and September 22, 2014, inclusive, and (ii) you are NOT in one of the following groups, each of which is excluded from the Class:

- a. Defendants; any officers or directors of Tesco during or after the Class Period; any corporation, trust or other entity in which any Defendant has a controlling interest; and the members of the immediate families of Philip Clarke, Laurie McIlwee, and Richard Broadbent and their successors, heirs, assigns, and legal representatives.
- b. All persons who would be otherwise a member of the Class, but who timely and validly request to be excluded from the Class. If you want to be excluded from the Class, you may request exclusion from the Class by following the steps described in Section II. F below.

- c. All persons and/or entities who have brought claims in the litigation captioned: *Western & Southern Life Insurance Co., et al. v. Tesco PLC*, No. 15-cv-658-SSB-SKB, pending in the United States District Court for the Southern District of Ohio.

C. What is the legal effect of the Settlement on my rights?

If you are a member of the Class, this Settlement will affect your legal rights. If the Court grants final approval of the Settlement, this Action will be dismissed with prejudice and all Class Members will fully release and discharge Defendants and other Released Persons, as defined below, from all claims for relief arising out of or based on Lead Plaintiff's allegations. When a person "releases" a claim, that person cannot sue the "released persons" for any of the claims covered by the release.

To share in the Settlement Fund, you must submit a Claim Form. If you submit a valid and timely Claim Form, you will receive a payment based upon the distribution formula described below in Section II. E.

The "Released Persons" are comprised of each and all of the Defendants; (ii) each and all of Tesco's past or present predecessors, successors, parent entities, affiliates, and subsidiaries, and, in the case of Tesco's respective predecessors, successors, parent entities, affiliates, and subsidiaries, each of Tesco's past or present directors, officers, employees, partners, insurers, co-insurers, reinsurers, agents, controlling shareholders, attorneys, accountants, auditors, advisors, investment advisors, personal or legal representatives, predecessors, successors, parent entities, subsidiaries, divisions, joint ventures, assigns, spouses, heirs, related or affiliated entities, and any person, firm, trust, corporation, partnership, limited liability company, officer, director, or other individual or entity in which Tesco or its past or present predecessors, successors, parent entities, affiliates and subsidiaries has or had a controlling interest or which has or had a controlling interest in Tesco or its past or present predecessors, successors, parent entities, affiliates and subsidiaries, and (iii) the Individual Defendants' families, and any trust of which an Individual Defendant is the settlor or which is for the benefit of an Individual Defendant's family, and the legal representatives, heirs, successors or assigns of each of the foregoing.

If you do nothing, you will get no money from this Settlement and you will be precluded from starting a lawsuit, continuing with a lawsuit, or being part of any other lawsuit against the Defendants and the other Released Persons about the released claims in this case, ever again.

D. How can I get a payment?

To qualify for a payment, you must submit a Claim Form. A Claim Form is included with this Notice. You may also get a Claim Form by downloading it from www.tescosecuritieslitigation.com. Read the instructions carefully, fill out the Claim Form, include all the documents the form asks for, sign it, and mail it postmarked no later than May 5, 2016 to the address provided therein.

E. Plan of Allocation: What will I receive from the Settlement?

A Class Member's actual recovery will be a proportion of the Net Settlement Fund (defined below), determined by that claimant's recognized loss (*i.e.*, a claim proved by timely submission of a valid Claim Form) as compared to the total recognized losses of all Class Members.

The total Settlement Fund consists of \$12,000,000 plus accrued interest. Subject to the Court's approval, the Settlement Fund consists of: (i) certain administrative expenses, including costs of printing and mailing this Notice, the cost of issuing a press release, payment of any taxes assessed against the Settlement Fund, and costs associated with the processing of claims; these administrative expenses are estimated to be no greater than \$257,147.06; (ii) up to 30% of the Settlement Fund to Lead Counsel for their attorneys' fees and up to \$200,000.00 for reimbursement for Lead Counsel's expenses; and (iii) the remaining balance, or the "Net Settlement Fund", which will be distributed to Class Members who submit valid a timely Claim Forms. The Net Settlement Fund is estimated by Lead Counsel to be at least \$7,942,852.94.

If you are a Class Member, you will receive a share of the Net Settlement Fund unless you request exclusion from the Class or fail to submit a valid and timely Claim Form. Although we cannot determine an exact amount of individual payments at this time, your payment will be based on the formula described below.

- (1) A recognized loss amount will be calculated for each Tesco ADR or Tesco F Share purchased or acquired during the Class Period from April 18, 2012 (inclusive) through September 22, 2014 (prior the opening of the market). If the calculation of a recognized loss amount for any particular share purchased or acquired during the Class Period results in a negative number, that number shall be set to zero.

(2) For each Tesco ADR purchased or acquired during the Class Period, and

- i. sold before the market opened on September 22, 2014, the recognized loss amount for each share shall be zero;
- ii. sold after the market opened for trading on September 22, 2014, through the close of market trading on December 19, 2014, the recognized loss amount for each share is the least of (a) \$1.52; (b) the purchase/acquisition price minus the sale price; or (c) the purchase/acquisition price minus the average closing price of Tesco ADRs between September 22, 2014, and the date of sale;
- iii. held as of the close of market trading on December 19, 2014, the recognized loss amount for each share is the lesser of (a) \$1.52; or (b) the purchase/acquisition price minus \$8.68, the average closing price of Tesco ADRs between September 22, 2014, and December 19, 2014.

(3) For each Tesco F Share purchased or acquired during the Class Period, and

- i. sold before the market opened on September 22, 2014, the recognized loss amount for each share shall be zero;
- ii. sold after the market opened for trading on September 22, 2014, through the close of market trading on December 19, 2014, the recognized loss amount for each share is the least of (a) \$0.44; (b) the purchase/acquisition price minus the sale price; or (c) the purchase/acquisition price minus the average closing price of Tesco F Shares between September 22, 2014, and the date of sale;
- iii. held as of the close of market trading on December 19, 2014, the recognized loss amount for each share is the lesser of (i) \$0.44; or (ii) the purchase/acquisition price minus \$2.91, the average closing price of Tesco F Shares between September 22, 2014, and December 19, 2014.

If you have more than one purchase/acquisition or sale of either Tesco ADRs or Tesco F Shares during the Class Period, all purchases/acquisitions and sales of like securities will be matched on a First In, First Out ("FIFO") basis. Class Period sales will be matched first against any holdings at the beginning of the Class Period, and then against purchases/acquisitions in chronological order, beginning with the earliest purchase/acquisition made during the Class Period.

If the Net Settlement Fund exceeds the sum total amount of the recognized losses of all authorized claimants entitled to receive payment out of the Net Settlement Fund, the excess amount in the Net Settlement Fund shall be distributed pro rata to all authorized claimants entitled to receive payment. The Net Settlement Fund will be allocated among all authorized claimants whose prorated payment is \$10.00 or greater. If the prorated payment to any authorized claimant calculates to less than \$10.00, it will not be included in the calculation and no distribution will be made to that authorized claimant.

F. Can I decide to opt out of this Settlement?

Yes. If you do not want a payment from this Settlement, but you want to keep any right you may have to sue or continue to sue the Defendants and the other Released Persons in some other lawsuit as to the released claims in this lawsuit, then you may request to be excluded from the Class by taking the following steps to remove yourself from this lawsuit. To exclude yourself from the Class, you must send a signed letter by mail stating that you "request exclusion from the Class in *In re Tesco PLC Securities Litigation*, Civil Action No. 14-CV-8495(RMB)." Your letter should state the date(s), price(s), and number of shares of all your purchases and sales of Tesco ADRs or Tesco F Shares during the Class Period. In addition, be sure to include your name, address, telephone number, and signature. You must mail your exclusion request postmarked no later than **April 5, 2016** to:

Tesco PLC Securities Litigation
c/o Epiq Systems, Inc.
P.O. Box 4390
Portland, OR 97208-4390

NO REQUEST FOR EXCLUSION WILL BE CONSIDERED VALID UNLESS ALL OF THE INFORMATION DESCRIBED ABOVE IS INCLUDED IN ANY SUCH REQUEST.

If you timely and validly request exclusion from the Class, (a) you will be excluded from the Class, (b) you will not share in the proceeds of the Settlement described above, (c) you will not be bound by any judgment entered in the case, and (d) you will not be precluded from otherwise prosecuting an individual claim, if timely, against Defendants or the Released Persons based on the matters alleged in this Action.

G. Notification of Shareholders and Legal Representatives

If your address is different from the address to which this Notice was directed, or if it changes, you must notify the Claims Administrator for this Settlement of your new address as soon as possible. The appointed Claims Administrator for this Settlement is Epiq Systems, Inc. Any failure to keep the Claims Administrator informed of your current address may result in the loss of any monetary award you may be eligible to receive. If necessary, please send your new contact information to the address listed below and include your old address, new address, new telephone number, date of birth, and Social Security number. These last two items are required so that the Claims Administrator can verify that the address change is from the actual Class Member:

Tesco PLC Securities Litigation
c/o Epiq Systems, Inc.
P.O. Box 4390
Portland, OR 97208-4390

The authorized legal representative of a Class Member may receive a recovery on behalf of the Class Member.

SPECIAL NOTICE TO SECURITIES BROKERS AND OTHER NOMINEES

If you purchased ADRs or F Shares of Tesco from April 18, 2012 to September 22, 2014, inclusive, for the beneficial interest of a person or organization other than yourself, the Court has directed that WITHIN TEN DAYS OF YOUR RECEIPT OF THIS NOTICE, you either (a) provide to the Claims Administrator the name and last known address of each person or organization for whom or which you purchased Tesco ADRs or Tesco F Shares during such time period or (b) request additional copies of this Notice and the Claim Form, which will be provided to you free of charge, and within ten days mail the Notice and Claim Form directly to the beneficial owners of that Tesco ADR or F Share. If you choose to follow alternative procedure (b), you are requested to send a statement to the Claims Administrator confirming that the mailing was made as directed. You are entitled to reimbursement from the Settlement Fund of your reasonable expenses actually incurred in connection with the foregoing, including reimbursement of postage expense and the cost of ascertaining the names and addresses of beneficial owners. Those expenses will be paid upon request and submission of appropriate supporting documentation. All communications concerning the foregoing should be addressed to the Claims Administrator:

Tesco PLC Securities Litigation
c/o Epiq Systems, Inc.
P.O. Box 4390
Portland, OR 97208-4390

If you choose to mail the Notice and Claim Form yourself, you may obtain from the Claims Administrator (without cost to you) as many additional copies of these documents as you will need to complete the mailing.

Regardless of whether you choose to complete the mailing yourself or elect to have the mailing performed for you, you may obtain reimbursement for or advancement of reasonable administrative costs actually incurred or expected to be incurred in connection with forwarding the Notice and Claim Form and which would not have been incurred but for the obligation to forward the Notice and Claim Form, upon submission of appropriate documentation to the Claims Administrator.

H. Compensation for the Lead Plaintiff

Stephen Klug, the court-appointed Lead Plaintiff, has not applied to the Court for any compensation that is different from that which is to be received by all other Class Members.

I. Compensation for Lead Counsel

At the Fairness Hearing, Lead Counsel will request the Court to award attorneys' fees not greater than thirty (30%) of the gross Settlement Fund and reimbursement of expenses incurred in connection with the prosecution of this action not to exceed \$200,000. The requested fees and expenses, plus the expenses of the Claims Administrator for the notice and administration of the Settlement which shall be no greater than \$257,147.06, would amount to an average of not more than \$0.15 per damaged share in total for fees and expenses for Tesco ADRs and an average of not more than \$0.04 per damaged share in total for fees and expenses for Tesco F Shares. Class Members are not personally liable for any such fees, expenses, or compensation.

To date, Lead Counsel has not received any payment for its services in conducting this Action, and has not been reimbursed for their substantial expenses incurred in prosecuting this Action. The fee requested by Lead Counsel will compensate counsel for their efforts in achieving the Settlement Fund for the benefit of the Class, and for the risk in undertaking this representation on a wholly contingent basis.

III. LEAD PLAINTIFF'S AND LEAD COUNSEL'S SUPPORT OF THE SETTLEMENT

On October 20, 2015, the Settling Parties underwent a mediation session before a neutral mediator, former Judge Layn R. Philips, as well as extensive informal settlement negotiations to arrive at a compromise. Following the extensive arms-length negotiations, the Settling Parties reached an agreement in principle for the settlement of the Action.

For Lead Plaintiff, the principal reason for the Settlement is the benefit to be provided to the Class now. This benefit must be compared to the risk that no recovery might be achieved if the Court were to rule in favor of Defendants on their pending motion to dismiss the Complaint or after a contested trial and likely appeals, possibly years into the future. Lead Plaintiff further considered, after conducting a substantial investigation into the facts of this case, the risks to proving liability and damages.

This Settlement enables the Class to recover a significant percentage of the alleged damages as calculated by Lead Counsel in conjunction with their economic consultant, without incurring any additional risk. Therefore, upon careful consideration of all of the facts and circumstances of this case, Lead Plaintiff and Lead Counsel believe this settlement is fair, reasonable and adequate.

IV. OPPORTUNITIES TO GIVE YOUR OPINION ABOUT THE SETTLEMENT

If you are a Class Member, you can tell the Court that you agree or do not agree with the Settlement or some part of it. You can object to the Settlement or any of its terms, the proposed Plan of Allocation, and/or the application by Lead Counsel for an award of fees and expenses.

If you wish to submit a written objection to the settlement, you must send a signed letter stating that you object to the proposed settlement in *In re Tesco PLC Securities Litigation*, Civil Action No. 14-CV-8495(RMB). Your objection must include a cover page identifying this case name and number and naming the hearing date of **April 21, 2016, at 2:00 p.m.** at the Daniel Patrick Moynihan United States Courthouse, 500 Pearl St., Courtroom 17B, New York, NY 10007. Be sure to include your name, address, telephone number, and signature; identify the date(s), price(s), and number of shares of all purchases and sales of Tesco ADRs and/or Tesco F Shares you made during the Class Period, and state the reasons why you object to the settlement. Your objection must be postmarked on or before **April 5, 2016** and sent to Kahn Swick & Foti, LLC, on behalf of the Lead Plaintiff, at the following address:

FOR LEAD PLAINTIFF:

Lewis S. Kahn
KAHN SWICK & FOTI, LLC
206 Covington Street
Madisonville, LA 70447

You do not need to go to the Fairness Hearing to have your written objection considered by the Court.

At the Fairness Hearing, any Class Member who has not previously submitted a request for exclusion from the Class may appear and be heard, to the extent allowed by the Court, to state any objection to the settlement, the Plan of Allocation, or Lead Counsel's motion for an award of attorneys' fees and reimbursement of expenses. Any such objector may appear in person or arrange, at that objector's expense, for a lawyer to represent the objector at the Fairness Hearing. If you or your representative intend to appear in person but have not submitted a written objection postmarked by **April 5, 2016**, it is recommended that you give advance notice to Lead Counsel for the Class of your intention to attend the hearing in order to object and the basis for your objection. You may contact them at the address provided above.

V. FAIRNESS HEARING

The Court will hold a Fairness Hearing at **2:00 p.m. on April 21, 2016**, at the Daniel Patrick Moynihan United States Courthouse, 500 Pearl St., Courtroom 17B, New York, NY 10007. At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. At the Fairness Hearing, the Court also will consider the proposed Plan of Allocation for the proceeds of the Settlement and the application of Lead Counsel for attorneys' fees and reimbursement of expenses. The Court will take into consideration any written objections. You are not obligated to attend this hearing.

You should be aware that the Court may change the date and time of the Fairness Hearing. Thus, if you would like to come to the hearing, you should contact Lead Counsel before coming to confirm the date and/or time has not changed.

VI. ADDITIONAL INFORMATION

This Notice summarizes the proposed settlement. More details are contained in a Stipulation of Settlement with Defendant Tesco dated November 19, 2015 (the "Stipulation"). You can get a copy of the Stipulation by writing to Lead Counsel at their address above.

You also can call the Claims Administrator toll-free at 1 (888) 643-2168; write to the Claims Administrator at Tesco PLC Securities Litigation, c/o Epiq Systems, Inc., P.O. Box 4390, Portland, OR 97208-4390; or visit the website at www.tescosecuritieslitigation.com, where you will find a Claim Form, answers to common questions about the Settlement, and other information to help you determine whether you are a Class Member and whether you are eligible for a payment.

For more detailed information concerning the matters involved in this Action, you can inspect the pleadings, the Stipulation, the Orders entered by the Court, and the other papers filed in the Action at the office of the Clerk of Daniel Patrick Moynihan United States Courthouse, 500 Pearl St., New York, NY 10007, during regular business hours. You may also contact Lead Counsel.

DATED: January 6, 2016

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

IN RE TESCO PLC SECURITIES LITIGATION

Case: 14 Civ. 8495-RMB

PROOF OF CLAIM

Deadline for Submission: May 5, 2016

If you purchased or otherwise acquired Tesco American Depositary Receipts ("ADRs") (trading symbol TSCDY) or Tesco F-Shares (trading symbol TSCDF) between April 18, 2012 and September 22, 2014, inclusive, you could get a payment from a class action settlement.

IF YOU ARE A CLASS MEMBER, YOU MUST COMPLETE AND SUBMIT THIS FORM IN ORDER TO BE ELIGIBLE FOR ANY SETTLEMENT BENEFITS.

YOU MUST COMPLETE AND SIGN THIS PROOF OF CLAIM AND RELEASE ("PROOF OF CLAIM") AND MAIL IT BY FIRST CLASS MAIL, POSTMARKED NO LATER THAN MAY 5, 2016 TO THE FOLLOWING ADDRESS:

In re Tesco PLC Securities Litigation
c/o Epiq Systems, Inc.
P.O. Box 4390
Portland, OR 97208-4390

YOUR FAILURE TO SUBMIT YOUR CLAIM BY MAY 5, 2016, WILL SUBJECT YOUR CLAIM TO REJECTION AND PRECLUDE YOUR RECEIVING ANY MONEY IN CONNECTION WITH THE SETTLEMENT OF THIS ACTION. DO NOT MAIL OR DELIVER YOUR CLAIM TO THE COURT OR TO ANY OF THE PARTIES OR THEIR COUNSEL AS ANY SUCH CLAIM WILL BE DEEMED NOT TO HAVE BEEN SUBMITTED. SUBMIT YOUR CLAIM ONLY TO THE CLAIMS ADMINISTRATOR.

CLAIMANT'S STATEMENT

1. I (we) purchased Tesco ADRs or F-Shares and was (were) damaged thereby. (Do not submit this Proof of Claim if you did not purchase Tesco ADRs or F-Shares during the designated Class Period).
2. By submitting this Proof of Claim, I (we) state that I (we) believe in good faith that I am (we are) a Class Member as defined above and in the Notice of Pendency of Class Action and Proposed Settlement with all Defendants, Motion for Attorneys' Fees and Settlement Fairness Hearing (the "Notice"), or am (are) acting for such person(s); that I am (we are) not a Defendant in the Actions or anyone excluded from the Class; that I (we) have read and understand the Notice; that I (we) believe that I am (we are) entitled to receive a share of the Net Settlement Fund, as defined in the Notice; that I (we) elect to participate in the proposed Settlement described in the Notice; and that I (we) have not filed a request for exclusion. (If you are acting in a representative capacity on behalf of a Class Member [e.g., as an executor, administrator, trustee, or other representative], you must submit evidence of your current authority to act on behalf of that Class Member. Such evidence would include, for example, letters testamentary, letters of administration, or a copy of the trust documents.)
3. I (we) consent to the jurisdiction of the Court with respect to all questions concerning the validity of this Proof of Claim. I (we) understand and agree that my (our) claim may be subject to investigation and discovery under the Federal Rules of Civil Procedure, provided that such investigation and discovery shall be limited to my (our) status as a Class Member(s) and the validity and amount of my (our) claim. No discovery shall be allowed on the merits of the Litigation or Settlement in connection with processing of the Proof of Claim.
4. I (we) have set forth where requested below all relevant information with respect to each purchase of Tesco ADRs or F-Shares during the Class Period, and each sale, if any. I (we) agree to furnish additional information to the Claims Administrator to support this claim if requested to do so.
5. I (we) have enclosed photocopies of the stockbroker's confirmation slips, stockbroker's statements, or other documents evidencing each purchase, sale or retention of Tesco ADRs or F-Shares listed below in support of our claim. (IF ANY SUCH DOCUMENTS ARE NOT IN YOUR POSSESSION, PLEASE OBTAIN A COPY OR EQUIVALENT DOCUMENTS FROM YOUR BROKER BECAUSE THESE DOCUMENTS ARE NECESSARY TO PROVE AND PROCESS YOUR CLAIM.)

6. I (we) understand that the information contained in this Proof of Claim is subject to such verification as the Claims Administrator may request or as the Court may direct, and I (we) agree to cooperate in any such verification. (The information requested herein is designed to provide the minimum amount of information necessary to process most simple claims. The Claims Administrator may request additional information as required to efficiently and reliably calculate your recognized claim. In some cases, the Claims Administrator may condition acceptance of the claim based upon the production of additional information, including, where applicable, information concerning transactions in any derivatives securities such as options.)
7. Upon the occurrence of the Effective Date, as defined in the Notice, I (we) agree and acknowledge that my (our) signature(s) hereto shall effect and constitute a full and complete release, remise and discharge by me (us) and my (our) heirs, joint tenants, tenants in common, beneficiaries, executors, administrators, predecessors, successors, attorneys, insurers and assigns (or, if I am (we are) submitting this Proof of Claim on behalf of a corporation, a partnership, estate or one or more other persons, by it, him, her or them, and by its, his, her or their heirs, executors, administrators, predecessors, successors, and assigns) of each of the "Released Persons," as defined in the Notice.
8. NOTICE REGARDING ELECTRONIC FILES: Certain claimants with large numbers of transactions may request, or may be requested, to submit information regarding their transactions in electronic files. All Claimants MUST submit a manually signed paper Proof of Claim form listing all their transactions whether or not they also submit electronic copies. If you wish to file your claim electronically, you must contact the Claims Administrator at 1 (888) 643-2168 or visit their website at www.tescosecuritieslitigation.com to obtain the required file layout. No electronic files will be considered to have been properly submitted unless the Claims Administrator issues to the Claimant a written acknowledgment of receipt and acceptance of electronically submitted data.

PART I - CLAIMANT INFORMATION

[illegible][illegible][illegible]

1

[illegible][illegible][illegible][illegible][illegible][illegible]

--	--

--	--	--	--	--	--	--	--	--

[illegible][illegible]

The diagram shows three 2x2 grids. The first grid is labeled with a minus sign to its right. The second grid is labeled with a plus sign to its right. The third grid is labeled with a plus sign to its right.

A diagram illustrating the decomposition of a 3x3 grid into three 3x1 vertical strips. The first strip has its bottom square shaded, the second strip has its bottom square shaded, and the third strip has its bottom square shaded. This represents the decomposition of the 3x3 grid into three 3x1 strips, each with a 1x1 square shaded in the bottom row.

[illegible][illegible]

☐ Individual(s) ☐ Corporation ☐ UGMA Custodian ☐ IRA ☐ Partnership ☐ Estate
☐ Trust
☐ Other _____

Social Security No. (for individuals) or Taxpayer Identification No. (for estates, trusts, corporations, etc.)

or

$$\begin{array}{|c|c|c|} \hline & & \\ \hline \end{array} - \begin{array}{|c|} \hline \\ \hline \end{array} - \begin{array}{|c|c|c|} \hline & & \\ \hline \end{array}$$
$$\begin{array}{|c|c|} \hline x & y \\ \hline \end{array} - \begin{array}{|c|c|c|c|c|c|} \hline x & y & z & w & v & u \\ \hline \end{array}$$

Certification

I (We) certify that I am (we are) NOT subject to backup withholding under the provisions of Section 3406 (a) (1)(c) of the Internal Revenue Code because: (a) I am (We are) exempt from backup withholding, or (b) I (We) have not been notified by the I.R.S. that I am (we are) subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the I.R.S. has notified me (us) that I am (we are) no longer subject to backup withholding.

NOTE: If you have been notified by the I.R.S. that you are subject to backup withholding, please strike out the language that you are not subject to backup withholding in the certification above.

UNDER THE PENALTIES OF PERJURY, I (WE) CERTIFY THAT ALL OF THE INFORMATION I (WE) PROVIDED ON THIS PROOF OF CLAIM AND RELEASE FORM IS TRUE, CORRECT AND COMPLETE.

Signature of Claimant (If this claim is being made on behalf of Joint Claimants, then each must sign)

(Signature)

(Signature)

(Capacity of person(s) signing, e.g. beneficial purchaser(s), executor, administrator, trustee, etc.)
(See Item 2 on Page 1 for instructions)

Date:

--	--

 -

--	--

 -

--	--	--	--

MM DD YYYY

THIS PROOF OF CLAIM MUST BE SUBMITTED NO LATER THAN MAY 5, 2016, AND MUST BE MAILED TO:

**In re Tesco PLC Securities Litigation
c/o Epiq Systems, Inc.
P.O. Box 4390
Portland, OR 97208-4390**

A Proof of Claim received by the Claims Administrator shall be deemed to have been submitted when posted, if mailed by May 5, 2016, and if a postmark is indicated on the envelope and it is mailed first class and addressed in accordance with the above instructions. In all other cases, a Proof of Claim shall be deemed to have been submitted when actually received by the Claims Administrator.

REMINDER CHECKLIST

- Please be sure to sign this Proof of Claim. If this Proof of Claim is submitted on behalf of joint claimants, then both claimants must sign.
- Please remember to attach supporting documents. Do NOT send any stock certificates. Keep copies of everything you submit.
- Do NOT use highlighter on the Proof of Claim or any supporting documents.
- If you move after submitting this Proof of Claim, please notify the Claims Administrator of the change in your address.

Item 10

DUPONT CAPITAL MANAGEMENT EMAIL

Lisa Castronovo

From: corey.mayo@dupont.com@reply.bronto.com on behalf of Corey Mayo
<corey.mayo@dupont.com>
Sent: Monday, January 11, 2016 11:59 AM
To: Lisa Castronovo
Subject: 4th Quarter Fixed Income Market Review and Outlook

Dear Lisa,

Our most recent Fixed Income Market Review and Outlook can be accessed via the link below.

4Q 2015 Fixed Income Market Review and Outlook

While I encourage you to read the commentary, a summary of our thinking is provided below in case you do not have time to read the full document.

1. Volatility will remain elevated in fixed income markets.
2. The Federal Reserve will most likely raise the Funds Rate a few times in 25 basis points steps in 2016. We expect they will make fewer than four moves.
3. We expect U.S. economic growth of approximately 2.0% over the next 12 to 24 months.
4. The stronger dollar will gradually reduce the extent of global growth imbalances.
5. Core inflation will remain at or below the Fed's target of 2% over the next six to twelve months.
6. We do not expect interest rates to end 2016 significantly higher than they are now; short rates would move higher if the Fed continues to tighten. The Ten Year Treasury seems likely to remain in a range between 1.75% and 3.00%.
7. Growth in China will be lower, but they have the resources to keep growth in a range of 4% to 6%.
8. Growth in Europe should be close to 2%, helped by the weaker Euro and much lower oil prices; however, the long-term structural problems remain.
9. Very accommodative monetary policy across the globe may last a long time.
10. Caution is warranted, but opportunities exist.

I hope you find this information helpful. If you have any questions or comments I am always open to a meeting or a call.

Regards,

Corey

A. Corey Mayo
Business Development
DuPont Capital Management
Delaware Corporate Center
One Righter Parkway, Suite 3200
Wilmington, DE 19803
Office: 302-477-6259
corey.mayo@dupont.com
www.dupontcapital.com

Securities offered through DuPont Capital Management Marketing Corporation

These materials contain the current opinions of DuPont Capital Management ("DCM") and such opinions are subject to change without notice. These materials are for informational purposes only. Forecasts, estimates, and certain information contained herein are based upon proprietary research and should not be considered as investment advice or a recommendation to buy or sell any particular security, strategy or investment product. Information contained herein has been obtained from sources believed to be reliable, but

Item 10

NCPERS ANNUAL CONFERENCE



The Voice for Public Pensions

2016 Annual Conference & Exhibition

San Diego, CA

PRELIMINARY SCHEDULE OF EVENTS*

SUNDAY, MAY 15

2:00 pm – 6:00 pm Registration Opens

4:00 pm – 6:00 pm Exhibition & Welcoming Reception

MONDAY, MAY 16

6:30 am – 7:45 am Breakfast

6:30 am – 2:00 pm Registration

8:00 am – 10:30 am Opening General Session

8:00 am – 1:30 pm Exhibition

10:30 am – 11:00 am Exhibit Break

11:00 am – 12:00 pm Three (3) Concurrent Breakout Sessions

12:15 pm – 1:15 pm Three (3) Concurrent Breakout Sessions

1:30 pm – 2:30 pm Lunch & Lecture Series (*not open to guests*)

2:45 pm – 3:15 pm National Committee Election

3:15 pm – 5:00 pm Networking Activities (*hosted events by members*)

TUESDAY, MAY 17

6:30 am – 7:45 am Breakfast

7:00 am – 2:00 pm Registration

*Subject to change.

8:00 am – 10:30 am General Session
8:00 am – 11:00 am Exhibition
10:30 am – 11:00 am Exhibit Break
11:00 am – 12:00 pm Three (3) Concurrent Breakout Sessions
12:15 pm – 1:15 pm Three (3) Concurrent Breakout Sessions
12:15 pm – 1:15 pm Administrators Forum
1:30 pm – 2:30 pm Lunch & Lecture Series (*not open to guests*)
2:30 pm – 3:00 pm National Committee Executive Board Election
3:00 pm – 5:00 pm Networking Activities (*hosted events by members*)

WEDNESDAY, MAY 18

6:30 am – 7:45 am Breakfast
7:30 am – 12:00 pm Registration
8:00 am – 10:30 am General Session
10:30 am – 11:00 am Refreshment Break
11:00 am – 12:00 pm Three (3) Concurrent Breakout Sessions
12:15 pm – 1:15 pm Three (3) Concurrent Breakout Sessions
1:30 pm – 2:30 pm Lunch & Lecture Series (*not open to guests*)
2:30 pm – 5:00 pm Networking Activities (*hosted events by members*)
6:00 pm – 7:00 pm Closing Reception
7:00 pm – 9:00 pm Closing Dinner

THURSDAY, MAY 19

9:00 am – 10:00 am Annual Business Meeting

Item 10

PENSION ADMINISTRATION SOFTWARE

AGENDA ITEM 11

**NO BACKUP
FOR THIS SECTION**