


AGENDA ITEM 1

**NO BACKUP
FOR THIS SECTION**

AGENDA ITEM 2

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

DATE: July 19, 2017
TO: Board of Trustees of the Employees' Retirement Fund
FROM: Lisa Castronovo, Pension Coordinator 
SUBJECT: Agenda for July 27, 2017 Regular Board Meeting

ISSUE:

Approval of Agenda for July 27, 2017 regular Board meeting

EXPLANATION:

At the start of each regular Board meeting, approval of such meeting's agenda should be acquired.

RECOMMENDATION:

Approve Agenda for July 27, 2017 regular Board meeting

AGENDA
REGULAR PENSION BOARD MEETING
CITY OF HOLLYWOOD EMPLOYEES' RETIREMENT FUND
THURSDAY, JULY 27, 2017 at 9:00 AM
CITY HALL ANNEX, ROOM 20, 2600 HOLLYWOOD BOULEVARD

- 1. CALL TO ORDER**
- 2. ROLL CALL AND PLEDGE OF ALLEGIANCE**
 - a. Agenda Adoption
- 3. CONSENT AGENDA**
 - a. June 13, 2017 Special Meeting Minutes
 - b. June 22, 2017 Regular Meeting Minutes
 - c. July 11, 2017 Special Meeting Minutes
 - d. Excuse Trustee Keller from June 22, 2017 Regular Board Meeting
 - e. Ratification of Distributions (Contributions and DROP) and Plan Expenses
 - f. Approval/Ratification of New Retirement/DROP/Vested/Death Annuities
- 4. TREASURER'S REPORT**
- 5. INVESTMENT ISSUES (Keith Reynolds & Francois Otieno – Segal Marco Advisors)**
 - a. Baird Advisors Presentation (Jeffrey E. Simmons)
 - b. Neuberger Berman Presentation (William Wallace & Andy Johnson)
 - c. Fixed Income Wrap-up Discussion
 - d. Flash Performance Review
- 6. LEGAL ISSUES (James Linn – Lewis, Longman & Walker)**
 - a. Disability Application Processing and Hearing Procedures
 - b. Status Report on Background Check and Fiduciary Bond Application for Jennifer Kerr
- 7. ADMINISTRATIVE ISSUES**
 - a. City Commission Communication
 - b. Fund Invoice Payments – Transition to Wells Fargo
 - c. Fiduciary Liability Insurance
 - d. Independent Auditor RFP
 - e. Travel dates for IFEBP Annual Conference
- 8. PUBLIC COMMENTS**
- 9. TRUSTEE REPORTS, QUESTIONS AND COMMENTS**
- 10. PENSION COORDINATOR'S REPORT (Lisa Castronovo)**
- 11. ADJOURNMENT**

Persons with disabilities who require reasonable accommodation in order to participate at an Employees' Retirement Board Meeting may call the Pension Office five (5) business days in advance at (954) 921-3333 (voice). If an individual is hearing or speech impaired, please call 1-800-955-8771 (V-TDD).

Any person wishing to appeal any decision made by the Board with respect to any matter considered at such meetings will need a record of the proceedings, and for such purposes may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is made.

Two or more members of any other city board, commission, or committee, who are not members of the Employees' Retirement Fund Board may attend this meeting and may, at that time, discuss matters on which foreseeable action may later be taken by their board, commission, or committee.

**CITY OF HOLLYWOOD, FLORIDA
EMPLOYEES' RETIREMENT FUND**

2017 REGULAR BOARD MEETING SCHEDULE

DATES AND TIMES

Thursday, January 26 - 9:00 AM

Thursday, February 23 – 9:00 AM

Thursday, March 23 – 9:00 AM

Thursday, April 27 – 9:00 AM

Thursday, May 25 – 9:00 AM

Thursday, June 22 – 9:00 AM

Thursday, July 27 – 9:00 AM

Thursday, August 24 – 9:00 AM

Thursday, September 28 – 9:00 AM

Thursday, November 2 – 9:00 AM

Thursday, December 14 – 9:00 AM

January

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

February

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March

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April

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23/30	24	25	26	27	28	29

May

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June

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July

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August

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30	31					

September

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30						

October

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22	23	24	25	26	27	28
29	30	31				

November

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30						

December

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30	31					

● = Holidays □ = Pay day FT employees receive 12 holidays and 1 Birthday Holiday per fiscal year. For 4-10 work week employees, if the holiday falls on a Friday, Saturday or Monday (FSM) and the FSM is the employee's normal day off, the employee will receive a floating holiday.

CITY OF HOLLYWOOD EMPLOYEES' RETIREMENT FUND
TRUSTEE/STAFF LIST
(Updated July 2017)

Board of Trustees (seven):

Phyllis Shaw, MBA, Chair
Utilities Accounting Supervisor
City of Hollywood
Department of Public Utilities
1621 N. 14th Avenue
Hollywood, FL 33020
(954) 921-3930
pshaw@hollywoodfl.org
Term: 3/1/2015 – 2/28/2018

Jeffrey Greene, CPA, PA, Vice-Chair
4601 Sheridan Street, Suite 210
Hollywood, FL 33021-3432
(954) 963-2500
cpagreene@aol.com
Term: 7/1/2017 – 6/30/2020*

George Keller
Assistant City Manager/Finance & Administration
City of Hollywood
2600 Hollywood Boulevard
Hollywood, Florida 33020
(954) 921-3250
gkeller@hollywoodfl.org
Term: None

Mel Standley
Assistant City Manager/Public Safety
City of Hollywood
2600 Hollywood Boulevard
Hollywood, FL 33020
(954) 921-3250
mstandley@hollywoodfl.org
Term: None

Christopher Cassidy
Utility Shift Supervisor-Wastewater
City of Hollywood
Department of Public Utilities
1621 N. 14th Avenue
Hollywood, FL 33020
(954) 921-3288
knightowlcorp@gmail.com
Term: 3/1/2016 – 2/28/2019

Ronald Bolton
1150 NW 71 Avenue
Plantation, FL 33313
(954) 593-3823
Ronald_bolton@davie-fl.org
Term: 4/27/2017 – 10/31/2017

Charles Howell, CPA
3330 Hayes Street
Hollywood, FL 33021
(954) 559-8556
tax@iraking.com
Term: 5/27/2016 – 6/30/2018*

* Per City of Hollywood Ordinance O-2009-34, the term ends on the last day of appointment for each Trustee appointed by the City Commission. Such appointed Trustee must then take a one (1) year break before seeking reappointment to the Pension Board.

Staff, Consultants & Others

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156 South Main Street
Colchester, CT 06415
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mangels@scott-scott.com

Reena Patel (Commission Recapture)
Cowen Execution Services LLC
1633 Broadway, 48th Floor
New York, NY 10019
(407) 608-1955
Reena.patel@cowen.com

Wells Fargo Bank (Fund Custodian)
Customer Service: (877) 877-1219

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Tallahassee, FL 32301-1872
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One E. Broward Blvd., Suite 505
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Kaplan Fox & Kilsheimer LLP
850 Third Avenue, 14th Floor
New York, NY 10022
(212) 687-1980
rfitzgerald@kaplanfox.com

CITY OF HOLLYWOOD EMPLOYEES' RETIREMENT FUND MONEY MANAGERS

June 2017

Large Cap - Indexed

Northern Trust Global Investments
50 South La Salle Street
Chicago, IL 60603
James Dominguez
(312) 557-3391
(312) 451-4281 FAX
Jd131@ntrs.com

Small-Mid Cap - Value

Thompson, Siegel & Walmsley, Inc.
6806 Paragon Place, Ste 300
Richmond, VA 23230
Tracy Musser
(804) 521-6414
(804) 213-4949 FAX
tmusser@tswinvest.com

Small Cap - Growth

Frontier Capital Management Company
99 Summer Street
Boston, MA 02110
Sarah Jankowski
(617) 261-0777 ext. 136
(617) 428-0040 FAX
sji@frontiercap.com

Real Estate - Core

Morgan Stanley
1585 Broadway, 37th Floor
New York, NY 10036
Lidia Novak
(212) 761-6424
(212) 507-4981 FAX
Lidia.novak@morganstanley.com

Real Estate - Value-Added Growth

Principal Global Investors
14755 N. Outer Road
Suite 108
Chersterfield, MO 63017
David Brandt
(636) 536-4270
(636) 536-4749 FAX
Brandt.david@principal.com

Core-Plus Fixed Income

Baird Advisors
777 E Wisconsin Avenue
Milwaukee, WI 53202-5391
Richard Whittow
(888) 792-9813
(414) 298-1063 (direct)
(414) 298-1078 FAX
rwhittow@rwbaird.com

Intermediate Fixed Income

Neuberger Berman
605 3rd Avenue
New York, NY 10158
William Wallace
(212) 476-5513
(646) 537-4898 FAX
william.wallace@nb.com

International Equity

Wellington Management Company, LLP
280 Congress Street
Boston, MA 02210
Thomas Egan
(617) 289-3194
(617) 289-5194 FAX
tegan@wellington.com

International Equity - Small Cap

Brandes Investment Partners
11988 El Camino Real, Suite 600
San Diego, CA 92130
Michael Israel
(800) 237-7119
(858) 755-0916 FAX
michael.israel@brandes.com

Private Equity

Neuberger Berman
605 3rd Avenue
New York, NY 10158
William Wallace
(212) 476-5513
(646) 537-4898 FAX
william.wallace@nb.com

Private Equity Fund of Funds/Secondaries

HarbourVest
One Financial Center
Boston, MA 02111
W. Fran Peters
(617) 348-3615
fpeters@harbourvest.com

Global Infrastructure

IFM
114 W. 47th Street
26th Floor
New York, NY 10036
Susan Gorman
(212) 784-2276
susan.gorman@ifminvestors.com

Direct Lending

Angelo, Gordon & Co.
245 Park Avenue
New York, NY 10167
Rebecca Darcy
(212) 692-2000
rdarcy@angelogordon.com

Multi-Sector

GoldenTree Asset Management, L.P.
300 Park Avenue
21st Floor
New York, NY 10022
Marina Mekhlis
(212) 847-3440
mmekhlis@goldentree.com

MANAGER FEES

July 2017

Northern Trust (*Domestic Equity*)

Account: ****1900
.035% on first \$100 million
.03% on balance

Frontier Capital Management (*Domestic Equity*)

Account: ****1901
.75% on total portfolio

Brandes Investment Partners (*Int'l Equity*)

Account: ****1904
.95% on first \$25 million
.90% on next \$25 million
.80% on balance

Neuberger Berman (*Fixed Income*)

Account: ****0795
.30% on first \$50 million
.20% on next \$50 million
.15% on next \$100 million
.10% on next \$200 million
and .075% on balance

Principal Global Investors (*Real Estate*)*

Account: ****1903
1.4% on first \$5 million
1.3% on \$5 million up to \$10 million
1.2% on \$10 million up to \$50 million
1.1% on \$50 million up to \$100 million
1.0% on \$100 million up to \$150 million
.85% on balance

HarbourVest (*Global Secondaries*)

Account: ****1905
.75% on total portfolio**

Wells Fargo Bank (*Custodian*)

Investments -
.003% on total portfolio
\$2.50 per purchase & sale transaction
Benefit payments - *Periodic* -
\$1.50 per check/ACH plus postage

Thompson Siegel & Walmsley (*Domestic Equity*)

Account: ****0759
.80% on total portfolio

Wellington Management Co. (*International Equity*)

Account: ****1902
.75% on first \$25 million
.65% on next \$25 million
.55% on balance

Baird Advisors (*Fixed Income*)

Account: ****2105
.30% on first \$25 million
.25% on next \$25 million
.20% on next \$50 million
.15% on balance

Morgan Stanley (*Real Estate*)*

Account: ****2374
.90% of NAV minimum
up to .45% Incentive Fee

Neuberger Berman (*Private Equity*)

Account ****1906
.363% on total portfolio**

IFM (*Global Infrastructure*)

Account: ****1907
.77% on total portfolio
10% fee for performance over 8%/annum

Angelo Gordon (*Direct Lending*)

Account: ****1908
0.25% of the cost basis of investments

GoldenTree Asset Mgmt (*Multi-Sector*)

Account: not established

Segal Rogerscasey (*Investment Consultant*)

\$130,000 annually effective 1/1/16

* These are mutual or commingled funds whose investment earnings are posted net of fees.

** Blended rate with extensions

*** Average past 14 years with extensions

AGENDA ITEM 3

ITEM 3.a.

**MINUTES of JUNE 13, 2017
SPECIAL PENSION
BOARD MEETING**

**MINUTES
SPECIAL PENSION BOARD MEETING
CITY OF HOLLYWOOD EMPLOYEES' RETIREMENT FUND
TUESDAY, JUNE 13, 2017**

1. CALL TO ORDER

Chair Shaw called the meeting to order at 2:03 p.m.

2. ROLL CALL AND PLEDGE OF ALLEGIANCE

Board Members present: Chair Phyllis Shaw, Vice-Chair Jeffrey Greene (via telephone), Ronald Bolton, Chris Cassidy, George Keller, Charles Howell, and Mel Standley. Also present: Pension Coordinator Lisa Castronovo and Board Attorney James Linn (via telephone).

3. ADMINISTRATIVE ISSUES

a. Disability Application Processing and Hearing Procedures

The Board discussed various provisions of the draft Disability Application Processing and Hearing Procedures as provided by Mr. Linn and then provided direction to Mr. Linn on desired language to add, delete or revise.

b. Pension Coordinator Position

Ms. Castronovo departed. This Administrative Issue was conducted and recorded by the City's Director of Procurement Services, Paul Bassar.

4. ADJOURNMENT

MOTION made by Mr. Howell, seconded by Mr. Keller, to adjourn the meeting. In a voice vote by the members present, **Motion** passed 7-0. Meeting adjourned at 3:59 p.m.

Phyllis Shaw, Chair

Date

ITEM 3.b.

**MINUTES of
JUNE 22, 2017
REGULAR PENSION
BOARD MEETING**

MINUTES
REGULAR PENSION BOARD MEETING
CITY OF HOLLYWOOD EMPLOYEES' RETIREMENT FUND
THURSDAY, JUNE 22, 2017

1. CALL TO ORDER

Chair Shaw called the meeting to order at 9:09 a.m.

2. ROLL CALL AND PLEDGE OF ALLEGIANCE

Board Members present: Chair Phyllis Shaw, Vice-Chair Jeffrey Greene (arrived at 9:15 a.m.), Christopher Cassidy, Charles Howell and Mel Standley. Board Member absent: George Keller. Also present: Pension Coordinator Lisa Castronovo and Board Attorney James Linn (Lewis, Longman & Walker).

a. Adoption of Agenda

MOTION made by Mr. Bolton, seconded by Mr. Cassidy, to adopt the June 22, 2017 regular Board meeting Agenda as presented. In a voice vote by the members present, all members voted in favor. **Motion** passed 5-0.

3. CONSENT AGENDA

- a. May 25, 2017 Regular Meeting Minutes
- b. Excuse Chair Shaw and Trustee Keller from May 25, 2017 Regular Board Meeting
- c. Ratification of Distributions (Contributions and DROP) and Plan Expenses
- d. Approval/Ratification of New Retirement/DROP/Vested/Death Annuities

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

4. TREASURER'S REPORT

No one was available from the City's Finance Department to present the Treasurer's Report but Ms. Castronovo directed the Board's attention to the draft May 31, 2017 provided by the Finance Department for their review.

5. INVESTMENT ISSUES (Keith Reynolds – Segal Marco Advisors)

- a. Multi-Sector Manager Interviews
Mr. Francois Otieno, Director, Fixed Income, Segal Marco Advisors joined the meeting via telephone for the Multi-Sector Lending manager interviews and follow-up discussion.

Mr. John Meyer and Ms. Andrea DiCenso presented material (made part of these Minutes) on behalf of Loomis, Sayles & Company.

Ms. Marina Mekhlis and Ms. Kathy Sutherland presented material (made part of these Minutes) on behalf of GoldenTree Asset Management.

Mr. Pete Mitchell and Mr. Jonathan Insull presented material (made part of these Minutes) on behalf of Crescent Capital Group.

Following the three presentations, the Board discussed multi-sector investing and specifically the three companies who made presentations. Mr. Reynolds noted the initial Fund investment would be approximately 3.75% of the total Fund's value, or about \$12 million. The Board asked Mr. Otieno to rank the three companies from least to most conservative. Mr. Reynolds and Mr. Otieno agreed the least conservative was GoldenTree, with Crescent Capital in the middle and Loomis Sayles the most conservative. Both Mr. Reynolds and Mr. Otieno stated they felt GoldenTree would be the best fit for the Fund considering it offered the greatest downside protection whereas Loomis Sayles and Crescent Capital provided less downside protection in favor of greater upside returns. The trustees agreed they liked GoldenTree, but were somewhat skeptical about the long-term returns since the fund offered by GoldenTree was relatively new and the fees were higher than those for Loomis Sayles and Crescent Capital. Chair Shaw and Mr. Howell asked Mr. Reynolds to contact GoldenTree to find out if they would lower their fees.

MOTION made by Vice-Chair Greene, seconded by Mr. Standley, to invest 3.75% of the Fund's total value with GoldenTree subject to fee negotiation and legal review with the funding to come from fixed income manager Baird Advisors. In a voice vote by the members present, all members voted in favor. **Motion** passed 6-0.

b. Flash Performance Review

Mr. Reynolds reported the Fund's market value was \$313.3 million on May 31, 2017 with a net rate of return of 7.0% for the current fiscal year.

Mr. Reynolds shared the results of a survey conducted by Greenwich Associates which found that Segal Marco Advisors was ranked number one out of all national large investment consultants when measured in investment consulting, manager selection, client services and commercial arrangements.

Chair Shaw asked Mr. Reynolds his opinion on how the City's three retirement plans could save money (via fee savings) by combining the plans' investments. Mr. Reynolds responded that such savings could be seen if a master trust was formed with one master custodian that covered all three plans. Such a trust would in the least lead to lower custodian fees. Discussion followed.

6. **LEGAL ISSUES (Glenn Thomas for Board Attorney James Linn – Lewis, Longman & Walker)**

a. 13th Check Litigation Update

Mr. Linn provided a brief update on the meeting held by City on June 16, 2017 regarding ongoing discussions with the three retirement boards regarding the 13th check issue. Mr. Linn noted that, to his knowledge, the mayor had not responded to the Board's request to be removed from the 13th check lawsuit.

Chair Shaw asked Mr. Linn to provide an update on the Pension Administrator position. Mr. Linn responded that the five-day protest period following the announcement of the award of the RFP bid to Jennifer Kerr had ended with no protests filed so a contract with Ms. Kerr could be pursued. Mr. Linn stated Ms. Castronovo's contract provided a 90-day cancellation notice but suggested that since a contract with Ms. Kerr had not yet been signed, the Board should hold off on noticing Ms. Castronovo until the contract with Ms. Kerr had been signed.

Discussion followed regarding information that had recently come to the Board's attention regarding Ms. Kerr.

MOTION made by Vice-Chair Greene, seconded by Mr. Cassidy, to reconsider the vote taken at the June 13, 2017 special Board meeting at which the Pension Administrator bid was awarded to Jennifer Kerr. In a voice vote by the members present, the Motion failed 3-3 (Mr. Bolton, Mr. Howell and Mr. Standley voted in opposition). As a result, the original Motion passed June 13, 2017 remains effective.

The Board directed Mr. Linn to move forward with performing a thorough background check on Ms. Kerr and to report back with any information he deemed important for the Board to know about before proceeding with the drafting of and negotiating a contract. When Mr. Linn asked the level of background check he should perform, Chair Shaw responded the level should be that performed for a city finance director.

7. ADMINISTRATIVE ISSUES

- a. Board Attorney RFP
No discussion

- b. City Commission Communication
Ms. Castronovo provided the Board with a draft of the City Commission Communication for the May 25, 2017 regular Board meeting. Mr. Howell suggested adding to the Communication the results of the Greenwich Associates survey regarding Segal Marco Advisors.

ACTION REQUIRED:

Ms. Castronovo – add information to the City Commission Communication about the results of the Greenwich Associates survey regarding Segal Marco.

- c. Fund Administration Transition
No discussion.
- d. Benefit Verification Communication
Ms. Castronovo provided the Trustees with a fee quote from The Berwyn Group for both a one-time decedent search and an annual fee to acquire a license to The Berwyn's Group software application that could be used as often as desired. The Board decided to not move forward with benefit verifications or the purchase of services offered by The Berwyn Group at this time but to bring back the idea in the next year or so.

8. PUBLIC COMMENTS

There were no public comments.

9. TRUSTEE REPORTS, QUESTIONS AND COMMENTS

Chair Shaw reminded the Trustees to give the Disability Application Processing and Hearing Procedures a final review and provide final comments to Mr. Linn to be incorporated in the Procedures in advance of the next regular meeting.

Chair Shaw asked the Trustees who are attending the IFEBP Annual Conference in Las Vegas in October to start researching plane ticket prices.

10. PENSION COORDINATOR'S REPORT (Lisa Castronovo)

Ms. Castronovo reminded the Trustees attending the upcoming FPPTA annual conference to remember to turn in the tax-exempt information at the hotel when they checked in.

11. ADJOURNMENT

MOTION made by Vice-Chair Greene, seconded by Mr. Bolton, to adjourn the meeting. In a voice vote by the members present, **Motion** passed 6-0. Meeting adjourned at 2:10 p.m.

Phyllis Shaw, Chair

Date

ITEM 3.c.

**MINUTES of JULY 11, 2017
SPECIAL PENSION
BOARD MEETING**

**MINUTES
SPECIAL PENSION BOARD MEETING
CITY OF HOLLYWOOD EMPLOYEES' RETIREMENT FUND
TUESDAY, JULY 11, 2017**

1. CALL TO ORDER

Chair Shaw called the meeting to order at 2:14 p.m.

2. ROLL CALL AND PLEDGE OF ALLEGIANCE

Board Members present: Chair Phyllis Shaw, Vice-Chair Jeffrey Greene, Ronald Bolton, Chris Cassidy, George Keller, Charles Howell (via telephone) and Mel Standley (via telephone). Glenn Thomas for Board Attorney James Linn (via telephone).

3. ADMINISTRATIVE ISSUES

a. Pension Coordinator Position

Ms. Castronovo left the meeting. After she exited, Mr. Thomas directed the Board that they were to only consider information regarding Jennifer Kerr, their selected candidate for the Pension Coordinator position, and they should not hear or consider any statements or information presented regarding the current Coordinator, Ms. Castronovo.

The Board discussed the September 2014 deposition given by Ms. Kerr to the Broward County State Attorney's Office and the October 2014 close-out memorandum from the State Attorney's Office regarding the case. Each Trustee provided input and opinions regarding the main subject addressed in the deposition – Ms. Kerr's use of City of Hollywood Firefighters' Pension Fund Board credit cards for her own personal purchases.

Per Mr. Keller's request, Paul Bassar, Director of Procurement Services, addressed the Board and detailed the steps he and his office took to develop and then provide to the public the Pension Administrator RFP. Mr. Bassar noted that one of the steps of writing of the RFP was his request for input from each Trustee but that he only received feedback from Mr. Keller. Mr. Bassar closed his comments by stating the Pension Administrator process had been done professionally resulting in the finding of a qualified candidate.

Mr. Keller asked Mr. Thomas if the deposition or any finding in the deposition disqualified Ms. Kerr from consideration for the Pension Coordinator position. Mr. Thomas responded there was nothing in the deposition disqualifying Ms. Kerr though the Board could decide, based on the information detailed in the deposition, to not proceed in seeking Ms. Kerr's employment.

Mr. Keller stated he wanted to see the initially approved deep background check and draft employment contract presented to the Board upon completion rather than have information provided piece-meal prior to the background check being completed or employment contract being drafted. Mr. Bolton stated he wanted to see the process play out and if the Board ultimately received information indicating that Ms. Kerr was not the best candidate, then he would be willing to start the process over.

Public comments were heard from:

William Vulpis, retiree

Vera P. Hall, retiree

Patrick Mason, retiree

Barbara Long, retiree

Mr. Cassidy asked Mr. Thomas how the background check would be conducted to which Mr. Thomas responded that the surety bond company would conduct the background check, at no expense to the Board, and would look at Ms. Kerr's financial background, social security records, employment history, criminal records, residence history, bankruptcy records, court records, etc. Mr. Thomas noted that short of hiring a private investigator, the surety bond company would investigate everything that could legally be investigated. When asked when the background check would be completed, Mr. Thomas replied he did not know.

4. **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 7-0. Meeting adjourned at 3:46 p.m.

Phyllis Shaw, Chair

Date

ITEM 3.d.

**EXCUSE ABSENCE
of
TRUSTEE KELLER
from June 22, 2017
Regular Pension Board Meeting**

(No backup included for this Item)

ITEM 3.e.

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

PLAN DISTRIBUTIONS

EMPLOYEES' RETIREMENT FUND
Refunds and Distributions
July 27, 2017 Regular Pension Board Meeting

Refunds of Contributions

<u>Name</u>	<u>Refund</u>
	\$
	\$ <u>0.00</u>

Planned Retirement Distributions

\$

\$ 0.00

DROP Distributions

\$

\$ 0.00

TOTAL: \$ 0.00

PLAN EXPENSES

EMPLOYEES RETIREMENT FUND

Payment Requests Processed During the Period

June 1, 2017 through June 30, 2017

Manager Fees

Segal Marco Advisors (May 2017)	\$ 10,833.33
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Attorney Fees

Lewis, Longman and Walker, P.A. (May 2017)	3,620.34
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Pension Coordinator Fees

LECastronovo Co., Inc. (June 2017)	13,173.33
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Travel Advances/Expenses

FPPTA Annual Conference (Orlando)

Charles Howell	650.00
George Keller	650.00
Mel Standley	650.00
Jeffrey Greene	650.00
Lisa Castronovo	650.00
	<u>3,250.00</u>

Miscellaneous

Sharp - Copier Lease Credit (05/01/17 - 05/31/17)	157.36
HostGator	10.95
Gateway-Acentria Insurance	2,625.00
	<u>2,793.31</u>

Total	\$ <u>33,670.31</u>
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ITEM 3.f.

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

EMPLOYEES' RETIREMENT FUND

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

July 27, 2017 Regular Pension Board Meeting

May 2017

Silvey, Linda - retirement	\$	3,264.59
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June 2017

Bradford, Todd - retirement (from Police)	\$	348.24
Morris, Mack - retirement		1,132.57

July 2017

Munoz, Isabel - beneficiary of Oswaldo Munoz	\$	1,802.62
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Benefits Stopped

AGENDA ITEM 4

CITY OF HOLLYWOOD, FLORIDA

**EMPLOYEES RETIREMENT FUND
TREASURER'S REPORT
FINAL
March 31, 2017**

<u>Investment Balances</u>	<u>Market Value</u>	<u>Book Value</u>	<u>Unrealized Gain (Loss)</u>
Balance, October 1, 2016	\$ 289,668,741.33	\$ 245,914,583.86	\$ 43,754,157.47
Contributions and Payments:			
City Contributions		20,562,867.82	
Employee Contributions		1,591,367.75	
Pension Disbursements		(14,589,358.63)	
Administrative Expenses		(307,812.59)	
Net Contributions/Payments		<u>7,257,064.35</u>	
Investment Income:			
Dividends Received		857,712.53	
Interest Received - net		1,519,193.73	
Gain on Sales		2,243,709.54	
Commission Recapture		2,020.32	
Quarterly Investment Fees		(550,263.36)	
Net Investment Income		<u>4,072,372.76</u>	
Balance, March 31, 2017	<u>312,156,884.67</u>	<u>257,244,020.97</u>	<u>54,912,863.70</u>
Increase (Decrease) for the Period	\$ <u>22,488,143.34</u>	\$ <u>11,329,437.11</u>	\$ <u>11,158,706.23</u>

Unrealized Gain (Loss) Account
Composition of Increases (Decreases)

Thompson, Siegel & Walmsley	\$ 417,788.77
Frontier Capital Management	2,098,522.80
Wellington International	2,169,637.74
Northern Trust	6,628,435.18
Brandes Investment Partners	1,418,090.55
NB Crossroads	166,945.00
Total Equity Managers	<u>12,899,420.04</u>
Baird Advisors	(1,385,525.96)
Neuberger & Berman	(555,129.75)
Morgan Stanley	(21,086.97)
Principal Investors	129,040.87
Harbourvest Dover IX49	91,988.00
	\$ <u>11,158,706.23</u>

Investment Return

Net Investment Income	\$ 4,072,372.76
Increase (Decrease) in Unrealized Gain/Loss	11,158,706.23
Total Investment Return for Period	\$ <u>15,231,078.99</u>
Beginning Market Value of Assets	\$ 289,668,741.33
Plus/(Less): Net Contributions/Payments	7,257,064.35
Assets Available for Investment	\$ <u>296,925,805.68</u>

Investment Return as a % of Assets Available for Investment 5.13%

CITY OF HOLLYWOOD, FLORIDA

**EMPLOYEES RETIREMENT FUND
TREASURER'S REPORT
FINAL
April 30, 2017**

<u>Investment Balances</u>	<u>Market Value</u>	<u>Book Value</u>	<u>Unrealized Gain (Loss)</u>
Balance, October 1, 2016	\$ 289,668,741.33	\$ 245,914,583.86	\$ 43,754,157.47
Contributions and Payments:			
City Contributions		20,562,867.82	
Employee Contributions		1,843,484.58	
Pension Disbursements		(16,933,753.79)	
Administrative Expenses		(339,700.33)	
Net Contributions/Payments		<u>5,132,898.28</u>	
Investment Income:			
Dividends Received		1,032,316.24	
Interest Received - net		1,653,903.03	
Gain on Sales		2,487,725.69	
Commission Recapture		2,199.52	
Quarterly Investment Fees		(561,096.69)	
Net Investment Income		<u>4,615,047.79</u>	
Balance, April 30, 2017	<u>313,396,400.27</u>	<u>255,662,529.93</u>	<u>57,733,870.34</u>
Increase (Decrease) for the Period	\$ <u>23,727,658.94</u>	\$ <u>9,747,946.07</u>	\$ <u>13,979,712.87</u>

Unrealized Gain (Loss) Account

Composition of Increases (Decreases)

Thompson, Siegel & Walmsley	\$ 440,228.69
Frontier Capital Management	2,368,885.01
Wellington International	3,171,388.66
Northern Trust	7,485,900.51
Brandes Investment Partners	1,677,199.20
NB Crossroads	166,945.00
Total Equity Managers	<u>15,310,547.07</u>
Baird Advisors	(1,081,743.72)
Neuberger & Berman	(449,032.38)
Morgan Stanley	(21,086.97)
Principal Investors	129,040.87
Harbourvest Dover IX49	91,988.00
	<u>\$ 13,979,712.87</u>

Investment Return

Net Investment Income	\$ 4,615,047.79
Increase (Decrease) in Unrealized Gain/Loss	<u>13,979,712.87</u>
Total Investment Return for Period	<u>\$ 18,594,760.66</u>
Beginning Market Value of Assets	\$ 289,668,741.33
Plus/(Less): Net Contributions/Payments	<u>5,132,898.28</u>
Assets Available for Investment	<u>\$ 294,801,639.61</u>

Investment Return as a % of Assets Available for Investment	<u>6.31%</u>
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CITY OF HOLLYWOOD, FLORIDA

**EMPLOYEES RETIREMENT FUND
TREASURER'S REPORT
FINAL
May 31, 2017**

<u>Investment Balances</u>	<u>Market Value</u>	<u>Book Value</u>	<u>Unrealized Gain (Loss)</u>
Balance, October 1, 2016	\$ 289,668,741.33	\$ 245,914,583.86	\$ 43,754,157.47
Contributions and Payments:			
City Contributions		20,562,867.82	
Employee Contributions		2,089,611.49	
Pension Disbursements		(19,997,464.19)	
Administrative Expenses		(356,083.57)	
Net Contributions/Payments		<u>2,298,931.55</u>	
Investment Income:			
Dividends Received		1,247,676.38	
Interest Received - net		1,939,798.22	
Gain on Sales		2,781,077.02	
Commission Recapture		2,690.22	
Quarterly Investment Fees		(609,133.17)	
Net Investment Income		<u>5,362,108.67</u>	
Balance, May 31, 2017	<u>313,993,395.25</u>	<u>253,575,624.08</u>	<u>60,417,771.17</u>
Increase (Decrease) for the Period	\$ <u>24,324,653.92</u>	\$ <u>7,661,040.22</u>	\$ <u>16,663,613.70</u>

Unrealized Gain (Loss) Account
Composition of Increases (Decreases)

Thompson, Siegel & Walmsley	\$ (173,764.49)
Frontier Capital Management	2,386,652.73
Wellington International	4,660,803.97
Northern Trust	8,671,170.00
Brandes Investment Partners	1,920,102.30
NB Crossroads	166,945.00
Total Equity Managers	<u>17,631,909.51</u>
Baird Advisors	(756,592.06)
Neuberger & Berman	(384,397.65)
Morgan Stanley	(21,086.97)
Principal Investors	129,040.87
Harbourvest Dover IX49	64,740.00
	\$ <u>16,663,613.70</u>

Investment Return

Net Investment Income	\$ 5,362,108.67
Increase (Decrease) in Unrealized Gain/Loss	<u>16,663,613.70</u>
Total Investment Return for Period	\$ <u>22,025,722.37</u>
Beginning Market Value of Assets	\$ 289,668,741.33
Plus/(Less): Net Contributions/Payments	<u>2,298,931.55</u>
Assets Available for Investment	\$ <u>291,967,672.88</u>
Investment Return as a % of Assets Available for Investment	<u>7.54%</u>

AGENDA ITEM 5

ITEM 5.a.

BAIRD ADVISORS PRESENTATION

(Backup will be provided when received)

ITEM 5.b.

NEUBERGER BERMAN PRESENTATION

(Backup will be provided when received)

ITEM 5.c.

FIXED INCOME WRAP-UP DISCUSSION

(No Backup)

ITEM 5.d.

FLASH PERFORMANCE REVIEW

(Backup will be provided when received)

AGENDA ITEM 6

ITEM 6.a.

DISABILITY APPLICATION PROCESSING & HEARING PROCEDURES

HOLLYWOOD EMPLOYEES' RETIREMENT FUND
DISABILITY APPLICATION PROCESSING AND HEARING PROCEDURE
7.18.17 Draft

1. DISABILITY RETIREMENT APPLICATION

A. An application for disability benefits shall be made in writing on a form provided by the Board in the Pension Office and signed by the member (Claimant) or a duly authorized representative. The member must be employed by the City at the time the application is submitted, unless the member is prevented from submitting the application while employed by reason of the disability. In no event will an application for disability benefits submitted more than 90 days following termination of employment be considered by the Board, unless the Board determines based on evidence presented that extenuating circumstances prevented the Claimant from submitting a timely application or the condition resulting in the disability was not discovered in a timely manner. A member may not submit more than one application based on the same asserted disability or medical condition. The application shall include the Claimant's name, address, employing department, nature, date, cause, extent and duration of disability, name and address of attending physician(s), and a summary of any medical treatment, with the names of all treating providers received during the five years preceding the disability. Applications shall be accompanied by a report of the attending physicians including the date of the first and last examination, the cause and nature of disability, information regarding surgery or laboratory tests, prognosis, an estimate of the probable length of disability, and if the claim is for a job-related disability benefit, a statement that the Claimant has reached maximum medical improvement. The application shall also include an authorization for release of medical records signed by the Claimant. An application will not be complete until the Claimant submits all required documentation. Completed Applications are considered to be filed with the Board when received by the Pension Coordinator at the Pension Office, located at: City Hall Annex, Room 20, 2600 Hollywood Blvd., Hollywood, FL 33020.

B. Within thirty (30) days following receipt of a complete Application, the Pension Coordinator shall submit a request for medical records to all providers identified by the Claimant as having provided medical treatment within five years preceding the disability. Following receipt of the medical records, the Pension Coordinator shall arrange for the Claimant to be examined by a physician or physicians designated by the Board, at the Board's expense. All medical records received from the Claimant's treating providers shall be furnished to the physician or physicians who examine the Claimant, prior to the examination, and shall be provided to the Claimant upon request. At the Board's discretion, investigation services may be employed to determine the extent and duration of disability on which a claim is based.

C. Within three (3) days following receipt of the report by the designated physician(s), the Pension Coordinator shall prepare a disability pension file (File) to include all materials relevant to the Application, including all medical records, and shall provide the Human Resources Director with the Application and the File.

D. Within twenty-one (21) days following receipt of the Application and File, the Human Resources Director shall review the Application and File, as well as other relevant information, and determine whether the Claimant is able to perform the specific duties of his or her position. If the Claimant is unable to perform the specific duties of his or her position, the

City may offer the member, with no change in salary or benefit level, a newly created modified duty position or a vacant position which the member is capable and qualified to perform. If a new position is offered to the Claimant, the Human Resources Director shall notify the Pension Coordinator and provide a position description for each position offered to the Claimant. The Pension Coordinator shall arrange for the Claimant to be examined by the Board-designated physician to determine whether the Claimant is able to perform the specific duties of any or all of the newly offered position(s). All medical records received from the Claimant's treating providers shall be furnished to the physician or physicians who examine the Claimant, prior to the examination, and shall be provided to the Claimant upon request. The results of the examination shall be submitted to the Human Resources Director. The Human Resources Director shall notify the Claimant and the Board of its determination, and shall provide a written report to the Board together with all documents relevant to the Human Resources Director's determination.

E. If the Human Resources Director determines that the Claimant is unable to perform the specific duties of his or her position and no other position is offered to the Claimant, or if the Claimant is unable to perform the functions of a newly offered position, the Board shall schedule an Initial Hearing, to be conducted within forty-five (45) days following the determination by Human Resources Director, to determine:

- (1) Whether the Claimant has a total and permanent disability;
- (2) Whether the disability occurred by reason of injuries sustained by the Claimant while in the performance of an act of duty as an active employee of the City, or
- (3) Whether additional information is required.

F. It shall be the function of the Pension Coordinator and Board legal counsel, throughout the application procedure, to assist the Board in the discovery and presentation of evidence in order to assure that the Board receives all relevant information prior to the Board's decision. Together with the Application and File, the Pension Coordinator shall provide the Board with the member's personnel file, job description, date of birth, credited service date and years of credited service, normal retirement date and an estimate of the member's monthly disability benefit at least ten (10) days prior to the Initial Hearing.

G. Claimant shall have the right to be represented by counsel or other representative at all times during the application process. If represented, all communications and correspondence will be through the Claimant's legal counsel or representative.

H. Board legal counsel and the Claimant may stipulate to one extension of time not to exceed sixty (60) calendar days. Additional extensions shall require Board approval.

2. INITIAL HEARING ON THE APPLICATION

A. At the initial hearing, the Board shall consider only the documentary evidence contained in the File.

B. Other than answers to questions from Board members or from the Board's legal counsel, the Board will take no additional evidence at the initial hearing, although the Claimant or the Claimant's legal counsel or representative, may make a presentation not to exceed fifteen

(15) minutes in length, limited to comments and/or arguments as to the evidence or information contained in the File, including physician report(s). The Board may allow a City representative to make a presentation not to exceed 15 minutes in length, concerning the Application, which shall also be limited to comments and/or arguments as to the evidence or information contained in the File, including physician report(s).

C. At the conclusion of the initial hearing, the Board shall adopt a motion granting or denying the Application, or take such other action as the Board may determine to be necessary or appropriate. A written Order setting forth the Board's findings and conclusions on the Application shall be provided to the Claimant within thirty (30) days following the initial hearing. The Board may extend the time for entering the Order for up to an additional forty-five (45) days if it determines such time is necessary for adequate review.

The Order shall include:

- (1) The specific findings and conclusions of the Board, including specific references to pertinent provisions of the Plan on which such conclusions are based;
- (2) A description of any additional material or information that the Board may deem necessary for the claimant to perfect the claim, together with the reasons why such materials or information is necessary; and
- (3) An explanation of the right to a full hearing on the claim and the time limit in which a full hearing must be requested in writing.

D. The decision of the Board at the initial hearing shall become final if the Claimant does not request a full hearing within thirty (30) calendar days following receipt of the Board's Order on the initial hearing. The Board's Order shall be deemed received by the Claimant three (3) business days following the date it is mailed to the Claimant at the address provided to the Board by the Claimant.

3. FULL HEARING

A. Any Claimant may request a full hearing on the issues presented to the Board at an initial hearing and upon which the Board has entered an Order. The Claimant shall bear the burden of proof at the full hearing to show entitlement to the benefits sought.

B. A full hearing must be requested in writing by the Claimant within thirty (30) calendar days following receipt of the Board's Order. The Board's Order shall be deemed received by the Claimant three (3) business days following the date it is mailed to the Claimant at the address provided to the Board by the Claimant.

C. Upon receipt of the written request for a full hearing the Board shall set a date for the full hearing and cause notice to be given to the Claimant. The full hearing shall be held within ninety (90) calendar days following the receipt of the request from the Claimant, unless the Board determines that additional time is necessary for full discovery or adequate review.

D. Copies of all documents to be offered into evidence at the full hearing, and a complete witness list with names and addresses of witnesses expected to be called, shall be furnished to

the Board at least twenty (20) days prior to the full hearing. Documents not furnished to the Board within the prescribed time limit may be excluded from evidence at the full hearing, and witnesses not disclosed within the prescribed time limit may be excluded from testimony, if a reasonable explanation is not provided for the delay in providing the documents or witnesses.

E. The Board may designate legal counsel other than Board Legal Counsel to present evidence, cross-examine witnesses, and otherwise participate in the hearing. The Claimant, Board Legal Counsel and other legal counsel that the Board may designate ~~the City's representative~~ may obtain discovery by deposition and/or interrogatories prior to the full hearing. Written notice of any depositions and/or interrogatories shall be provided to the Claimant or Claimant's legal counsel or representative, Board Legal Counsel and other legal counsel that the Board may designate ~~the City's representative~~.

F. All costs of discovery initiated by the Claimant or Claimant's legal counsel or representative, including compensation of the Claimant's witnesses, shall be borne by the Claimant.

G. Testimony may be submitted in the form of a deposition. Transcripts of depositions shall be made part of the disability pension file. Transcripts, or any portions thereof, may be read into the record by any party and may be referred to in argument.

H. The Claimant shall be responsible for the appearance of any witnesses at the hearing.

I. Irrelevant and unduly repetitious evidence may be excluded.

J. Should a Claimant decide to appeal any decision made by the Board, with respect to any matter considered at such hearing, the claimant will need a record of the proceeding and may need to assure that a verbatim record of the proceeding is made. The Claimant will be responsible for obtaining a court reporter or otherwise making a record of the proceedings before the Board.

K. All witnesses shall be sworn before testifying. Any person who knowingly gives false testimony is guilty of a misdemeanor of the first degree, punishable as provided in Section 775.082 or 775.083, Florida Statutes.

L. The File maintained by the Board, including but not limited to various medical reports therein and medical reports contained in the Claimant's personnel file, is part of the record before the Board at the full hearing.

M. All proceedings of the Board shall be conducted in public in accordance with Ch. 287, Fla. Stat. (Sunshine Law).

N. At the conclusion of the full hearing, the Board shall adopt a motion granting or denying the Application. A written Order setting forth the Board's findings and conclusions on the Application shall be provided to the Claimant within thirty (30) days following the hearing. The Board may extend the time for entering the Order for up to an additional forty-five (45) days if it determines such time is necessary for adequate review. The decision of the Board after a full hearing shall be final and binding, subject to judicial review.

O. Within thirty (30) days after making a decision at the full hearing, the Board shall enter a final order setting forth its findings and conclusions, and a copy of the final order shall be provided to the claimant.

P. Judicial review of decisions of the Board shall be in the manner prescribed by law.

4: MISCELLANEOUS

A. Initial hearings and full hearings will be held during regular Board meetings as a part of the regular agenda, or at a special meeting as determined by the Board. No Claimant has the right to demand or receive a special appearance before the Board.

B. Applications will generally be heard in the order filed. However, in some cases a later-filed Application will be ready for hearing before an earlier-filed Application. In such a case, the Application first ready to be heard will be heard first. The Board may limit the number of full hearings heard on any single agenda.

C. All time periods and procedures may be modified by the Board, and a hearing may be continued by order of the Board. Any modification or continuance shall be based upon good cause being shown.

D. Except as to those records which are exempt from the provisions of Chapter 119, Florida Statutes, Florida's Public Records Law, records maintained by the Board are open for inspection and/or copying during normal business hours at a reasonable cost for the copying.

ITEM 6.b.

**STATUS REPORT on BACKGROUND
CHECK/FIDUCIARY BOND
APPLICATION for JENNIFER KERR**

(No backup)

AGENDA ITEM 7

ITEM 7.a.

CITY COMMISSION COMMUNICATION

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

DATE: July 19, 2017
TO: Board of Trustees of the Employees' Retirement Fund
FROM: Lisa Castronovo, Pension Coordinator *lc*
SUBJECT: City Commission Communication

ISSUE:

Regular communication with City Commissioners and other interested parties

EXPLANATION:

Attached is proposed City Commission Communication for the June 22, 2017 regular Board meeting and the June 13, 2017 and July 11, 2017 special Board meetings.

RECOMMENDATION:

For review and discussion

CITY COMMISSION COMMUNICATION
from
CITY OF HOLLYWOOD EMPLOYEES' RETIREMENT FUND'S
BOARD OF TRUSTEES
for
JUNE 13, 2017 SPECIAL MEETING
JUNE 22, 2017 REGULAR MEETING
JULY 11, 2017 SPECIAL MEETING

Board's Communication to City Commission

Items Requiring City Commission Action

- Attend Board of Trustees' August 24, 2017, 9:00 AM regular meeting (in Pension Office conference room)

Items of Interest to the City Commission

- Florida Public Pension Trustees Association Fall Trustees School in Tampa, FL October 8 - 11, 2017 (Informational brochure and agenda will be provided when received)
- Segal Marco Advisors Annual Education Summit in Orlando, FL October 18 - 21, 2017 (informational brochure and agenda will be provided when received)
- International Foundation of Employee Benefit Plans in Las Vegas, NV October 22 - 25, 2017 (informational brochure and agenda will be provided when received)

Items Submitted for City Commission Consideration

- None

June 13, 2017 Special Board Meeting Summary:

Board Members present: Chair Phyllis Shaw
Vice-Chair Jeffrey Greene
Ronald Bolton
Chris Cassidy
Charles Howell
George Keller
Mel Standley

Board Member(s) absent: ----

Also present: Board Attorney James Linn

Administrative:

The Board:

- Awarded the Pension Administrator RFP bid to its number one ranked candidate, Jennifer V. Kerr. The Board directed Mr. Linn to conduct a background check and provide a draft employment contract for Ms. Kerr.

June 22, 2017 Regular Board Meeting Summary:

Board Members present: Chair Phyllis Shaw
Vice-Chair Jeffrey Greene
Ronald Bolton
Chris Cassidy
Charles Howell
Mel Standley
Board Member(s) absent: George Keller (excused absence)
Also present: Pension Coordinator Lisa Castronovo
Board Attorney James Linn

Retirement Fund Investments (Keith Reynolds, Segal Marco Advisors, investment consultant):

- The Board heard presentations from three Multi-Sector Fixed Income money managers – Loomis, Sayles, & Company; GoldenTree Asset Management; and Crescent Capital Group. After the presentations and discussion, the Board hired GoldenTree Asset Management with an initial 3.75% of the total Fund value investment commitment (approximately \$12 million)
- Mr. Reynolds presented the Fund's May 2017 flash performance report noting the Fund's market value on May 31, 2017 was \$313.3 million with a net rate of return for the current fiscal year, through May, of 7.0%
- Mr. Reynolds noted that per a Greenwich Associates survey, Segal Marco Advisors was ranked number one for large investment consultants

Legal:

- Board Attorney James Linn provided updates on 1) legal matters including a brief recap of the City's June 16th meeting regarding the 13th check lawsuit and 2) the hiring of Jennifer Kerr as the Fund's Pension Administrator.

Administrative:

The Board discussed:

- Utilizing the services of The Berwyn Group who provides decedent searches for a fee but ultimately decided to not pursue the matter at this time.

July 11, 2017 Special Board Meeting Summary:

Board Members present: Chair Phyllis Shaw
Vice-Chair Jeffrey Greene
Ronald Bolton
Chris Cassidy
Charles Howell
George Keller
Mel Standley
Board Member(s) absent: ----
Also present: Attorney Glenn Thomas for Board Attorney James Linn

Administrative:

The Board:

- Discussed preliminary background information provided for Jennifer Kerr, the Board's selected candidate as the Fund's Pension Administrator. The Board directed Mr. Linn to continue with a thorough background check and the drafting of an employment agreement.

ITEM 7.b.

**FUND INVOICE PAYMENTS –
TRANSITION TO WELLS FARGO**

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

DATE: July 19, 2017
TO: Board of Trustees of the Employees' Retirement Fund
FROM: Lisa Castronovo, Pension Coordinator *lee*
SUBJECT: Fund Invoice Payments

ISSUE:

Payment of Fund invoices

EXPLANATION:

Currently, the City's Finance department processes the invoices and issues the checks for all Fund-related expenses based on Disbursement Vouchers I prepare, have approved and submit for payment. As the Board moves to complete autonomy from the City in the next few months, the invoice service currently provided by the Finance department will cease.

I have reached out to Katherine Harris, our customer service representative with Fund custodian Wells Fargo, to find out how we can use their services to pay the Fund's invoices going forward. Ms. Harris responded that we can use one of two methods: along with the invoices, submit an individual Disbursement Instruction for each invoice or submit a "Batch Warrant" on which we list all of the invoices along with the specifics regarding which fund account from which the payment will be made as well as wiring, ACH or check mailing instructions. Attached is a sample completed Disbursement Instruction and a Batch Warrant.

Based on the preceding, I suggest using the Batch Warrant method as it will likely be less time-consuming than completing (and have signed) multiple Disbursement Instructions. I have attached a draft Payment Warrant Policy for the Board's consideration and adoption.

RECOMMENDATION:

For Board consideration, discussion and approval

IRT – Disbursement Instruction



Account Number	4046000722	Date	7/27/2017
Account Name	HWD - D/B		
Requester Name	Lisa Castronovo		
Disbursement Amount	\$10,833.33	Phone	(954) 921 - 3333
Disbursement Explanation (Text will appear on statements.)	Invoice #310170	Disbursement Date (if not current date)	7/28/2017

☒ **Invoice attached** (If paying an expense, include copy of invoice.)

Indicate method of payment (select one option only):

<input checked="" type="checkbox"/> Wire (Note: Two signatures are required for international wires.) Bank Name JPMorgan/Chase Bank ABA Number 021000021 Account Number 1440-74156 Account Name Segal Advisors, Inc. FFC (limited to four rows of 32-characters allowed)	<input type="checkbox"/> ACH Bank Name ABA Number Account Number Account Name Type of Account <input type="checkbox"/> Checking or <input type="checkbox"/> Savings	<input type="checkbox"/> Check (Disbursement explanation will also appear on check voucher.) Payee Name Segal Marco Advisors Attention Address PO Box 4142 Church Street Station City, State, Zip New York, NY 10261-4142
--	--	---

Special Instructions

I acknowledge that Wells Fargo will execute the above directive on a best efforts basis upon receipt of this directive provided it is in good order, duly executed by an authorized signer, and delivered via email or fax to the addresses described below. Directives submitted with incomplete information or delivered to an incorrect address will be processed as soon as administratively practical but Wells Fargo cannot guarantee when such transactions will be processed. I agree to indemnify and hold harmless Wells Fargo and its affiliates for any liabilities, expenses or other losses suffered by Wells Fargo, me or my account which arise in connection with any incomplete, inaccurate or misdirected trades or requests.

Authorized Signer

Date

Authorized Signer

Date

Fax (888) 848-5011 **Email** texascsc@wellsfargo.com

**INVESTMENT SOLUTIONS**

333 West 34th Street
New York, NY 10001-2402

Phone: (212) 251-5900

Fax: (212) 208-4564

July 10, 2017

Invoice #: 310170

Reference #: 05260 - 001 - 201712

City of Hollywood
2450 Hollywood Blvd.
Suite 200
Hollywood, FL 33020-6620

REMITTANCE ADVICE

Total Balance Due:

\$10,833.33

PLEASE PAY WITHIN 30 DAYS.

Remittance Information

By Check:	By Wire Transfer:
P.O. Box 4142 Church Street Station New York, NY 10261-4142	JP MORGAN/CHASE BANK Acct Name: SEGAL ADVISORS, INC Acct Type: Acct #: 1440-74156 ABA #: 021000021
Please return a copy of this Remittance Advice with your check to assist us in crediting your account.	Please reference client name and invoice.

EIN #: 13-2646110

★ Segal Marco Advisors

INVESTMENT SOLUTIONS

333 West 34th Street
New York, NY 10001-2402

Phone: (212) 251-5900

Fax: (212) 208-4564

City of Hollywood
2450 Hollywood Blvd.
Suite 200
Hollywood, FL 33020-6620

RECEIVED
7/13/17

July 10, 2017

Invoice #: 310170

Reference #: 05260 - 001 - 201712

For investment consulting services rendered :

New annual fee of \$130,000.00 effective January 1, 2016

In the period June 1, 2017

through June 30, 2017.....

10,833.33

Total Invoice:

\$10,833.33

Lee
7/17/17

WARRANT

No. 0001

For payment from the **City of Hollywood Employees' Retirement Fund, Hollywood, Florida**

Katherine Harris
Client Service Consultant
Wells Fargo Bank
MAC Mail: T9914-010
PO Box 2577
Waco, TX 76702-2577

or such other officers, who from time to time are duly designated and authorized, by resolution of the Board of Trustees, to sign checks, drafts or orders for the payment of money

You are hereby authorized by the Board of Trustees of the City of Hollywood Employees' Retirement Fund to pay the amounts listed below for services rendered to said Board of Trustees, and/or a refund of member contributions, and/or persons named below certified by the Board of Trustees as being on the Retirement Fund list.

NAME	AMOUNT	CHECK NO.
Segal Marco Advisors Investment Solutions 333 W. 34 th Street New York, NY 10001-2402 Invoice #310170 for svcs rendered June 2017..... Fund Account 4046000722 Wiring Instructions: JP Morgan/Chase Bank ABA: 021000021 Acct#: 1440-74156 Acct Name: Segal Advisors, Inc.	<u>\$10,833.33</u>	
Gabriel, Roeder, Smith & Company One East Broward Blvd., Suite 505 Ft. Lauderdale, FL 33301-1804 Invoice #431518 for svcs rendered 5/1/17-6/30/17..... Check Mailing Instructions: Gabriel Roeder Smith & Company PO Box 78000, Dept. #78009 Detroit, MI 48278-0009	<u>\$3,503.00</u>	
Wellington Management PO Box 13766 Newark, NJ 07188-0766 Invoice #20170630-96675-A for 4/1/17-6/30/17..... Wiring Instructions: CitiBank, New York ABA: 021000089 Acct#: 30484907 Acct Name: Wellington Trust Company	<u>\$85,145.10</u>	
TOTAL	<u>\$99,481.43</u>	

Approved By: _____

Date: _____

As members of and constituting the Board of Trustees of the City of Hollywood Employees' Retirement Fund

CITY OF HOLLYWOOD EMPLOYEES' RETIREMENT FUND

PAYMENT WARRANT POLICY (Adopted July 27, 2017)

On July 27, 2017, the Board of Trustees of the City of Hollywood Employees' Retirement Fund adopted the following policy:

- The Board of Trustees of the City of Hollywood Employees' Retirement Fund is the authorized and responsible party to review and approve all Warrants for Fund expenses.
- All Warrants require the signature of two (2) of the following Trustees: Chair, Vice-Chair or Board Secretary.
- Warrants and supporting documentation will be submitted to the Board of Trustees at each regularly scheduled Board meeting for review and signatures. Staff will respond to any questions regarding individual Warrants during the review process. The Board of Trustees will take action to ratify and approve the monthly Warrant log.
- Understanding there are occasions when a Warrant may be needed in advance of a regularly scheduled Board meeting to satisfy a vendor due date, the Board of Trustees authorizes staff to obtain electronic signatures on payment Warrants according to the following procedures:
 - An electronic version of the Warrant and supporting documentation will be emailed using electronic signature software to available Trustees to permit staff to obtain two (2) electronic Trustee signatures
 - The electronically signed Warrant and supporting documentation will be listed in its sequential order on the Warrant log and included with the Warrants reviewed and ratified by the Board of Trustees at their next regularly scheduled Board meeting.

Signed this _____ day of _____, 2017.

Phyllis Shaw, Chair, Board of Trustees

ITEM 7.c.

FIDUCIARY LIABILITY INSURANCE

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

DATE: July 19, 2017
TO: Board of Trustees of the Employees' Retirement Fund
FROM: Lisa Castronovo, Pension Coordinator *lee*
SUBJECT: Fiduciary Liability Insurance

ISSUE:

Renewal of Fiduciary Liability Insurance

EXPLANATION:

The Board's current fiduciary liability insurance expires September 30, 2017. I have provided Katie Jackson with Gateway-Acentura Insurance, the insurance agent used last year, the information she needs in order to start seeking coverage and quotes for the upcoming fiscal year. As a reminder, last year the Board elected to purchase \$15M insurance coverage for a total premium of \$154,620. As of right now, Ms. Jackson does not foresee a substantial increase or decrease in the premiums charged for the \$15M coverage for October 1, 2017 – September 30, 2018. The Board's specific coverages are:

- Fiduciary Liability – RLI Insurance Company, \$1M coverage, \$31,500 premium
- Excess Layer 1 – Allied World Assurance, \$2M coverage, \$35,000 premium
- Excess Layer 2 – Markel American, \$2M coverage, \$19,600 premium
- Excess Layer 3 – Euclid/Hudson Ins., \$5M coverage, \$45,000 premium
- Excess Layer 4 – RSUI, \$5M coverage, \$23,250 premium

The Board should now review and discuss their insurance needs and provide guidance on the coverage they would like to pursue.

RECOMMENDATION:

For Board discussion

City of Hollywood Employee Retirement Fund

Premium Summary

Policy Term:

October 1, 2016, to October 1, 2017

Fiduciary Liability Premiums:

Carrier	\$3,000,000 Limit		\$5,000,000 Limit		\$10,000,000 Limit		\$15,000,000 Limit	
RLI	\$1 Million:	\$31,500.00	\$1 Million:	\$31,500.00	\$1 Million:	\$31,500.00	\$1 Million:	\$31,500.00
Allied World	\$2 M Excess:	\$35,000.00	\$2 M Excess:	\$35,000.00	\$2 M Excess:	\$35,000.00	\$2 M Excess:	\$35,000.00
Market			\$2 M Excess:	\$19,600.00	\$2 M Excess:	\$19,600.00	\$2 M Excess:	\$19,600.00
Euclid /Hudson					\$5 M Excess:	\$45,000.00	\$5 M Excess:	\$45,000.00
RSUI							\$5 M Excess:	\$23,520.00
Total Estimated Premiums:		\$66,500.00		\$86,100.00		\$131,100.00		\$154,620.00

NOTE: This proposal expires on the policy expiration date

SURPLUS LINES DISCLAIMER: Insurance is issued pursuant to the Florida Surplus Lines Law. Persons insured by Surplus Lines Carriers do not have the protection of the Florida Insurance Guaranty Act to the extent of any right of recovery for the obligation of an insolvent unlicensed insurer. Surplus Lines policies that are subject to audit provide for additional premium charges, but may not allow for return premium.

These policies may be subject to a 25% minimum earned premium.

Payment Options

Agency Bill. Total Due: TBD

City of Hollywood Employee's Retirement Fund

Signed by Named Insured _____ Title _____ Date _____

THIS DOCUMENT SUMMARIZES THE PROPOSAL FOR YOUR INSURANCE. THIS IS NOT A CONTRACT. THE TERMS OF THE POLICY FORMS WILL CONTROL THE INSURANCE CONTRACT WITHOUT REGARD TO ANY STATEMENT MADE IN THIS PROPOSAL.

City of Hollywood Employee Retirement Fund

Fiduciary Liability

Issuing Company RLI Insurance
Policy Number TBD
Policy Term 10/1/2016 to 10/1/2017

Form Type

Coverage	Form Type	Pending & Prior Litigation Date
Fiduciary Liability	Claims Made and Reported	September 4, 1998

Form Number: Governmental Plans Fiduciary Liability Policy GEF 100 (4/11) GEF 101 (4/11)

Coverage

Description	Limit	Basis
Fiduciary Limit of Liability	\$1,000,000	Aggregate

City of Hollywood Employee's Retirement Fund

QUOTATION

Insured:	City of Hollywood Employees Retirement Fund	
Address:	2600 Hollywood Boulevard, Annex Building, 2nd Floor Hollywood, FL 33020	
Policy Period:	From: 10/01/2016	To: 10/01/2017

Option	Limit of Liability	Excess of Total Underlying Limits of Liability	Premium
1	\$2,000,000	\$1,000,000	\$35,000

Layer	Underlying Insurer	Limit of Liability	Retention / Attachment
Primary	RLI Insurance Company	\$1,000,000	\$100,000

Insurer:	Allied World National Assurance Company (Admitted in Fiduciary Liability)
Policy Form:	DO 00022 00 (09/07)
Premium Due Date:	30 Days from effective date of policy
Discovery Period:	12 Months at 150% of the annual premium
Pending and Prior Litigation Date:	Match Expiring
Commission	10%
Quote Expiration Date:	Policy Inception Date or 30 days after the date of this Quotation

Carrier/Form:	Allied World National Assurance Company / DO 00022 00 (09/07)
----------------------	---

Endorsements:

- DO 00014 00 (01/15) – Policyholder Disclosure Statement Under The Terrorism Risk Insurance Act
- DO 00043 09 (03/08) – Florida Amendatory Endorsement

Subjectivities

Quotation subject to Insurer's receipt, review and acceptance of:

- Copies of all underlying policies. Allied World policy will be issued upon receipt of the Primary policy
- Copy of any additional information requested by the underlying carrier(s)
- Evidence of continuity for the purpose of backdating Pending & Prior Litigation date.
- Copy of the primary binder prior to Issuance of Allied World binder

TERMS AND CONDITIONS

- This quote is strictly conditioned upon no material change in the risk, including a submission being made to the Insurer of a claim or circumstance that might give rise to a claim, between the date of this quote and the policy inception date. In the event of such a change in risk, the Insurer may, in its sole discretion, amend or withdraw this quote
- All other terms and conditions as per AWAC's Policy Form and any applicable endorsements referenced herein.

City of Hollywood Employee's Retirement Fund

Proposed Parent Company: CITY OF HOLLYWOOD EMPLOYEES RETIREMENT FUND

Issuing Company: MARKEL AMERICAN INSURANCE COMPANY, an Admitted Company

Policy Period: ANNUAL

Policy Form: MMX 1000 05 10 - Excess Management Liability Insurance Policy (claims made)

Limit of Liability*
\$2,000,000

* Aggregate in any one Policy Period

** If the Parent Company or Organization is in Kentucky or West Virginia special taxes apply and are in addition to premiums.

Pending and Prior Date: Policy Inception

Underlying Policy(ies)				
	Underlying Insurer	Policy No.	Limit of Liability	Attachment
<input type="checkbox"/>	RLI Insurance Company		\$1,000,000	
<input type="checkbox"/>	Allied World Assurance Company		\$2,000,000	\$1,000,000

Unless otherwise designated above by an "X" in front of another Underlying Policy, the Followed Policy is the Primary Policy.

Endorsements:

MMX 1207 01 15	Certified Acts of Terrorism Coverage
MPMX 1000 05 10	Notices to Insurer
MPML 1003 01 15	Confirmation of Certified Acts of Terrorism Coverage
MPIL 1007 03 14	Privacy Notice
MDIL 1001 08 10	Schedule of Forms
MMX 1208 05 10	Reliance Upon Other Insurer's Application

Terms are subject to receipt, review and acceptance of the following, by an underwriter of MARKEL AMERICAN INSURANCE COMPANY, PRIOR TO BINDING COVERAGE:

- RLI Quote.
- Higher Limits Warranty.
- Please provide details on the open claims including anticipated defense costs and settlement.
- Underlying binders.
- Underlying subjectivities.

The underwriter reserves the right to amend or withdraw terms upon review of the above additional information.

In the event of any material change in underwriting information before coverage is bound, terms may be modified or withdrawn by the underwriter.

City of Hollywood Employee's Retirement Fund



EUCLID SPECIALTY

The Prudent Choice

SOLIDARITY PROTECTION GROUP

a voluntary membership organization operating pursuant to the Liability Risk Retention Act of 1986 and whose principal office is:
4323 Warren Street, NW, Washington, DC 20016-2437

Excess Fiduciary Liability Insurance Following Form Quotation

Quotation Number: QTX114053A
Renewal of: SX831210100

Date Issued: September 22, 2016

Issued By: Hudson Insurance Company

Insurance Representative: RT Specialty
Address: 477 Rosemary Avenue, Suite 215
West Palm Beach, FL 33401

Insured Organization: City of Hollywood Employees Retirement Fund
Address: 2600 Hollywood Blvd, Annex Building 2nd Floor
Hollywood, FL 33020-4807

Policy Period:
Effective Date: 10/01/2016 (12:01 a.m. local time)
Expiration Date: 10/01/2017 (12:01 a.m. local time)

Underlying Insurance:

Primary Policy:

Policy Number: EPG0016893 (expiring policy number)
Insurer: RLI Insurance Company
Coverage: Government Plans Fiduciary Liability Policy
Limits of Liability: \$1,000,000
Policy Period: 10/01/2016 to 10/01/2017

City of Hollywood Employee's Retirement Fund

Excess Policies:

Policy Number: TBD
Insurer: Allied World Assurance Company
Coverage: Fiduciary Liability Insurance
Limits of Liability: \$2,000,000 xs \$1,000,000
Policy Period: 10/01/2016 to 10/01/2017

Policy Number: TBD
Insurer: Market American Insurance Company
Coverage: Excess Management Liability Insurance Policy
Limits of Liability: \$2,000,000 xs \$3,000,000
Policy Period: 10/01/2016 to 10/01/2017

Limit of Liability: \$5,000,000 excess \$5,000,000

Premium:

(a) \$45,000.00	Basic Premium
(b) N/A	Waiver of Recourse
(c) \$0.00	Tax/Surcharge
(d) \$45,000.00	Total Premium

Endorsement Schedule:

The following endorsements will attach to and form part of policy form EXS-31210001 (3/2012):

<u>Endorsement Number</u>	<u>Endorsement Name</u>
---------------------------	-------------------------

Coverage is subject to receipt and satisfactory review of the following item(s) prior to binding:

1. Warranty letter for the increased limits layer \$5M xs \$5M

This quotation is valid for a period of thirty (30) days from the date issued unless amended or withdrawn by the Insurer, and is subject to the terms and conditions of the policy. If the information provided within or attached to the application for coverage changes prior to binding the quotation, the Insurer must be notified immediately and may withdraw or amend the quotation after review of such changes.

City of Hollywood Employee Retirement Fund



September 23, 2016

Fiduciary Liability Quote

Submission Number: 334867
Company: RSUI Indemnity Company - (Best rating: A+ XIII)
Insured: City of Hollywood Employee Retirement Fund
Hollywood, FL

Policy Dates: October 1, 2016 - October 1, 2017

Form: RSG 231007 0609 Excess Liability Policy - 2009

Limit: \$5,000,000

In Excess Of: \$10,000,000

Policy Attachments

- RSG 204123 0116 Disclosure Pursuant to Terrorism Risk Insurance Act
- RSG 236010 0204 Exclusion - Prior and or Pending Litigation
- RSG 206080 0204 Exclusion - Specific - s resolutions authorizing the city attorney to file lawsuits against the boards that were noticed to RLI in July 2015
- RSG 206078 0204 Exclusion - Specific Litigation - Per loss runs received including City of Hollywood claims
- RSG 232031 0609 Florida - Conflicts Endorsement
- RSG 99003 0803 Florida Important Notice to Policyholders

Additional Information Required

Copy of underlying binders and policies.

~~Higher limits warranty statement~~

Update on resolution and future outlook/perpetuation on the 13th check payments

City of Hollywood Employee Retirement Fund

Insurance Company Status and A.M. Best's Ratings

Proposed Insurance Companies	Status	A.M. Best's Rating
RLI Insurance Company	Admitted	A+ XI
Allied World	Admitted	A XV
Markel	Admitted	A XV
Euclid/Hudson	Admitted	A XV
RSUI	Admitted	A+ XIII

If the above indicated coverage is placed with a Non-Admitted Carrier, the carrier is doing business in the state as a surplus lines or non-admitted carrier. As such, this carrier is not subject to the same regulations which apply to an admitted carrier nor do they participate in any insurance guarantee fund applicable in that state.

*The above A.M. Best Rating was verified on the date the proposal document was created.

ITEM 7.d.

RFP for INDEPENDENT FUND AUDITOR

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

DATE: July 19, 2017
TO: Board of Trustees of the Employees' Retirement Fund
FROM: Lisa Castronovo, Pension Coordinator *lee*
SUBJECT: RFP for Independent Auditor

ISSUE:

RFP for an Independent Auditor for the Retirement Fund

EXPLANATION:

In the past, the City has contracted the auditor they hire to not only audit the City's finances but the Retirement Fund's finances also. Due to the passage of City Ordinance 0-2018-08 in which the Retirement Fund was given full autonomy to hire its own service providers, the Board could now consider seeking the services of an independent auditor for the Retirement Fund separate from the one hired by the City for its audit. Accompanying this memorandum is a sample RFP for Board review and discussion.

RECOMMENDATION:

For Board review and discussion

**REQUEST FOR PROPOSAL
CITY OF HOLLYWOOD EMPLOYEES' RETIREMENT FUND**

RETIREMENT PLAN PROFESSIONAL AUDITING SERVICES

The Board of Trustees (the "Board") of the City of Hollywood Employees' Retirement Fund (the "Fund") is seeking proposals from qualified firms of Certified Public Accountants experienced with local law municipal pension plans to provide independent accounting and auditing services for the Fund.

The Fund is a defined benefit public employees' retirement system serving approximately 1700 active members and retirees. The Board, consisting of elected and appointed members, manages the Fund. Marcum LLP is currently providing audit services.

The successful bidder will be asked to sign a written agreement setting forth the terms of the parties' relationship. The agreement will be subject to cancellation by the bidder on 90 days written notice to the Board and on 30 days written notice by the Board to the bidder. The agreement will require the bidder to acknowledge fiduciary responsibility to the Fund for advice given.

I. PURPOSE AND SCOPE OF SERVICES

1. The Fund desires the auditor to express an opinion on the fair presentation of its basic financial statements in conformity with accounting principles generally accepted in the United States of America. The auditor shall also be responsible for preparation of the draft financial statements including adjusting or correcting journal entries, recording transactions in all custodian account statements, recording receipts and disbursements in the Fund's checking account and performing certain limited procedures involving required Management's Discussion and Analysis ("MD&A"), Schedule of Changes in the City's Net Pension Liabilities and Related Ratios, Schedule of City Contributions, and Schedule of Investment Returns, all in accordance with GASB Statement No. 67, Financial Reporting for Pension Plans. Audits are to be conducted in accordance with generally accepted auditing standards, which will include an evaluation of the internal accounting and administrative controls and tests of transactions to the extent that the auditor deems necessary. If, in the course of the audit, weaknesses in internal controls are noted, the auditor will discuss the findings and recommendations with the Board and attempt to arrive at a solution acceptable to both parties.
2. The audit will also include a review of the Board's internal control structure. Comments and recommendations on the Board's internal control structure will be submitted in a separate letter.
3. The audit will be in a form necessary to meet the requirements of generally accepted accounting principles and it is understood that the audit will be in a form such that it will meet all legal requirements of any state agency. The audit will be provided by electronic copy as well as hard copy to the Board.

4. Other Additional Services

The Pension Board may, from time to time, determine the need for additional services. The bidder is requested to cite the hourly rate(s) that will be applicable in determining the cost of these additional services. Prior to accepting an assignment for additional work, the bidder will be requested to provide a proposed fee for the task on a "not to exceed" basis prior to receiving authority to proceed.

It is contemplated that the Board and/or the Board's administrator and custodian will provide assistance by locating and submitting invoices, cancelled checks, computer reports and other documents needed in addition to preparing all necessary confirmations. The Administrator or Plan Sponsor will prepare other schedules, analyses of accounts and working trial balances.

Should the circumstances prevent the Board's personnel or those of the Administrator from providing this assistance, the preparation of such schedules by the Auditor would be considered additional non-audit services as provided above.

II. CONTRACT PERIOD

The Board anticipates this audit services relationship to be continuing at the pleasure of both parties.

III. INFORMATION REQUIRED OF THE PROPOSER

1. Title page
2. Table of Contents
3. Profile of Proposer:
 - a. Where incorporated
 - b. Office of primary contact
 - c. Corporate status
4. Summary of qualifications:
 - a. Resumes of staff to be assigned to the project (audit team information)
5. Client list of local governmental pension plans
6. List of other Florida government clients
7. References
8. A description of what processes will be conducted on location at Hollywood governmental facilities.

IV. FOR YOUR INFORMATION

Section 287.133, Florida Statutes, provides that a person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a bid on a contract to provide any goods or services to a public entity, may not submit a bid on a contract with a public entity for the construction or repair of a public building or public work, may not submit bids on leases of real property to a public entity, may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity, and may not transact business with any public entity in excess of the threshold amount provided in Section 287.017, Florida Statutes, for CATEGORY TWO for a period of 36 months from the date of being placed on the convicted vendor list.

V. FEE PROPOSAL

The Board requires an annual audit of the Fund. Therefore, submit a Fee Proposal for the annual audit and the services described above for the fiscal year ending September 30, 2018 on a not-to-exceed basis and rates for additional services. All proposed fees shall remain fixed for the first three (3) years of services and shall be negotiated thereafter.

Note: Briefly describe the scope of service to be provided in the fee proposal below.

1. Annual Audit:

2. Additional Services:

Category	Hourly Rate	Explanation

List the costs for additional services above, with an explanation.

VI. EVALUATION OF PROPOSALS

Proposals will be evaluated using any method that best meets the needs of the City of Hollywood Police Officers Retirement Plan, which reserves the right to reject any or all proposals in its sole discretion. Evaluation criteria will include:

1. Responsiveness of the proposal
2. Technical experience of the firm
3. Experience and professional training
4. Fees
5. References

VII. ADDITIONAL INFORMATION

1. The Board will not be liable for any cost incurred in the preparation of proposals.
2. The submission of a proposal shall be prima facie evidence that the proposer has full knowledge of the scope, nature, quantity and quality of work to be performed, the detailed requirements of the specifications, and the conditions under which the work is to be performed.
3. The proposer shall furnish the Board such additional information as they may reasonably require.
4. The Board will not be liable for any costs that are not in the proposal or subsequently contracted for.
5. The Board reserves the right to conduct personal interviews with any or all proposers prior to selection. The Board will not be liable for any costs incurred by the proposer in connection with such interview (including travel, accommodations, etc.).
6. The Board reserves the right to conduct pre-contract negotiations with any or all potential proposers.
7. The Board reserves the right to waive minor irregularities in the procedures.
8. To ensure fair consideration for all proposers, the Board prohibits communication to or with any City employee or Board member during the submission process. Any questions relative to interpretation of specifications or the proposal process shall be addressed to the Board Attorney, in writing, in time before the period set for the receipt and opening of proposals. No inquiries, if received within five days of the date set for the opening of proposals, will be given any consideration. Any interpretation made to prospective proposers will be expressed in the form of a written addendum to the specifications, which, if issued, will be sent to all prospective proposers no later than three days before the date set for receipt of proposals.

VIII. CONTACT PERSON

Please submit ten copies of your proposal in writing by **5:00 p.m., September 22, 2017**. The Board may reject late proposals. Mail in a sealed envelope, addressed as follows:

Sealed Proposal for Auditing Service

City of Hollywood Employees' Retirement Fund
c/o Lisa Castronovo, Pension Coordinator
City of Hollywood Employees' Retirement Fund
2600 Hollywood Blvd., Annex Bldg, Room 20
Hollywood, Florida 33020

E-copies are also to be sent in pdf format to:

lcastronovo@hollywoodfl.org

ITEM 7.e.

TRAVEL DATES for IFEBP ANNUAL CONFERENCE

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

DATE: July 19, 2017
TO: Board of Trustees of the Employees' Retirement Fund
FROM: Lisa Castronovo, Pension Coordinator *lcc*
SUBJECT: Travel dates for IFEBP Annual Conference

ISSUE:

Approval of covered travel dates for IFEBP Annual Conference

EXPLANATION:

IFEBP's 63rd Annual Conference will be in Las Vegas, NV with its opening session starting at 4:30 p.m. on Sunday, October 22 and its concluding session ending at 11:45 a.m. on Wednesday, October 25, 2017. The conference is preceded by a preconference on Saturday and Sunday, October 21st and 22nd, with preconference sessions starting at 8:00 a.m. both mornings. Mr. Cassidy has registered to attend the preconference in order to complete the second half of the CAPPP (Certificates of Achievement in Public Plan Policy) program he started in 2016. Chair Shaw, Vice-Chair Greene and Mr. Howell have each registered to attend the annual conference starting on Sunday.

The following is from the Board's current Travel Policy:

The term "covered stay" refers to the period of time for which expenses for an event will be covered.

The covered stay will start the day preceding the first educational session and end on the last day of the registered event. In no event will the hotel room be covered the night following the last educational session unless approved in advance by the Board based on location and availability of flights. All attendees are expected to make a reasonable effort to return the day the event ends unless extending travel for personal reasons, in which case covered expenses end at the conclusion of the last session. The Board may consider the travel plans of all attendees in determining the reasonableness of the same day return.

Based on the preceding, Mr. Cassidy's covered stay starts Friday, October 20th while the covered stay for Chair Shaw, Vice-Chair Greene and Mr. Howell starts Saturday, October 21st. However, the Board needs to determine if the Fund will cover meal expenses for Wednesday (lunch and dinner) and Thursday (breakfast and lunch) and the hotel expense for Wednesday night if the attendees cannot obtain a flight that would return them home at a reasonable time.

RECOMMENDATION:

For Board discussion

AGENDA ITEM 8

**NO BACKUP
FOR THIS SECTION**

AGENDA ITEM 9

**NO BACKUP
FOR THIS SECTION**

AGENDA ITEM 10

**NO BACKUP
FOR THIS SECTION**

AGENDA ITEM 11

**NO BACKUP
FOR THIS SECTION**