CITY OF HOLLYWOOD EMPLOYEES' RETIREMENT FUND

CALENDAR OF ITEMS

REGULAR BOARD MEETING NOVEMBER 12, 2019

AGENDA ITEM 1 CALL TO ORDER

(NO BACKUP FOR THIS SECTION)

AGENDA ITEM 2 ROLL CALL AND PLEDGE OF ALLEGIANCE

AGENDA ITEM 2.A. AGENDA ADOPTION



CITY OF HOLLYWOOD EMPLOYEES' RETIREMENT FUND

2600 Hollywood Blvd. • City Hall Annex Building, 2ND Floor, Room 20 • Hollywood, FL 33020 (954) 921-3333 • (954) 921-3332 Fax • www.hollywoodpension.com

AGENDA

REGULAR PENSION BOARD MEETING TUESDAY, NOVEMBER 12, 2019 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. September 24, 2019 Regular Meeting Minutes
 - B. Ratification of Distributions (Contributions and DROP) and Plan Expenses
 - C. Approval/Ratification of New Retirements/DROP/Vested/Death Annuities
- 4. FINANCIAL
 - A. Financial Report and Investment Summary
 - B. Budget Variance Report
- 5. INVESTMENT (Segal Marco Advisors)
 - A. September 2019 Flash Performance Report
 - B. Second Quarter Performance Review
 - C. Work Plan
- 6. LEGAL (Ron Cohen Rice, Pugatch, Robinson, Storfer and Cohen.)
 - A. Update on City of Hollywood v. City of Hollywood Employees' Retirement Fund
 - B. Revised Benefit Calculation Cameron Benson
 - C. Segal Investment Consultant Contract Extension
 - D. Loomis Sayles Agreement
 - E. Marcum LLP Agreement
 - F. Member Consideration Retirees who selected 100% Joint and Survivor with at least one non-spousal beneficiary 10 or more years younger than themselves and Survivors of Deceased Retirees who selected 100% Joint and Survivor with at least one non-spousal beneficiary 10 or years younger than themselves
 - G. Request for Executive Session to Discuss Pending Litigation Emily Glover, individually and as Personal Representative of the Estate of George Glover v. Ferihaja Kolari, City of Hollywood Employees' Retirement Fund and City of Hollywood

7. EXECUTIVE DIRECTOR'S REPORT

- A. City Commission Communication
- B. Administrative Considerations
- C. Communications from the Executive Director
- 8. PUBLIC COMMENTS
- 9. TRUSTEE REPORTS, QUESTIONS AND COMMENTS
- 10. ADJOURNMENT

PERSONS WITH DISABILITIES WHO REQUIRE REASONABLE ACCOMMODATION TO PARTICIPATE IN AN EMPLOYEES' RETIREMENT FUND 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 800-955-8771 (V-TDD). *ANY PERSON WISHING TO APPEAL ANY DECISION MADE BY THE BOARD WITH RESPECT TO ANY MATTER CONSIDERED AT SUCH MEETING 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.* *THIS MEETING MAY BE CONDUCTED BY MEANS OF OR IN CONJUNCTION WITH COMMUNICATION MEDIA TECHNOLOGY, THE TYPE BEING A SPEAKER TELEPHONE.* *IN COMPLIANCE OF STATE LAW, THE BOARD OF TRUSTEES FINDS THAT A PROPER AND LEGITIMATE PURPOSE IS SERVED WHEN MEMBERS OF THE PUBLIC HAVE BEEN GIVEN A REASONABLE OPPORTUNITY TO BE HEARD ON A MATTER BEFORE THE BOARD. THEREFORE, THE BOARD OF TRUSTEES HAVE DETERMINED AND DECLARED THAT THEY WILL ALLOW THE PUBLIC TO COMMENT; HOWEVER, EACH PERSON IS LIMITED TO NO MORE THAN (3) THREE MINUTES TO COMMENT AT EACH MEETING.* *TWO OF 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.*

AGENDA ITEM 3.A. CONSENT AGENDA

SEPTEMBER 24, 2019
REGULAR MEETING MINUTES

MINUTES REGULAR PENSION BOARD MEETING CITY OF HOLLYWOOD EMPLOYEES' RETIREMENT FUND TUESDAY, SEPTEMBER 24, 2019 AT 9:00AM

1. CALL TO ORDER

Chair Shaw called the meeting to order at 9:10a.m.

2. ROLL CALL AND PLEDGE OF ALLEGIANCE

Board Members present: Chair Phyllis Shaw, Vice Chair George Keller, Secretary Robert Strauss, Christopher Cassidy, Jeffery Greene (Left at 1:00p.m.), Charles Howell, and Cintya Ramos. Also present: Executive Director Christine Bailey; Pension Coordinator Veron Sibble; Keith Reynolds of Segal Marco; and Ronald Cohen of Rice Pugatch Robinson Storfer & Cohen.

a. September 24, 2019 Regular Board Meeting Agenda

MOTION made by Trustee Greene, seconded by Trustee Keller, to adopt the September 24, 2019 Regular Board Meeting Agenda as revised to include Agenda Item 5c – Work Plan, Agenda Item 6e(ii) – Marcum LLP Agreement, and to move Item 7c to immediately after Agenda Item 5c. In a voice vote of the members present, all members voted in favor. **Motion** passed 7-0.

3. CONSENT AGENDA

- A. July 23, 2019 Regular Meeting Minutes
- B. August 27, 2019 Regular Meeting Minutes
- C. September 10, 2019 Special Meeting Minutes
- D. September 17, 2019 Special Meeting Minutes
- E. Ratification of Distributions (Contributions and DROP) and Plan Expenses
- F. Approval/Ratification of New Retirements/DROP/Vested/Death Annuities

MOTION made by Trustee Greene, seconded by Trustee Ramos, to approve Consent Agenda Items 3a through 3f. In a voice vote of the members present, all members voted in favor. **Motion** passed 7-0.

4. FINANCIAL

- a. Ms. Bailey provided the Board with the Draft July 31, 2019 and Draft August 31, 2019 Financial Operations and Investment Summaries.
- b. Ms. Bailey provided the Board with the Revised Budget Variance Report as of July 31, 2019 and the Budget Variance Report as of August 31, 2019. Trustees requested that the draft report be restructured to reflect the unreconciled balance due to the outstanding manager reports.
- c. Ms. Bailey provided the Board with the updated Fiscal Year 2020 Proposed Budget.

MOTION made by Trustee Greene, seconded by Trustee Keller, to adopt Agenda Item 4c. In a voice vote of the members present, all members voted in favor. **Motion** passed 7-0.

5. INVESTMENT (Keith Reynolds – Segal Marco)

a. August 2019 Flash Performance Report Mr. Reynolds provided the Board with the Flash Performance Report for August 2019. He noted that the market value of assets was \$333.5 million. He noted that while there has been some volatility in returns recently, over the long term the Plan has beaten its benchmark. He noted that the Board will review manager allocations after the conclusion of the Asset Liability Study and that the Plan was well diversified. b. Asset Liability Study

Mr. Reynolds advised that the study had been pushed back due to scheduling conflicts. The Board recommended that the interactive review be pushed back to the Board's regular meeting in January 2020.

c. 2019 Work Plan

Mr. Reynolds advised that he would update the Work Plan with new dates for the Asset Liability Study and upcoming Investment Committee Meetings.

The Board discussed Agenda Item 7c, its Regular Meeting Schedule for the remainder of 2019 and for 2020. The Board rescheduled its November 5, 2019 meeting to November 12, 2019 and set a proposed schedule for its 2020 meetings.

Mr. Reynolds and Mr. Cohen discussed concerns with the Loomis Sayles Agreement, Agenda Item 6e(i). The Board requested that Mr. Cohen try to address the concerns rather than consider the Loomis Mutual Fund Product which had a higher fee. Mr. Reynolds noted that the monies were currently invested therefore the Board had the time to address its concerns with Loomis.

6. LEGAL (Ron Cohen – Rice Pugatch Robinson Storfer & Cohen)

a. Update on the City of Hollywood v. Board of Trustees of City of Hollywood Employees' Retirement Fund et al.

Mr. Cohen provided the Board with a draft of the Settlement Agreement with the City of Hollywood which included the payment of the 2012 Supplemental Pension Distribution (2012 SPD) and the dismissal of the lawsuit. He noted that the City passed a budget amendment to transfer the necessary monies to the Plan to pay the 2012 SPD. He noted that the agreement would be considered by the City Commission at its October 2nd meeting and that Alan Fallik had advised that the City does not anticipate any objection to its passage. He also noted that he had informed the Board's insurance company of the ongoing updates.

b. Glover v. Kolari, City of Hollywood Employees' Retirement Fund, and City of Hollywood.

Mr. Cohen noted that he advised Segal Select Insurance of the litigation as we were in the process of renewing our insurance policies. He advised the Board that Ms. Bailey had spoken to Segal and that there would be no increases in the insurance premiums as a result of this litigation. He noted that the Plan had a duty to defend this litigation. He advised that Ms. Kolari did not provide a response and that the plaintiff had filed a motion for default.

c. Segal Investment Consultant Contract Extension

Mr. Cohen advised the Board that he had spoken with Mr. Reynolds and that it was possible to extend the current Segal contract. Trustee Shaw noted that the Segal contract would terminate at the end of the year. She noted that Segal was still conducting the Asset Liability Study and implementing investment strategies that were not yet completed. She noted that if the contract was not extended beyond the end of the year, an RFP would have to be issued and noted that it was a difficult time for the Pension Office to conduct an RFP process. Trustee Greene concurred and recommended that the contract be extended and an RPF be issued at a later date. Mr. Cohen noted that the contract could be extended on the mutual agreement of both parties.

MOTION made by Trustee Greene, seconded by Trustee Keller, for a two-year extension without cost increase or for a one-year contract if the cost were to be increased in the second year. In a voice vote of the members present, all members voted in favor. **Motion** passed 7-0.

d. COHERF 401(a)

Mr. Cohen requested that the Board adopt a resolution of authorization and approval of the City of Hollywood Employees' Retirement Fund 401(a) Plan. In response to a question, Mr. Cohen noted that the administrator of the Fund would be Nationwide.

MOTION made by Trustee Greene, seconded by Trustee Keller, to adopt a resolution of authorization and approval of the City of Hollywood Employees' Retirement Fund 401(a) Plan. In a voice vote of the members present, all members voted in favor. **Motion** passed 7-0.

e. (ii) Marcum LLP Agreement

Mr. Cohen advised the Board of his concerns with the agreement. He suggested that the Board consider the following amendments: on page 6, that the replacement fee be reduces to 25% of the employee's annual compensation; on page 7, that the agreement be amended to include that Marcum keep its work papers for five to eight years; that certain language limiting Marcum's liability to the amount paid for services under the contract be removed; that the maximum billing rates of Marcum team members for additional work be listed; that on page 8; Marcum would only be indemnified to the extent that standard operating practices would not have identified the misrepresentation; and that mediation should be available as an option.

MOTION made by Trustee Strauss, seconded by Trustee Greene, to approve the Marcum LLP Agreement with the noted amendments. In a voice vote of the members present, all members voted in favor. **Motion** passed 7-0.

- f. Request for Executive Session to Discuss Pending Litigation
 Mr. Cohen requested an Executive Session to discuss Pending Litigation with
 City of Hollywood Florida v the Board of Trustees of the City of Hollywood
 Employees Retirement Fund et al. He noted the conditions of the session.
- g. Request for Executive Session to Discuss Pending Litigation Mr. Cohen requested an Executive Session to discuss Pending Litigation with Glover v, Kolari, City of Hollywood Employees' Retirement Fund, and City of Hollywood. He noted the conditions of the session.

7. EXECUTIVE DIRECTOR'S REPORT

a. City Commission Communication
 The Board received the City Commission Communication with recommended changes.

b. Resolution of Appreciation

MOTION made by Trustee Greene, seconded by Trustee Keller, to adopt a resolution of appreciation acknowledging the contribution of Dawn Gruber to the Plan. In a voice vote of the members present, all members voted in favor. **Motion** passed 7-0.

d. Administrative Considerations

Ms. Bailey noted that the recommendation regarding retirees who elected the 100% joint and equal benefit option with non-spousal beneficiaries more than 10 years younger after April 2002 was not yet available. She noted that the recommendation related to the restoration of benefits for members with breaks in service was also still pending.

Ms. Bailey noted that she had received the funding for the payment of the Fiscal Year 2012 supplemental pension benefit. She noted that, of the 741 eligible retirees, 592 could be paid immediately and beneficiaries of an additional 39 deceased retirees could also be paid immediately. She noted that the payment of an additional 110 deceased retirees would require additional research.

Ms. Bailey noted that in reviewing the retiree calculations she noticed that Ordinance change O-2009-26 was not implemented as written. The Ordinance limited the definition of compensation to 60 hours per year for employees who were hired prior to July 15, 2009 and who retire or enter the DROP on or after August 17, 2009 from a position not covered by the general employees' bargaining unit. TheBoard agreed that the ordinance should have been implemented as written.

MOTION made by Trustee Keller, seconded by Trustee Strauss, to extend the meeting for 20 minutes. In a voice vote of the members present, all members voted in favor. **Motion** passed 7-0.

e. Member Considerations

Ms. Bailey advised the Board that 70 members elected to DROP retroactively, nine of whom had already exited the DROP and separated from the City. She also advised the Board that all but two members had chosen to switch from the Planned Retirement Benefit to the DROP and one additional person had joined the Planned Retirement Benefit for a total of three participants currently in that program.

Ms. Bailey advised the Board that six retiree payments were stopped as of September 2019, of those two have been restarted as the life certificates had been received.

Ms. Bailey advised that in reviewing a particular member's account, she determined that the member's retirement benefit was overpaid. She noted that sick leave accrual payout exceeded the 2002 maximum and that the vacation leave accrual payout had exceeded 60 hours per year. The Board discussed the calculation procedures and their concerns about paying out the correct benefits to members. The Board requested that the member be notified of the calculation error and invited to the next meeting should they wish to appeal the Board's determination.

f. Personnel Considerations

Ms. Bailey advised the Board that the staff had exceeded her expectations in the past year, noting all the additional workload that the office completed successfully, including the retiree audit and the processing of member requests due to restoration. She noted that both strived to ensure that all members where processed timely. She requested that both be considered for salary increases as well as the establishment of 401(a) Plans.

Regular Pension Board Meeting September 24, 2019 Page **5** of **5**

MOTION made by Trustee Cassidy, seconded by Trustee Straus, to provide a salary increase of 5% to Ms. Narayan. In a voice vote of the members present, all members voted in favor. **Motion** passed 6-0.

MOTION made by Trustee Keller, seconded by Trustee Ramos, to provide a salary increase of 10% to Ms. Sibble. In a voice vote of the members present, all members voted in favor. **Motion** passed 6-0.

MOTION made by Trustee Keller, seconded by Trustee Cassidy, to provide a 401(a) Plan for Ms. Sibble and Ms. Narayan at a rate of 13% and 10%, respectively and to discontinue the employer contributions to the 457 program for these employees. In a voice vote of the members present, all members voted in favor. **Motion** passed 6-0.

MOTION made by Trustee Ramos, seconded by Trustee Strauss, to provide an additional one week vacation to Ms. Narayan. In a voice vote of the members present, all members voted in favor. **Motion** passed 6-0.

The Board confirmed that all these actions would be effective October 1, 2019.

- c. Communications from the Executive Director
 - Ms. Bailey advised the Board that Segal Select had spoken with the insurance providers and there would be no increase in insurance premiums as a result of the current litigation, however, the providers may opt not to automatically renew the policies at the current premiums next year. She also noted that, at the Board's request, all insurance policies except the Commercial Package Policy and the Commercial Umbrella Policy would end on September 30. However, if these policies were renewed next year, the renewals, and any policies thereafter will end on September 30.
 - Ms. Bailey noted that the Active Shooter Insurance Policy is still in process as we were compiling the information requested by the providers.
 - Ms. Bailey advised that the Audit Planning Meeting would be held on November 1, 2019 at 8:30a.m.

8. PUBLIC COMMENTS

There were no public comments.

9. TRUSTEE REPORTS, QUESTIONS AND COMMENTS

Trustee Howell thanked the staff.on behalf of the Board

10. ADJOURNMENT

MOTION made by Trustee Ramos, seconded by Trustee Howell, to adjourn the meeting. In a voice vote by the members present, **Motion** passed 6-0. The meeting adjourned at 1:00p.m.

Phyllis S	Shaw, Chair	
Date		

AGENDA ITEM 3.B. CONSENT AGENDA

RATIFICATION OF DISTRIBUTIONS (CONTRIBUTIONS AND DROP) AND PLAN EXPENSES

EMPLOYEES' RETIREMENT FUND Refunds and DROP Distributions November 12, 2019 Regular Pension Board Meeting

Name	-	Refund		
Refunds of Contributions				
September				
Bristol, Samara		\$	14,240.50	
De La Cuesta, Michelle		\$	6,909.99	
Gibson, Gregory		\$	42,366.87	
Pierre, Joel		\$	6,073.40	
Riobe, Jacquelyn		\$	4,736.15	
Robbins, Mark		\$	5,442.57	
Wilson, Andrea		\$	680.71	
	\$		80,450.19	
Planned Retirement				
None		-		
	\$		0.00	
Partial Lump Sum Distribution None				
Telle			•	
	\$		0.00	
DROP Distributions				
September				
Cescon, Daniel (Partial)		\$	373,486.41	
Hofler, Laura (Partial)		\$	107,602.12	
Joseph, Hilaire (Partial)		\$	7,000.00	
McGillivray, Veronique (Partial)		\$	376,511.89	
Pinnock-Lee, Faith (Partial)		\$	27,698.98	
	\$		892,299.40	
TOTAL	: \$		972,749.59	

CITY OF HOLLYWOOD EMPLOYEES RETIREMENT FUND Disbursements Processed September 1, 2019 to September 30, 2019

City Of Hollywood	\$ (33,579.46)
City Of Hollywood	\$ (23,460.60)
Gabriel Roeder Smith & Company	\$ (7,706.00)
Rice Pugatch Robinson Storfer &	\$ (6,270.00)
Segal Marco Advisors	\$ (4,166.67)
Segal Marco Advisors	\$ (10,833.33)
Segal Select Insurance	\$ (137,918.00)
Seneca Insurance Company Inc	\$ (1,659.75)
Wells Fargo Credit Card	\$ (2,169.72)
,	
	\$ (227,763.53)

AGENDA ITEM 3.C. CONSENT AGENDA

APPROVAL/RATIFICATION OF NEW RETIREMENT /DROP/VESTED/DEATH ANNUITIES

EMPLOYEES' RETIREMENT FUND New Retirement/DROP/Death/Vested Annuities - Monthly Amounts November 12, 2019 Regular Pension Board Meeting

New Retirements	Pension
Anglade, Danielle - DROP 07/01/2014	\$ 1,926.30
DeSilva, Angela - (Beneficiary of George DeSilva)	\$ 1,091.81
Glazer, Sylvia - 08/16/2019	\$ 2,069.53
Hofler, Laura - DROP 08/01/2014	\$ 1,292.23
Mohammed, Sedick - DROP 08/01/2014	\$ 1,351.48
Moore, Mark - 08/20/2019	\$ 3,139.71
Patel, Jitendra - DROP 08/01/2014	\$ 9,261.81
Prior, Carol - (Beneficiary of Joseph Entwistle - Vested)	\$ 848.68
Wallace, Pauline - DROP 08/01/2014	\$ 2,742.77
Benefits Stopped	
Longhitano, Russell - Died 8/19/2019	\$ (1,650.58)
Benefits Reinstated - Life Certificates Received	
Schwark, Lundy	\$ 866.64
True, James	\$ 220.02
Benefits Stopped - Missing Life Certificates	
Miller, Patricia	\$ (1,070.73)

AGENDA ITEM 4.A. FINANCIAL

FINANCIAL OPERATIONS AND INVESTMENT SUMMARY

EMPLOYEES' RETIREMENT FUND

FINANCIAL OPERATIONS AND INVESTMENT SUMMARY

Final

June 30, 2019

Fiscal Year-To-Date

Investment Balances	Market V	'alue	Book Value	Unrealized Gain (Loss)		
Balance October 1, 2018	\$ 331,936,	596.36	\$ 280,919,857.11	\$	51,016,739.25	
Contributions and Payments:						
City Contributions			\$ 22,605,376.19			
Employees Contributions			\$ 2,437,621.13		÷	
Pension Disbursement			\$ (24,923,674.97)			
Administrative Expenses Net Contributions/Payments			\$ (719,403.50) \$ (600,081.15)	(1)		
Investment income:	,					
Dividends & Interest Received			\$ 4,053,655.38			
Gain on Sales (Realized Gains/(Loss)) Commission Recapture			\$ 6,221,587.47 \$ 536.90			
Quarterly Investment Fees			\$ (524,095.66)	[2]		
Net Investment Income			\$ 9,751,684.09			
Balance June 30, 2019	\$ 342,746	789.86	\$ 290,071,460.05	<u> </u>	52,675,329.81	
Increase (Decrease) for the Period	\$ 10,810	1.93.50	\$ 9,151,602.94	<u>\$</u>	1,658,590.56	
AG Direct Lending Angelo-Gordon Realty Balrd Core Plus Bond Fund Brandes Investment Partners Frontier Capital Management Golden Tree Gold Point Harbourvest Dover IX49 IFM Global Morgan Stanley NB Crossroads Neuberger & Berman Neuberger Short Duration				\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	(85,275.00) 2,116,555.98 (774,641.52) 618,951.42 193,503.25 385,775.02 595,265.25 476,735.70 1,778,801.95 1,583,299.16	
Northern Trust-Extended				\$		
Northern Trust				¢	(4,325,577.22)	
Principal investors				\$		
Thompson, Siegel & Walmsley				¢	(778,859.91)	
Wellington International				- 5	(247,202.79) 1,658,590.56	
Investment Return						
Net investment income				ç	9,751,684.09	
Increases (Decrease) in Unrealized Gain/Loss				ģ		
Total Investment Return for the Period				-	11,410,274.65	
Beginning Market Value				ģ		
Plus/(Less): Net Contributions/Payment				_ 5	(600,081.15)	
Assets Available for Investment					331,336,515.21	
Investment Return as a result of % of Assets Available	for Investments			-	3.44%	
(1) (2) Refer to Cash Payments Detail	- Investment of the second of	•				

EMPLOYEES' RETIREMENT FUND

FINANCIAL OPERATIONS AND INVESTMENT SUMMARY

FINAL

July 31, 2019

Fiscal Year-To-Date

Investment Balances	Market Value	Book Value	Unrealized Gain (Loss)		
Balance October 1, 2018	\$ 331,936,596.36	\$ 280,919,857.11	\$ 51,016,739.25		
Contributions and Payments:					
City Contributions		\$ 22,605,376,19			
Employees Contributions		\$ 2,716,566.74	•		
Pension Disbursement	•	\$ (27,463,483.68)			
Administrative Expenses		\$ (758,729.25)	(1)		
Net Contributions/Payments		\$ (2,900,270.00)			
Investment Income:					
Dividends & Interest Received		\$ 4,381,048.80			
Gain on Sales (Realized Gains/(Loss))		\$ 6,142,129.02			
Commission Recapture		\$ 536.90			
Quarterly Investment Fees		\$ (592,972.77)	(2)		
Net Investment Income		\$ 9,930,741.95			
Balance July 31, 2019	\$ 341,349,829.18	\$ 287,950,329.06	\$ 53,399,500.12		
Increase (Decrease) for the Period	\$ 9,413,232.82	\$ 7,030,471.95	\$ 2,382,760.87		
Brandes Investment Partners Frontier Capital Management Golden Tree Gold Point Harbourvest Dover IX49 IFM Global Morgan Stanley NB Crossroads Neuberger & Berman Neuberger Short Duration Northern Trust-Extended			\$ 2,147,502.19 \$ {1,328,898.72 \$ - \$ 692,902.47 \$ 193,503.25 \$ 385,775.02 \$ 566,062.10 \$ 476,735.70 \$ 1,778,801.95 \$ - \$ 1,705,151.74 \$ 166,401.47		
Northern Trust			\$ (3,418,900.19		
Principal investors			\$ 148,666.15		
Thompson, Siegel & Walmsley			\$ (479,905.94		
Wellington International			\$ (738,046.29		
-			\$ 2,382,760.87		
nvestment Return		x			
Net Investment Income			\$ 9,930,741.95		
ncreases (Decrease) in Unrealized Gain/Loss			\$ 2,382,760.87		
Total Investment Return for the Period			\$ 12,313,502.82		
Beginning Market Value			\$ 331,936,596.36		
Plus/(Less): Net Contributions/Payment			\$ (2,900,270.00		
Assets Available for Investment			\$ 329,036,326.36		
Investment Return as a result of % of Assets Available	for investments		3.749		
1) (2) Refer to Cash Payments Detail		TT-100 00			

EMPLOYEES' RETIREMENT FUND

FINANCIAL OPERATIONS AND INVESTMENT SUMMARY

FINAL

August 31, 2019 Fiscal Year-To-Date

Investment Balances	Market Value	Book Value	Unrealized Gain (Loss)			
Balance October 1, 2018	\$ 331,936,596.36	\$ 280,919,857.11	\$ 51,016,739.2			
Contributions and Payments:						
City Contributions		\$ 22,605,376.19				
Employees Contributions Pension Disbursement		\$ 3,225,343.20				
		\$ (30,126,354.62)	(1)			
Administrative Expenses Net Contributions/Payments		\$ (816,691.78) \$ (5,112,327.01)	(4)			
Investment Income:			r			
Dividends & Interest Received		\$ 4,864,714.01				
Gain on Sales (Realized Gains/(Loss))		\$ 6,372,328.03				
Commission Recapture		\$ 536.90				
Quarterly Investment Fees Net Investment Income		\$ (680,637.97) \$ 10,556,940.97	(2)			
Balance August 31, 2019	\$ 335,559,122.69	\$ 286,364,471.07	\$ 49,194,651.6			
Increase (Decrease) for the Period	\$ 3,622,526.33	\$ 5,444,613.96	\$ (1,822,087.6			
Unrealized Gain (Loss) Account Composition of Increases (Decreases)						
AG Direct Lending			\$ (99,215.0			
Angelo-Gordon Realty			\$ (85,275.0			
Baird Core Plus Bond Fund			\$ 2,791,264.8			
Brandes Investment Partners			\$ (1,856,283.7			
Frontier Capital Management Golden Tree			\$ - \$ 668,132.8			
Gold Point	•		\$ 668,132.8 \$ 193,503.2			
Harbourvest Dover IX49			\$ 385,775.0			
IFM Global			\$ 547,832.0			
Morgan Stanley			\$ 476,735.7			
NB Crossroads			\$ 1,778,801.9			
Neuberger & Berman			\$ -			
Neuberger Short Duration			\$ 1,538,043.9			
Northern Trust-Extended			\$ (639,245.5			
Northern Trust			\$ (4,514,271.9			
Principal Investors			\$ 288,939.4			
Thompson, Siegel & Walmsley			\$ (1,366,020.1			
Wellington International			\$ (1,930,805.2			
			\$ (1,822,087.6			
Investment Return Net investment Income			\$ 10,556,940.9			
Increases (Decrease) in Unrealized Gain/Loss			\$ (1,822,087.6			
Total investment Return for the Period			\$ 8,734,853.3			
Beginning Market Value			\$ 331,936,596.3			
Plus/(Less): Net Contributions/Payment Assets Available for Investment			\$ (5,112,327.0			
			\$ 326,824,269.3			
Investment Return as a result of % of Assets Available for	or Investments		2.67			

EMPLOYEES' RETIREMENT FUND

FINANCIAL OPERATIONS AND INVESTMENT SUMMARY

PRELIMINARY

September 30, 2019 Fiscal Year-To-Date

Balance October 1, 2018	Investment Balances		Market Value Book Value			Unrealize e (Loss		
City Contributions	Balance October 1, 2018	\$ 3	31,936,596,36	\$ 2	280,919,857.11		\$	51,016,739.25
Employees Contributions	· · · · · · · · · · · · · · · · · · ·							
Pension Disbursement	•							
Administrative Exponses \$ (1,044,455.31) 10								
Net Contributions/Payments \$ (4,647,726.53)						141		
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Sain on Sales (Realized Gains/(Loss))								
Commission Recapture Quarterly Investment Income Balance September 30, 2019 \$ 339,088,605.88 \$ 288,548,896.22 \$ 50,539,709.66 Increase (Decrease) for the Perlod Unreconciled \$ 7,152,009.52 Unreconciled \$ 7,152,009.52 \$ 7,629,039.11 \$ (477,029.59) Unreconciled \$ 8,7,152,009.52 Unreconciled \$ 9,215.03 \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (99,215.03) \$ (99,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,215.03) \$ (89,								
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Increase (Decrease) for the Period Unreconciled \$7,152,009.52 \$7,629,039.11 \$(477,029.59) \$922,775.96 \$ 922,775.96 \$ 922,775.96 \$ 922,775.96 \$ 922,775.96 \$ 922,775.96 \$ 922,775.96 \$ 922,775.96 \$ 922,775.96 \$ 922,775.96 \$ 922,775.96 \$ 922,775.96 \$ 922,775.96 \$ 922,775.96 \$ 922,775.96 \$ 922,775.96 \$ 922,775.96 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922,700.00 \$ 922	Net Investment Income			\$	12,276,765.70			
Unreconciled 922,775,96 Unrealized Gain (Loss) Account Composition of Increases (Decreases) AG Direct Lending (99,215,03) Angelo-Gordon Realty (85,275,00) Baird Core Plus Bond Fund 52,508,509,65 Brandes Investment Partners (1,330,308,72) Frontier Capital Management 5 Golden Tree 5 675,852,8 Gold Point 5 193,503,25 Harbourvest Dover IX49 385,775,00 IFM Global 5 2(279,707,64) NB Crossroads 5 1,778,801,95 Neuberger & Berman 5 1,778,201,95 Neuberger & Berman 5 1,279,269,61 Northern Trust 5 1,279,269,61 Northern Trust 5 1,271,741 Principal Investors 5 189,57,04 Tompon, Siegel & Walmsley 2(255,091,80) Wellington International 5 1,514,584,77	Balance September 30, 2019	\$ 3	39,088,605.88	\$	288,548,896.22		\$	50,539,709.66
Unrealized Gain (Loss) Account Composition of Increases (Decreases) AG Direct Lending \$ (99,215.03) Angelo-Gordon Realty \$ (85,275.00) Baird Core Plus Bond Fund \$ 2,508,509.65 Brandes Investment Partners \$ (1,330,308.72) Frontier Capital Management \$ 675,852.82 Golden Tree \$ 675,852.82 Gold Point \$ 193,503.25 Harbourvest Dover IX49 \$ 385,775.00 IFM Global \$ 802,992.10 Morgan Stanley \$ (279,707.64) NB Crossroads \$ 1,778,801.95 Neuberger & Berman \$ 1,778,801.95 Neuberger Short Duration \$ 1,729,269.61 Northern Trust-Extended \$ (447,214.35) Northern Trust-Extended \$ (3,707,217.74) Principal Investors \$ (3,707,217.74) Thompson, Siegel & Walmsley \$ (255,091.80) Wellington International \$ (1,614,584.77) Investment Return \$ (477,029.59) Total Investment Return for the Period \$ 11,799,736.11 Beginning Market Value \$ 331,936,596.36	Increase (Decrease) for the Perlod	\$	7,152,009.52	\$	7,629,039.11		\$	(477,029.59)
AG Direct Lending \$ (99,215.03) Angelo-Gordon Realty \$ (85,275.00) Baird Core Plus Bond Fund \$ 2,508,509.65 Brandes Investment Partners \$ (1,330,038.72) Frontier Capital Management \$ - Golden Tree \$ 675,852.82 Gold Point \$ 193,503.25 Harbourvest Dover IX49 \$ 385,775.00 IFM Global \$ 802,992.10 Morgan Stanley \$ (279,707.64) NB Crossroads \$ 1,778,801.95 Neuberger & Berman \$ - Neuberger Short Duration \$ 1,729,269.61 Northern Trust-Extended \$ (447,214.35) Northern Trust-Extended \$ (447,214.35) Northern Trust-Extended \$ (3,707,217.74) Principal investors \$ 189,657.04 Thompson, Siegel & Walmsley \$ (255,091.80) Wellington International \$ (1,614,584.77) Investment Return \$ (275,076.70 Northern Trust-Extended \$ (1,647,226.57) Beginning Market Value \$ 131,936,596.36 Plus/(Less): Net Contributions/Payment \$ (476,029.59) <	Unreconciled			-				922,775.96
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Investment Return State 12,276,765.70 Increases (Decrease) in Unrealized Gain/Loss \$ (477,029.59) Total Investment Return for the Period \$ 11,799,736.11 Beginning Market Value \$ 331,936,596.36 Plus/(Less): Net Contributions/Payment \$ (4,647,726.59) Assets Available for Investment \$ 327,288,869.77 Investment Return as a result of % of Assets Available for Investments 3.61%	Thompson, Siegel & Walmsley						\$	(255,091.80)
Investment Return Net Investment Income \$ 12,276,765.70 increases (Decrease) in Unrealized Gain/Loss \$ (477,029.59) Total Investment Return for the Period \$ 11,799,736.11 Beginning Market Value \$ 331,936,596.36 Plus/(Less): Net Contributions/Payment \$ (4,647,726.59) Assets Available for Investment \$ 327,288,869.77	Wellington International						\$	
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Plus/(Less): Net Contributions/Payment \$ (4,647,726.59) Assets Available for Investment \$ 327,288,869.77 Investment Return as a result of % of Assets Available for Investments 3.61%	l otal investment Return for the Period						\$	11,799,736.11
Assets Available for Investment \$ 327,288,869.77 Investment Return as a result of % of Assets Available for Investments 3.61%	Beginning Market Value						\$	331,936,596.36
Investment Return as a result of % of Assets Available for Investments 3.61%	Plus/(Less): Net Contributions/Payment						\$	(4,647,726.59)
	Assets Available for Investment						\$	327,288,869.77
(1) (2) Pafor to Coch Coumants Cotal	Investment Return as a result of % of Assets Available	for Inves	tments					3.61%
	(1) (2) Refer to Cash Payments Detail							1

City of Hollywood Employees Retirement Fund For Year Ending 9/30/2019 Cash Payments as of 09/30/2019

(1) (2) Refer to Financial Operations and Investment Summary

		FYE 2018	FYE 2020	YTD	
	YTD Actual	Paid 2019	Paid 2019	Payments	
Investment Fees:					
Brandes Investment Partners	96,373	34,624	_	130,997	
Northern Trust-Large Cap	22,394	5,969	_	28,362	
Thompson Siegel (TSW)	82,065	30,422	_	112,488	
Wellington	224,292	152,407	-	376,699	
Custodial Fees	24,130	7,963	_	32,092	
Manager Fees (not invoiced)	- 1,220	-	_	52,552	
Quarterly Investment Fees	449,253	231,385	-	680,638	(2)
Administrative Expenses:					
Consultants	119,167	21,667	_	140,833	
Accounting	45,833	8,333	-	54,167	
Auditors/ Accounting Fees		-	_	J-7,±0/	
GRS-Actuarial	53,532	11,742	_	65,274	
GRS- Other Fees	8,151	11,742	_	8,151	
Medical Svcs (Disability Verification)	-	- -	-	-	
Rice - Board Attorney	76,828	32,727	_	109,555	
Total Professional Fees	303,511	74,469	_	377,980	•
Total Salaries	211,559	15,546	-	227,105	
Salaries-Temp	1,110	7,500	-	8,610	
Taxes & Benefits	46,082	2,542		48,624	
Insurance	158,488	704	139,578	298,770	
Payroll & Insurance	417,238	26,293	139,578	583,108	
Dues	31,445	11	_	31,455	
Training-Travel, Meals & Lodging	29,298	4,249	-	33,547	_
Staff/Trustee Training &Travel	60,743	4,260	-	65,003	
Participant/Member Education	<u>.</u>	-	-	-	
Website support/maintenance		-	_	-	
Equip Rent	1,954	834		2,788	
Printing Cost	1,320	1,468		2,788	
Supplies	2,768	2,070		4,838	
Furniture/Equipment	7,216	-	-	7,216	
Postage	735		-	735	
Other Expenses:	13,993	4,372	-	18,365	-
Administrative Expenses	795,484	109,394	139,578	1,044,455	(1)
		-	-	-	
			-		-
Total Payments FYE 2019	1,244,737	340,779	139,578	1,725,093	=

AGENDA ITEM 4.B. FINANCIAL BUDGET VARIANCE REPORT

City of Hollywood Employees Retirement Fund Budget v. Actual For Year Ending 9/30/2019 Expenses as of 09/30/2019

	Approved		Year-end	YTD	Remaining	% Remaining
	Budget	Sep-19	Accruals	Actual	Available	Available
	(A)			(B)	(A-B)	(A-B)/(A)
Investment Fees:						
Brandes Investment Partners	152,000		31,465	127,838	24,162	16%
Northern Trust-Large Cap	26,000		7,089	29,483	(3,483)	-13%
Thompson Siegel (TSW)	138,000		29,218	111,284	26,716	19%
Wellington	364,000		79,899	304,190	59,810	16%
Custodial Fees	33,000		8,100	32,230	770	2%
Manager Fees (not involced)	1,305,000		8,100	32,230	1,305,000	100%
Quarterly Investment Fees	2,018,000	-	155,771	605,024	1,412,976	70%
				·		
Administrative Expenses:						
Consultants	130,000	10,833	10,833	130,000	(0)	0%
Accounting	25,000	4,167	4,167	50,000	(25,000)	-100%
Auditors/ Accounting Fees	10,000	-		-	10,000	100%
GRS-Actuarial	18,500	7,706	6,639	60,171	(41,671)	-225%
GRS- Other Fees	20,500		,	8,151	12,349	60%
Medical Svcs (Disability Verification)	4,800			-	4,800	100%
Rice - Board Attorney	90,000	6,270	12,000	88,828	1,173	1%
Total Professional Fees	298,800	28,976	33,639	337,150	(38,350)	
Total Salaries	203,000	47,427	18,683	230,242	(27,242)	-13%
Salaries-Temp	4,800	1,110		1,110	3,690	77%
Taxes & Benefits	41,200	7,937	4,045	50,127	(8,927)	-22%
Insurance	159,000		,	158,488	512	0%
Payroll & Insurance	408,000	56,474	22,729	439,967	(31,966)	-8%
				•		
Dues	33,000	2,021		31,445	1,555	5%
Training-Travel, Meals & Lodging	41,000			29,298	11,702	29%
Staff/Trustee Training &Travel	74,000	2,021	E	60,743	13,257	18%
Participant/Member Education	5,000			<u>-</u>	5,000	100%
Website support/maintenance	. 5,000			-	5,000	100%
Equip Rent	2,520	566	365	2,319	201	8%
Printing Cost	7,000	-	202	1,320	5,680	81%
Supplies	10,000	149	100	2,868	7,132	71%
Furniture/Equipment	10,000	1-12	100	7,216	2,784	28%
Postage	8,000			735	7,265	91%
Other Expenses:	48,000	715	465	14,458	33,542	70%
Administrative Expenses	829,000			852,316	(23,516)	-3%
Administrative Expenses	02,5,000			652,310	(23,310)	-5/6
Pension Software & Maintenance	115,000		-	-	115,000	100%
Contingency Reserves	100,000		-		100,000	100%
Total Costs FYE 2019	3,062,000	88,186	212,603	1,457,340	1,604,660	52%
FYE 2018 Expenses Paid 2019				340,779		
FYE 2020 Expenses Paid 2019		139,578		139,578		
	3,062,000	227,764	212,603	1,937,696		

AGENDA ITEM 5.A. INVESTMENT

SEPTEMBER 2019 FLASH PERFORMANCE REPORT

(UNDER SEPARATE COVER)

AGENDA ITEM 5.B. INVESTMENT

SECOND QUARTER PERFORMANCE REVIEW

(UNDER SEPARATE COVER)

AGENDA ITEM 5.C. INVESTMENT

WORK PLAN

(HANDOUT)

AGENDA ITEM 6.A.

LEGAL

UPDATE ON CITY OF HOLLYWOOD V. CITY OF HOLLYWOOD EMPLOYEES' RETIREMENT FUND

(NO BACKUP FOR THIS SECTION)

AGENDA ITEM 6.B.

LEGAL

REVISED BENEFIT CALCULATION CAMERON BENSON

RICE PUGATCH ROBINSON STORFER & COHEN, PLLC

101 N.E. THIRD AVENUE, SUITE 1800 FORT LAUDERDALE, FLORIDA 33301 TELEPHONE: (954) 462-8000 FACSIMILE: (954) 462-4300

www.rprslaw.com

November 5, 2019

Via Overnight Mail

Mr. Cameron Benson 4392 S.W. 130th Avenue Davie, FL 33330

Re: City of Hollywood Employees' Retirement Fund

Dear Mr. Benson:

We represent the City of Hollywood Employees' Retirement Fund. I am writing to you concerning certain overpayments that the Board of Trustees has determined have been made to you. The reasons for this determination is as follows. You terminated service on May 17, 2011. At that time, you had vested and had earned the right to receive a deferred vested retirement benefit, which you started receiving in February 2017. At the time of your separation of service, the Plan provided (and still provides) that a deferred vested member, "shall have the right to receive a service retirement beginning at age 55 based on the benefit formula in effect on the date of separation from City employment and based on years of credited service and average final compensation on that date." When you separated from City employment in 2011, the Ordinance that determined how the benefit would be calculated was Ordinance 2009-26 (copy attached). That ordinance provides that your average final compensation ("AFC") is a factor that determines your pension benefit. Average final compensation is based in part on compensation, which is defined in Ordinance 2009-026 as:

COMPENSATION. A member's gross wages received from the city, including overtime and payments for accumulated annual leave and accumulated sick leave, except as provided below:

* * *

(d) For members hired prior to July 15, 2009 who retire or enter the DROP on or after August 17, 2009, compensation shall exclude all earnings and payouts for blood time and compensatory time. In addition, the payouts for accumulated annual leave that may be counted as compensation for such members shall not exceed 125 hours for employees who retire from a position covered by the general employees' bargaining unit; and shall not exceed 60 hours per year for employees who retire from a position not covered by the general employees' bargaining unit.

Cameron Benson November 5, 2019 Page 2

You were hired prior to July 15, 2009 and your position was not covered by the General Employees bargaining unit. Thus, you calculation should not have included more than 60 hours per year for payouts for accumulated leave time. The years with your highest years of compensation for pension calculation purposes were 2007, 2008 and 2009. In the original calculation, your AFC included the full amount of leave payouts (including those for above 60 hours annually) for 2007 and 2008. The leave payout for 2009 was correctly limited to 60 hours.

In connection with your payouts for sick leave Ordinance 2009-26, in effect at the time you separated from service provided:

(b) For members hired prior to October 1, 2002 and employed by the city on that date, compensation shall include payments for accumulated annual leave, but the amount of accumulated sick leave included in such member's compensation shall not exceed the amount accumulated as of October 1, 2002 (including the maximum limitation as of October 1, 1994).

With regard to sick leave, as of October 1, 2002, you had accumulated a total of 451.21 hours of sick leave. In originally determining your benefit, you were given credit for 549.75 hours of sick leave. In accordance with Ordinance 2009-26, you were limited to having 451.29 hours of sick leave included in your AFC for pension purposes.

The attached letter from GRS, the Fund's actuary, demonstrates the correct calculation. Beginning with your November payment, your monthly benefits will be \$7,970.63. The reduction in your benefit from your previous benefit will be \$288.52 per month. Additionally, you have been overpaid by the total amount of \$9,747.85. The Plan intends to recover this amount, although no decision has been made as to the method of recovery.

At its December 10, 2019 Regular Meeting, the Board of Trustees will determine the method of repayment. You have the right to be heard by the Board and to explain to the Board why this action should not be taken and to discuss the method of repayment. The meeting details are as follows: City of Hollywood Employees' Retirement Fund, Regular Meeting of Board of Trustees, 2600 Hollywood Blvd., Annex Bldg., Room 20 at 9:00 a.m.

Cameron Benson November 5, 2019 Page 3

If you would like to be heard by the Board at that time, please contact Christine Bailey, Executive Director, City Hall Annex, Room 20, 2600 Hollywood Boulevard, Hollywood, FL 33022; Tel: (954) 921-3333; GeneralPensionHelp@hollywoodfl.org; <a

Very truly yours,

RICE PUGATCH ROBINSON STORFER &

COHEN, PLLC

Ronald J. Cohen

RJC/mlk Enclosures

cc: Christine Bailey, Executive Director

ORDINANCE NO. 0-2009-26

AN ORDINANCE OF THE CITY OF HOLLYWOOD, FLORIDA, AMENDING SECTION 10.01 OF THE CITY CHARTER; IMPLEMENTING PENSION PROVISIONS CONTAINED IN THE OCTOBER 1, 2008 - SEPTEMBER 30, 2011 COLLECTIVE BARGAINING AGREEMENTS BETWEEN THE CITY AND AFSCME, LOCAL 2432; AMENDING SECTION 10.05 OF THE CITY CHARTER, RELATING TO COORDINATION OF BENEFITS.

WHEREAS, the City of Hollywood, Florida and Hollywood, Florida, City Employees Local 2432, American Federation of State, County and Municipal Employees (AFL-CIO) have entered into collective bargaining agreements covering General, professional and supervisory bargaining units; and

WHEREAS, these agreements contain amendments to the Employees' Retirement Fund of City of Hollywood Employees' Retirement Plan in which the members of these three bargaining units participate; and

WHEREAS, the amendments to the pension plan affect all the pension benefits of all members of the Employees' Retirement Fund of the City of Hollywood; and

WHEREAS, the Retirement Plan is codified in Article X of the City Charter, and

WHEREAS, the amendments to the Retirement Plan contained in the agreements must be incorporated into Article X of the City Charter; and

WHEREAS, Section 10.07 of the City Charter provides that Article X of the City Charter, relating to the Employees' Retirement Plan of the City of Hollywood, may be amended by a "majority plus one" vote of the City Commission and 50% plus one of the voting members of the Employees' Retirement Fund;

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

Section 1: That Article X, subsection 10.01(1) of the City Charter is hereby amended to read as follows:

Sec. 10.01. Pensions and retirement.

(1) Establishment and Purpose.

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

- (a) An employees' retirement fund is hereby created, which shall be known as the employees' retirement fund of the City of Hollywood; and the prior creation of such fund by ordinance is hereby approved, ratified and confirmed.
- (b) It is the legislative intent and purpose of this article to provide certain retirement, disability, death and withdrawal benefits to officers and employees of the city in the amounts and under the terms and conditions herein set forth.
- (c) The purpose of the fund is to provide an orderly means whereby employees of the city who become superannuated or otherwise incapacitated as the result of age or disability may be retired from active service without prejudice and without inflicting a hardship upon the employees retired, and to enable such employees to accumulate reserves for themselves and their beneficiaries to provide for old age, disability, death, and termination of employment, thus effecting economy and efficiency in the administration of city government.
- (d) A new contribution and benefit structure is hereby established for employees hired on or after July 15, 2009. Such employees will be members of the Employees Retirement Fund of the City of Hollywood; however, the contributions and benefits for such employees are as set forth in subsection (27) of this section 10,01.
- Section 2: That Article X, subsection 10.01(2) of the City Charter is hereby amended to read as follows:

Sec. 10.01. Pensions and retirement.

- (2) Definitions. As used in this plan, unless a different meaning is clearly indicated by the context:
- (b) Average final compensation for a member hired prior to July 15, 2009, means monthly average compensation for the highest seventy-eight (78) consecutive bi-weekly pay periods of credited service. Payments for accumulated sick and annual leave received by <u>such</u> a member following separation from employment and included in compensation in accordance with paragraph 2(i), below, shall be deemed to have been received in the final pay period for the purpose of this definition. <u>Average final compensation for members hired on or after July 15, 2009 is set forth in Subsection (27) of this section 10.01.</u>

- (i) Compensation means a member's gross wages received from the city, including overtime and payments for accumulated annual leave and accumulated sick leave, except as provided below:
- 1. For members who retire or enter the DROP on or after January 3, 2001 and prior to October 1, 2002, compensation shall include payments for accumulated sick and annual leave received by such member.
- 2. For members hired prior to October 1, 2002 and employed by the city on that date, compensation shall include payments for accumulated annual leave, but the amount of accumulated sick leave included in such member's compensation shall not exceed the amount accumulated as of October 1, 2002 (including the maximum limitation as of October 1, 1994).
- 3. For members most recently hired after October 1, 2002 compensation shall include payments for accumulated annual leave, but no payment for accumulated sick leave shall be included in such member's compensation.
- 4. For members hired prior to July 15, 2009 who retire or enter the DROP on or after August 17, 2009, compensation shall exclude all earnings and payouts for blood time and compensatory time. In addition, the payouts for accumulated annual leave that may be counted as compensation for such members shall not exceed 125 hours for employees who retire from a position covered by the General employees' bargaining unit; and shall not exceed 60 hours per year for employees who retire from a position not covered by the General employees' bargaining unit.
- 5. Compensation for members hired on or after July 15, 2009 is set forth in subsection (27) of this section 10.01.
- 6. Employee-elective salary reductions or deferrals to any salary reduction, deferred compensation, or tax-sheltered annuity program authorized under the rules of the Internal Revenue Service Code shall be included in compensation for retirement purposes. Compensation in excess of the limitations set forth in Section 401(a)(17) of the Code, adjusted in accordance with U.S. Treasury Department regulations, shall be disregarded.
- (t) Vesting period means the period of credited service required to obtain a nonforfeitable right to receive a future benefit under the plan. The vesting period for employees <u>hired prior to July 15, 2009</u>, who separate from city employment on or after July 1, 1999 is five (5) years of credited service. The vesting period for employees who separated from city employment before July 1, 1999 is ten (10) years of credited service. The vesting period for employees hired on or after July 15, 2009 is set forth in subsection (27) of this section 10.01.
- Section 3: That Article X, subsection 10.01(5) of the City Charter is hereby amended to read as follows:

Sec. 10.01. Pensions and retirement.

(5) Normal Retirement Date.

- (a) A member <u>hired prior to July 15, 2009</u> who separates from city employment on or after July 1, 1999 may retire with normal retirement benefits upon attaining twenty-five (25) years of credited service regardless of age, or upon reaching age fifty-five (55) with at least five (5) years of credited service.
- (b) A member who separates from city employment on or after November 7, 1990 and before July 1, 1999 may retire with normal retirement benefits upon attaining twenty-five (25) years of credited service regardless of age, or upon reaching age fifty-five (55) with at least ten (10) years of credited service.
- (c) A member who separates from city employment prior to November 7, 1990 may retire with normal retirement benefits upon attaining age fifty-five (55) with at least twenty-five (25) years of credited service, or upon reaching age sixty-two (62) with at least ten (10) years of credited service.
- (d) The normal retirement date for members hired on or after July 15, 2009 is specified in subsection (27) of this section 10.01.

Section 4: That Article X, subsection 10.01(6) of the City Charter is hereby amended to read as follows:

Sec. 10.01. Pensions and retirement.

(6) Normal Retirement Benefit.

- (a) The retirement benefit payable to a member hired prior to July 15, 2009 who separates from city employment on or after October 1, 1998 shall be three percent (3%) of average final compensation multiplied by years of credited service, up to a maximum of twenty-seven (27) years of credited service and a maximum pension rate of eighty-one percent (81%). Such benefit shall be payable on the member's normal retirement date and separation from city employment.
- (b) The retirement benefit payable to a member who separates from city employment on or after February 1, 1974 and before October 1, 1998 with ten (10) or more years of credited service shall be two and one-half percent (2.5%) of average final compensation multiplied by years of credited service, up to a maximum of thirty (30)

years of credited service and a maximum pension rate of seventy-five percent (75%), excluding those members who retired pursuant to the Early Retirement Incentive Plan created by Ordinance No. O-94-34. Such benefit shall be payable on the member's normal retirement date and separation from city employment.

(c) The normal retirement benefit for members hired on or after July 15, 2009, is specified in subsection (27) of this section 10.01.

Section 5: That Article X, subsection 10.01(7) of the City Charter is hereby amended to read as follows:

Sec. 10.01. Pensions and retirement.

(7) Deferred Vested Retirement. Any member hired prior to July 15, 2009, irrespective of age, who separates from city employment on or after July 1, 1999 after having completed at least five (5) years of credited service and does not receive a refund of contributions shall have the right to receive a service retirement benefit beginning at age fifty-five (55) based on the benefit formula in effect on the date of separation from city employment and years of credited service and average final compensation on that date. Any member, irrespective of age, who separated from city employment before July 1, 1999 after having completed at least ten (10) years of credited service and did not receive a refund of contributions shall have the right to receive a service retirement benefit beginning at age sixty-two (62), based on the benefit formula in effect on the date of separation from city employment and years of credited service and average final compensation on that date. Deferred vested retirement for members hired on or after July 15, 2009 is set forth in subsection (27) of this section 10.01.

Section 6: That Subsection 10.01(8) of the City Charter is hereby amended to read as follows:

Sec. 10.01. Pensions and retirement.

- (8) Deferred Retirement Option Plan.
 - (a) A deferred retirement option plan ("DROP plan") is hereby created.
- (b) An employee covered by the Charter plan and hired prior to July 15, 2009 may enter into the DROP plan on the earlier of the first day of any month following the employee's fifty-fifth birthday and tenth-year anniversary of credited service, or the first

day of any month following the completion of a total of twenty-five (25) years of credited service. An employee hired on or after July 15, 2009 shall not be eligible to participate in the DROP.

Section 7: That Article X, subsection 10.01(10) of the City Charter is hereby amended to read as follows:

Sec. 10.01. Pensions and retirement.

(10) Benefit Adjustments.

- (a) Effective January 1, 1970, a member who retired prior to January 1, 1968, shall have his or her monthly retirement adjusted so as to result in a minimum payment of one hundred dollars (\$100.00) per month, unless he or she has elected to receive his or her benefit under any of the options enumerated hereinabove, in which case a proportionate adjustment shall be made in accordance with the actuarial tables provided by the actuary.
- (b) Effective January 1, 1970, a member retiring after January 1, 1968, shall have his or her monthly retirement benefit adjusted to the greater of either two and one-half percent (2½%) of his or her highest average monthly salary for any three (3) consecutive years within his or her last ten (10) years of service, multiplied by the number of years of service, or one hundred dollars (\$100.00) per month. If, however, the member has elected to receive his or her benefit under the options enumerated hereinabove, the adjustment shall be made in accordance with the actuarial tables provided by the actuary.
- (c) There shall be payable to a retiree whose retirement date occurs after October 1, 1989 and before August 17, 2009, commencing three (3) years after retirement benefits begin, a two percent (2%) cost of living adjustment (COLA) in retirement benefits annually, including benefits paid into the DROP account.
- (d) There shall be payable to a retiree whose retirement date occurred before October 1, 1989, commencing, October 1, 1999, a two percent (2%) cost of living adjustment (COLA) in retirement benefits annually.
- (e) For members hired prior to July 15, 2009 who retire on or after August 17, 2009 without entering the DROP, a two percent (2%) COLA shall be payable annually commencing three (3) years after retirement benefits begin. For members hired prior to July 15, 2009 who enter the DROP on or after August 17, 2009, a two percent (2%) COLA shall be payable annually, commencing the later of three (3) years after retirement benefits begin or one (1) year after separation from employment following participation in the DROP.

(f) Members hired on or after July 15, 2009 shall not be eligible for a COLA.

Section 8 That Article X, subsection 10.01(12) of the City Charter is hereby amended to read as follows:

Sec. 10.01. Pensions and retirement.

(12) Disability Retirement.

- (a) Except as set forth in paragraph (c) below, upon total and permanent disability of a member by reason of injuries sustained while in the performance of an act of duty as an active employee of the city, resulting in the inability of the member to perform the specific duties of his or her position in the service of the city, such member shall be entitled to a disability retirement benefit equal to seventy-five percent (75%) of his or her salary from the first day of disability. Based on the available medical information, the Human Resources Director shall make the final determination regarding the ability of the member to perform the specific duties of his or her position.
- (b) Except as set forth in paragraph (c) below, upon total and permanent disability of a member <u>hired prior to July 15. 2009</u> having at least five (5) years of credited service, from causes other than the performance of an act of duty as an employee of the city, resulting in the inability of the member to perform the specific duties of his or her position in the service of the city, such member shall be entitled to a disability retirement benefit equal in rate to that provided for service retirement, but not less than twenty percent (20%) of average salary. Based on the available medical information, the Human Resources Director shall make the final determination regarding the ability of the member to perform the specific duties of his or her position. The eligibility of members hired on or after July 15, 2009 for non-duty disability benefits is specified in subsection (27) of this section 10.01.

Section 9: That Subsection 10.01(15) of the City Charter is hereby amended to read as follows:

Sec. 10.01. Pensions and retirement.

(15) Financing.

- (a) The fund shall be financed in accordance with actuarial requirements by the following revenues:
- 1. Contributions by employees <u>hired prior to July 15, 2009</u> of seven percent (7%) of compensation <u>prior to October 1, 2009</u>, eight percent (8%) of compensation as of October 1, 2009 and nine percent (9%) of compensation as of October 1, 2010, to be deducted from members' pay at regular payroll periods. Contributions deducted from a member's pay, including contributions deducted from a member's pay to purchase credited service in accordance with subsection (4)(f) and (4)(g), shall be designated as employer contributions pursuant to section 414(h) of the code. Such designation is contingent upon the contributions being excluded from the member's gross income for federal income tax purposes in accordance with the code and applicable regulations. For all other purposes of the plan, such contributions shall be considered to be member contributions. A member's election to purchase credited service through payroll deduction in accordance with subsection (4)(f) or (4)(g) shall be irrevocable. The employee contributions for members hired on or after July 15, 2009, is specified in subsection (27) of this section 10.01.
- 2. Contributions by the city in an amount which, when added to the members contributions, will be sufficient to fund the plan on a sound actuarial basis, which contributions shall be made concurrently with contributions by the members according to rates established by the board upon recommendation of the actuary;
 - 3. Interest earned on investments; and
 - 4. Miscellaneous income accruing to the fund.
- (b) The board shall certify annually to the city commission on or before April 1 of each year the amount necessary to fund the plan on a sound actuarial basis for the following fiscal year.
- (c) Forfeitures may not be applied to increase the benefits any member would otherwise receive under the plan.
- Section 10: That a new subsection (27) of Article X, Section 10.01 of the City Charter is created to read:

Sec. 10.01. Pensions and retirement.

(27) Benefits and employee contributions for members hired on or after July 15, 2009.

- (a) Notwithstanding any other provision of the Plan, members hired on or after July 15, 2009 shall receive the same retirement benefits as members hired prior to that date, except as follows:
- (1) The normal retirement dates shall be age fifty-seven (57) or older with twenty-five (25) years of credited service; age sixty (60) or older with seven (7) years of credited service; or thirty (30) years of credited service, regardless of age.
 - (2) The vesting period shall be seven (7) years of credited service.
- (3) Upon reaching the normal retirement date, a member is entitled to a normal retirement benefit of two and one-half percent (2.5%) of average final compensation for each year of credited service, up to a maximum benefit of eighty one percent (81%) of average final compensation.
- (4) Average final compensation shall be based on the member's highest one hundred four (104) consecutive bi-weekly pay periods of credited service.
- (5) Compensation shall include only the member's base pay, which includes longevity pay, but no other payments shall be included.
- (6) Eligibility for non-duty disability benefits shall commence upon attaining seven (7) years of credited service.
- (7) A member who separates from city employment prior to his or her normal retirement date after having completed at least seven (7) years of credited service and does not receive a refund of contributions shall have the right to receive a service retirement benefit beginning at age sixty (60) based on the benefit formula in effect on the date of separation from city employment, and years of credited service and average final compensation on that date.
- (b) Notwithstanding any other provision of the plan, members hired on or after July 15, 2009 shall contribute nine (9) percent of their compensation to the plan.
- Section 11: That Article X, subsection 10.05 of the City Charter is hereby amended to read as follows:

Sec. 10.05. Coordination of pension benefits.

(e) The coordination of benefits provisions in this section 10.05 shall have no application to any city employee who becomes a Police Officer or Firefighter on or after July 15, 2009.

Section 12: That it is the intention of the City Commission that the provisions of this ordinance shall become and be made a part of the Charter of the City of Hollywood, Florida, and the provisions of this ordinance may be renumbered to accomplish such intention.

Section 13: 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 14: 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 15: 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 Aug 21 , 2009.		
PASSED on first reading this 15 day of July, 2009.		
Sep+ , 2009.	day	of
ATTEST: PETER BOBER, MAYOR PATRICIA A. CERNY, MMC PATRICIA A. CERNY, MMC		

APPROVED AS TO FORM & LEGALITY

for the use and reliance of the City of Hollywood, Florida only:

CITY ATTORNEY

CITY CLERK

9/08/09 pac



October 24, 2019

Ms. Christine Bailey
Executive Director
City of Hollywood Retirement Fund
2nd Floor Annex Bldg.
2600 Hollywood Blvd
Hollywood, FL 33020

Re:

City of Hollywood General Employees' Retirement System Revised Benefit Calculation for Cameron Benson

Dear Christine:

As requested, we have reviewed your revised benefit calculation which was prepared for Mr. Cameron Benson. In the revised calculation, Mr. Benson's Average Final Compensation ("AFC") was adjusted to exclude a portion of the sick leave and annual leave payments that were previously included in his original calculation, resulting in a lower monthly pension benefit.

We agree with your revised calculation based on the procedure approved by the Board of Trustees and Plan Attorney. The table below summarizes the differences in the calculations:

	Original Calculation		Revised Calculation	
A. Highest 78 Pay Periods	\$	693,573.48	\$	669,344.43
B. Monthly Average Pay (A. ÷ 36)		19,265.93		18,592.90
C. Credited Service		15.83		15.83
D. Benefit Multiplier		3.0%		3.0%
E. Monthly Life Annuity (B. x C. x D.)		9,149.39		8,829.77
F. Optional Form Factor		0.9027		0.9027
G. Monthly 100% Joint and Survivor Annuity (E. x F.)		8,259.15		7,970.63
H. Difference in Monthly Benefits				(288.52)
I. Number of Months of Pension Payments Paid				33.7857
J. Total Overpayment through November 30, 2019				9,747.85

The following adjustments were made to Mr. Benson's AFC, as approved by the Board of Trustees:

- Annual Leave Treatment: In the original calculation, Mr. Benson's AFC included the full amount of his annual leave payouts for 2007 and 2008, including the amounts above 60 hours. His annual leave payout for 2009 was limited to 60 hours. In the revised calculation, Mr. Benson's AFC was adjusted to exclude the portion of his annual leave payouts above 60 hours for 2007 and 2008.
- Sick Leave Treatment: In the original calculation, Mr. Benson's AFC included the full amount of his sick leave payouts for 2008, 2009 and 2010. It also included his accumulated sick leave payment at termination limited to the 451.21 sick leave hours which he had accumulated as of October 1, 2002. A total of 549.75 hours of sick leave hours were included in his original AFC. In the revised calculation, Mr. Benson's AFC was adjusted to exclude a portion of his sick leave payouts. The total of his sick leave, including the annual payouts and the final accumulated payout, was collectively limited to 451.21 hours.

We welcome your questions and comments.

Respectfully submitted,

Jeffrey Amrose, EA, MAAA Senior Consultant & Actuary

The above communication shall not be construed to provide tax advice, legal advice or investment advice.



AGENDA ITEM 6.C. LEGAL

SEGAL INVESTMENT CONSULTANT

CONTRACT EXTENSION

(NO BACKUP FOR THIS SECTION)

AGENDA ITEM 6.D. LEGAL

LOOMIS SAYLES AGREEMENT

AGENDA ITEM 6.E. LEGAL

MARCUM LLP AGREEMENT (NO BACKUP FOR THIS SECTION)

AGENDA ITEM 6.F.

LEGAL

MEMBER CONSIDERATION

RETIREES WHO SELECTED 100% JOINT AND SURVIVOR WITH AT LEAST ONE NON-SPOUSAL BENEFICIARY 10 OR MORE YEARS YOUNGER THAN THEMSELVES AND SURVIVORS OF DECEASED RETIREES WHO SELECTED 100% JOINT AND SURVIVOR WITH AT LEAST ONE NON-SPOUSAL BENEFICIARY 10 OR YEARS YOUNGER THAN THEMSELVES

AGENDA ITEM 6.G.

LEGAL

REQUEST FOR EXECUTIVE SESSION TO DISCUSS PENDING LITIGATION

EMILY GLOVER, INDIVIDUALLY AND AS PERSONAL REPRESENTATIVE OF THE ESTATE OF GEORGE GLOVER V. FERIHAJA KOLARI, CITY OF HOLLYWOOD EMPLOYEES' RETIREMENT FUND AND CITY OF HOLLYWOOD

AGENDA ITEM 7.A. EXECUTIVE DIRECTOR'S REPORT

CITY COMMISSION COMMUNICATION

(UNDER SEPARATE COVER)

AGENDA ITEM 7.B. EXECUTIVE DIRECTOR'S REPORT

ADMINISTRATIVE CONSIDERATIONS

(UNDER SEPARATE COVER)

AGENDA ITEM 7.C. EXECUTIVE DIRECTOR'S REPORT

COMMUNICATIONS FROM THE EXECUTIVE DIRECTOR (HANDOUT)

AGENDA ITEM 8 PUBLIC COMMENT

AGENDA ITEM 9 TRUSTEE REPORTS, QUESTIONS AND COMMENTS

AGENDA ITEM 10 ADJOURNMENT