

**CITY OF HOLLYWOOD
EMPLOYEES' RETIREMENT FUND**

CALENDAR OF ITEMS

REGULAR BOARD MEETING

FEBRUARY 25, 2020

AGENDA ITEM 1

CALL TO ORDER

(NO BACKUP FOR THIS SECTION)

AGENDA ITEM 2

ROLL CALL

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, FEBRUARY 25, 2020 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. January 21, 2020 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 Reports and Investment Summary
5. INVESTMENT (Segal Marco Advisors)
 - A. Board Insurance Update
 - B. January 2020 Flash Performance Report
 - C. ALM Study Update
 - D. 2020 Investment Discussion
 - E. Work Plan 2020
6. LEGAL (Ron Cohen - Rice, Pugatch, Robinson, Storfer and Cohen.)
 - A. Update on City of Hollywood v. City of Hollywood Employees' Retirement Fund.
 - B. 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
 - C. 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. Executive Director Evaluation
 - C. Pension Office Relocation
 - D. Administrative Considerations
 - i. Investment Committee Charter
 - ii. Audit Committee Charter
 - iii. Proposed Policy on Overpayments to Members and Beneficiaries
 - iv. Transferred Members who received FY2013 Supplemental Distribution in Error
 - E. 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

JANUARY 21, 2020

REGULAR MEETING MINUTES

MINUTES
REGULAR PENSION BOARD MEETING
CITY OF HOLLYWOOD EMPLOYEES' RETIREMENT FUND
TUESDAY, JANUARY 21, 2020 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, Secretary Robert Strauss (telephonically), Christopher Cassidy, Jeffery Greene, Charles Howell and Adam Reichbach. Also present: Executive Director Christine Bailey; Keith Reynolds of Segal Marco; Diane McNally of Segal Select Insurance and Ronald Cohen of Rice Pugatch Robinson Storfer & Cohen.

George Keller was absent and excused.

a. January 21, 2020 Regular Board Meeting Agenda

MOTION made by Trustee Greene, seconded by Trustee Cassidy, to adopt the January 21, 2020 Regular Board Meeting Agenda. In a voice vote of the members present, all members voted in favor. **Motion** passed 6-0.

3. CONSENT AGENDA

- A. December 10, 2019 Annual Meeting Minutes
- B. Ratification of Distributions (Contributions and DROP) and Plan Expenses
- C. Approval/Ratification of New Retirements/DROP/Vested/Death Annuities

Agenda Item 3a. – It was noted that included in the minutes was Trustee Keller's Form 8B Memorandum of voting conflict for county, municipal, and local public officers. The memorandum stated that on December 10, 2019, Trustee Keller abstained from voting on matters related to the Agenda Item 7c. Restoration of Benefits – Impact of Break-in-Service and the Interpretation of the related Ordinance Changes.

Trustee Cassidy requested that Agenda Item 3b. be pulled.

MOTION made by Trustee Greene, seconded by Trustee Strauss, to approve Consent Agenda Items 3a and 3c. In a voice vote of the members present, all members voted in favor. **Motion** passed 6-0.

Trustee Cassidy noted that there were redactions in the Agenda Item. Ms. Bailey advised that she had redacted information that she believed were immaterial on invoices such as account numbers and charges to other City Agencies. The Board discussed the redaction of information from the documents presented for approval.

MOTION made by Trustee Cassidy, seconded by Trustee Strauss, to not redact any information from the Calendar of Items unless it is legally required by the Sunshine Laws. In a voice vote of the members present, the **Motion** passed 4-2. Trustees Shaw and Greene opposed the motion.

Ron Cohen reminded Trustees that under Chapter 286, they are required to vote unless they have a private gain or in certain quasi-judicial hearings situations.

MOTION made by Trustee Reichbach, seconded by Trustee Strauss, to approve Consent Agenda Item 3b. In a voice vote of the members present, all members voted in favor. **Motion** passed 6-0.

4. FINANCIAL

- a. Ms. Bailey provided the Board with the Final June 30, 2019 through Final August 31, 2019 and the Draft September 30, 2019 Financial Operations and Investment Summaries. She also provided the Budget Variance Report as of December 31, 2019. Ms. Bailey explained the relationship between the administrative fees on the Summary and the Variance Report.

5. INVESTMENT (Keith Reynolds – Segal Marco)

- a. November 2019 Flash Performance Report
Mr. Reynolds provided the Board with the Flash Performance Report for November 2019. He noted that the U.S. equity markets did very well and the Fund's market value of assets increased to \$358.9 million, with an additional \$4 million increase anticipated in December. He also noted that the markets were up so far in January. He reminded the Board that the flash report was preliminary and did not include the performance reports of all the managers. He noted that the Fund's rate of return for the calendar year-to-date was over 15% based on the manager's performance reports to date.
- b. Third Quarter Performance Report
Mr. Reynolds reported the Fund's performance for the quarter ended September 30, 2019. He noted that the assets available for investments were \$333.6 million and performance was 0.80% for the quarter. He noted that for the one-year period the fund returned 4.31%. He stated that this performance ranked in the top half of the Fund's peer group and that for the five-, seven- and ten-year periods, the Fund was right at the top decile of its peers. He noted that the Fund did this with less risk than its peers. The Board discussed the drags on the portfolio and it was noted that managers would be reviewed at the conclusion of the Asset Liability Study. He stated that the Fund returned 7.59% for the three-year period ended 9/30/2019 with a standard deviation of 6.53%.
- c. Board Insurance Update
Diane McNally provided the Board with an overview of the proposed Workplace Violence and Assailant Insurance Coverage. She advised that the recommendation was to purchase a policy with Indian Harbor Insurance Company. She noted that there were five liability limit options available.

MOTION made by Trustee Greene, seconded by Trustee Strauss, to table the discussion to the next regular meeting or earlier. In a voice vote of the members present, all members voted in favor. **Motion** passed 6-0. The Board requested a copy of the recommended policy and that this policy expire at the same time as the Board's other insurance policies.
- d. Work Plan 2020
Mr. Reynolds provided the Board with the 2020 Work Plan.

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

- a. 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.

Trustee Strauss inquired about the development of an overpayment recoupment policy. Mr. Cohen advised that he was working on a policy with Ms. Bailey. Trustee Strauss asked if the settlement agreement in the City lawsuit had been finalized. Mr. Cohen advised that it was. Mr. Cohen noted that he was in discussion with the other attorneys to dismiss the case with prejudice and would report back to the Board once the case was dismissed.

7. EXECUTIVE DIRECTOR'S REPORT

- a. City Commission Annual Report
The Board received the City Commission Annual Report. The Board requested that an amendment to reflect the time period that Trustees were on the Board.
- b. City Commission Communication
The Board received the City Commission Communication with recommended changes.

c. i. Administrative Considerations – Proposed Board Meeting Dates

Ms. Bailey noted that the Board had discussed changing the time of the March Board meeting to accommodate an Investment Meeting at 9:00am.

MOTION made by Trustee Reichbach, seconded by Trustee Strauss, to reschedule the March 31, 2020 meeting from 9:00am to 10:15am and to schedule an Investment Committee Meeting at 9:00am. In a voice vote of the members present, all members voted in favor. **Motion** passed 6-0.

c. ii Administrative Considerations – Executive Director Evaluation Forms

Evaluation Forms were provided to the Board. Trustees were asked to complete and submit the evaluations by the next Board meeting.

d. Communications from the Executive Director

- Ms. Bailey advised the Board that the FY2019 financial audit was ongoing and that the 2019 Actuarial Valuation Data request was almost complete.
- Ms. Bailey advised the Board that the 2020 Life Certificates would soon be mailed to Retirees. The Board discussed a recommendation to conduct the Disability Retirees Tax Return Request and Life Certificate in a single request. The Board determined that they should remain separate requests.
- Ms. Bailey provided the Board with the 2020 administrative workflow including the Disability Medical reviews requested by the Board.
- Ms. Bailey advised that the anticipated date for the issuance of the Summary Plan Description has been delayed to June 2020 to allow for revisions and final review.
- Ms. Bailey advised the Board that, of the 741 annuitants eligible for the FY2012 13th Check Settlement, 637 had been distributed. She noted that the distributions to the estates or beneficiaries of an additional 104 deceased annuitants would require additional research.
- Ms. Bailey provided the Board with the DROP and Planned Retirement Participant Lists. She also noted that there was still one member who benefits are suspended because he has not yet returned the 2019 Life Certificate.

8. **PUBLIC COMMENTS**

There were no public comments.

9. **TRUSTEE REPORTS, QUESTIONS AND COMMENTS**

Trustee Cassidy requested that the Website be updated.

10. **ADJOURNMENT**

MOTION made by Trustee Greene, seconded by Trustee Reichbach, to adjourn the meeting. In a voice vote by the members present, **Motion** passed 6-0. The meeting adjourned at 11:42a.m.

Phyllis 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
February 25, 2020 Regular Pension Board Meeting

<u>Name</u>	<u>Refund</u>
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Refunds of Contributions

Charbonier, Nicole	11,005.80
Haynes, Jason	12,690.58
Zephyr, Wilford	40,931.86
	\$ 64,628.24

Planned Retirement

Farrell, Steve (Partial)	\$ 14,527.04
	\$ 14,527.04

Partial Lump Sum Distribution

None	
	\$ 0.00

DROP Distributions

Desimone, Louis (Partial)	\$ 153,324.04
Diah, Maxmillan (Partial)	\$ 118,547.29
Giofre, Vincent (Partial)	\$ 398,355.80
Miller, Christine (Partial)	\$ 6,738.04
Quintero, Rafael (Partial)	\$ 368,554.44
St. Luce, Jeane (Partial)	\$ 89,428.75
Stanley, Terrance (Partial)	\$ 117,568.61
Stout, Donald (Partial)	\$ 185,899.76
	\$ 1,438,416.73

TOTAL: \$	1,517,572.01
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**CITY OF HOLLYWOOD
EMPLOYEES RETIREMENT FUND
Disbursements Processed
January 1, 2020 to January 31, 2020**

Brandes Investment Partners (Oct 2019 to Dec-2019)	\$ (34,218.68)
Gabriel Roeder Smith & Company (December 2019)	\$ (2,694.00)
Gabriel Roeder Smith & Company (GASB 68)	\$ (2,000.00)
Hyatt Regency Orlando (FPPTA Winter Trustee School)	\$ (3,317.85)
Marcum LLP (December 2019)	\$ (3,950.00)
Rice Pugatch Robinson Storfer & Cohen (December 2019)	\$ (5,005.00)
Segal Marco Advisors (December 2019)	\$ (10,833.37)
Segal Marco Advisors (December 2019)	\$ (4,166.67)
The Northern Trust Company (Oct 2019 to Dec-2019)	\$ (7,354.40)
Thompson Siegal & Walmsley (Oct 2019 to Dec-2019)	\$ (30,886.60)
	<u>\$ (104,426.57)</u>

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
February 25, 2020 Regular Pension Board Meeting

New Retirements

Pension

Bellis, Pasquale - (Beneficiary of Angelina Bellis)	\$	1,009.75
Desimone, Louis - DROP 06/01/2017	\$	4,452.99
Laucella, Catherine - DROP 02/01/2019	\$	5,079.84
Miller, Christine - DROP 10/01/2019	\$	3,369.02
Probert, Linda - VESTED 01/01/2020	\$	1,380.33
Quintero, Rafael - DROP 01/01/2015	\$	4,916.36
Stout, Donald - DROP 01/01/2018	\$	6,783.07

Benefits Stopped

Abbott, Cathy - Died 12/27/2019	\$	(7,455.92)
Bellis, Angelina - Died 12/26/2019	\$	(1,009.75)
Myers, Margaret - Died 12/16/2019	\$	(2,386.54)
Vasiloff, Evelyn - Died 12/18/2019	\$	(1,117.81)

AGENDA ITEM 4.A.

FINANCIAL

FINANCIAL REPORTS AND INVESTMENT SUMMARY

**CITY OF HOLLYWOOD
EMPLOYEES' RETIREMENT FUND
FINANCIAL OPERATIONS AND INVESTMENT SUMMARY**

Final

NOVEMBER 30, 2019

Fiscal Year-To-Date

<u>Investment Balances</u>	<u>Market Value</u>	<u>Book Value</u>	<u>Unrealized Gain (Loss)</u>
Balance October 1, 2019	\$ 341,223,055.75	\$ 288,403,206.93	\$ 52,819,848.82
Contributions and Payments:			
City Contributions		\$ 24,216,445.00	
Employees Contributions		\$ 747,343.25	
Pension Disbursement		\$ (11,205,413.80)	
Administrative Expenses		\$ (109,825.48) ⁽¹⁾	
Net Contributions/Payments		\$ 13,648,548.97	
Investment Income:			
Dividends & Interest Received		\$ 838,027.41	
Gain on Sales (Realized Gains/(Loss))		\$ 3,558,198.09	
Commission Recapture		\$ 3,053.78	
Quarterly Investment Fees		\$ (155,463.52) ⁽²⁾	
Net Investment Income		\$ 4,243,815.76	
Balance November 30, 2019	\$ 364,428,740.47	\$ 306,295,571.66	\$ 58,133,168.81
Increase (Decrease) for the Period	\$ 23,205,684.72	\$ 17,892,364.73	\$ 5,313,319.99
Unreconciled			0.00
<u>Unrealized Gain (Loss) Account</u>			
Composition of Increases (Decreases)			
AG Direct Lending			\$ (274,570.99)
Angelo-Gordon Realty			\$ (0.01)
Baird Core Plus Bond Fund			\$ (112,859.22)
Brandes Investment Partners			\$ 525,292.92
Frontier Capital Management			\$ -
Golden Tree			\$ 76,410.15
Gold Point			\$ -
Harbourvest Dover IX49			\$ (152,618.99)
IFM Global			\$ (24,672.08)
Morgan Stanley			\$ -
NB Crossroads			\$ (0.06)
Neuberger & Berman			\$ -
Neuberger Short Duration			\$ 169,197.30
Northern Trust-Extended			\$ 1,393,685.91
Northern Trust			\$ 970,213.34
Principal Investors			\$ 200,250.30
Thompson, Siegel & Walmsley			\$ 345,580.25
Wellington International			\$ 2,197,411.17
			\$ 5,313,319.99
<u>Investment Return</u>			
Net Investment Income			\$ 4,243,815.76
Increases (Decrease) in Unrealized Gain/Loss			\$ 5,313,319.99
Total Investment Return for the Period			\$ 9,557,135.75
Beginning Market Value			\$ 341,223,055.75
Plus/(Less): Net Contributions/Payment			\$ 13,648,548.97
Assets Available for Investment			\$ 354,871,604.72
Investment Return as a result of % of Assets Available for Investments			2.69%

⁽¹⁾ ⁽²⁾ Refer to Cash Payments Detail

CITY OF HOLLYWOOD
EMPLOYEES' RETIREMENT FUND
FINANCIAL OPERATIONS AND INVESTMENT SUMMARY
PRELIMINARY
January 31, 2020
Fiscal Year-To-Date

<u>Investment Balances</u>	<u>Market Value</u>	<u>Book Value</u>	<u>Unrealized Gain (Loss)</u>
Balance October 1, 2019	\$ 331,936,596.36	\$ 280,919,857.11	\$ 51,016,739.25
Contributions and Payments:			
City Contributions		\$ 24,216,445.00	
Employees Contributions		\$ 1,548,957.67	
Pension Disbursement		\$ (18,505,807.00)	
Administrative Expenses		\$ (175,287.92)	(1)
Net Contributions/Payments		\$ 7,084,307.75	
Investment Income:			
Dividends & Interest Received		\$ 1,429,124.37	
Gain on Sales (Realized Gains/(Loss))		\$ 4,573,629.38	
Commission Recapture		\$ 3,613.92	
Total Invest. Professional Fees		\$ (227,923.20)	(2)
Net Investment Income		\$ 5,778,444.47	
Balance January 31, 2020	\$ 366,801,081.09	\$ 293,782,609.33	\$ 73,018,471.76
Increase (Decrease) for the Period	\$ 34,864,484.73	\$ 12,862,752.22	\$ 22,001,732.51
Unreconciled			(11,264,142.43)
<u>Unrealized Gain (Loss) Account</u>			
Composition of Increases (Decreases)			
AG Direct Lending			\$ (274,570.99)
Angelo-Gordon Realty			\$ (0.01)
Baird Core Plus Bond Fund			\$ 533,899.60
Brandes Investment Partners			\$ 1,159,590.00
Frontier Capital Management			\$ -
Golden Tree			\$ 386,984.55
Gold Point			\$ -
Harbourvest Dover IX49			\$ (152,618.99)
IFM Global			\$ 479,971.82
Morgan Stanley			\$ 112,665.23
NB Crossroads			\$ (0.06)
Neuberger & Berman			\$ -
Neuberger Short Duration			\$ 242,250.85
Northern Trust-Extended			\$ 1,660,974.83
Northern Trust			\$ 2,582,874.74
Principal Investors			\$ 178,660.27
Thompson, Siegel & Walmsley			\$ 261,702.89
Wellington International			\$ 3,565,205.35
			<u>\$ 10,737,590.08</u>
Investment Return			
Net Investment Income			\$ 5,778,444.47
Increases (Decrease) in Unrealized Gain/Loss			\$ 22,001,732.51
Total Investment Return for the Period			<u>\$ 27,780,176.98</u>
Beginning Market Value			\$ 331,936,596.36
Plus/(Less): Net Contributions/Payment			\$ 7,084,307.75
Assets Available for Investment			<u>\$ 339,020,904.11</u>
Investment Return as a result of % of Assets Available for Investments			<u>8.19%</u>

(1) (2) Refer to Cash Payments Detail

City of Hollywood Employees Retirement Fund
Budget v. Actual
For Year Ending 9/30/2020
Expenses as of 01/31/2020

	Approved Budget (A)	Jan-20	YTD Actual (B)	Remaining Available (A-B)	% Remaining Available (A-B)/(A)
Investment Fees:					
Brandes Investment Partners	152,000	34,219	34,219	117,781	77.49%
Northern Trust-Large Cap	32,500	7,354	7,354	25,146	77.37%
Thompson Siegel (TSW)	138,000	30,887	30,887	107,113	77.62%
Wellington	364,000	-	-	364,000	100.00%
Custodial Fees	35,000	-	-	35,000	100.00%
Fees not Invoiced:					
Neuberger Short Duration	172,000	-	-	172,000	100.00%
Baird Core Plus Bond	116,000	-	-	116,000	100.00%
GoldenTree Multi-Sector Fund	119,500	-	-	119,500	100.00%
AG Direct Lending Fund II, LP	172,500	-	-	172,500	100.00%
Morgan Stanley	234,000	-	-	234,000	100.00%
Principal	155,000	-	-	155,000	100.00%
Neuberger Berman Crossroads XXI	63,500	-	-	63,500	100.00%
HarbourVest Dover Fund IX	107,000	-	-	107,000	100.00%
GoldPoint Co-Investment VI	107,500	-	-	107,500	100.00%
IFM Global Infrastructure	213,000	-	-	213,000	100.00%
Total Invest. Professional Fees	2,181,500	72,460	72,460	2,109,040	96.68%
Administrative Fees:					
Consultants	130,000	10,833	32,500	97,500	75.00%
Accounting	25,000	4,167	12,500	12,500	50.00%
Audit	20,000	3,950	5,650	14,350	71.75%
GRS-Actuarial and other Fees	73,500	4,694	10,742	62,758	85.39%
Medical Svcs (Disability Verification)	41,000	-	-	41,000	100.00%
Rice - Board Attorney	90,000	5,005	17,806	72,194	80.22%
Total Admin. Professional Fees	379,500	28,649	79,198	300,302	79.13%
Personnel Expenses:					
Total Salaries	252,000	-	-	252,000	100.00%
Salaries-Temp	4,000	-	-	4,000	100.00%
Taxes & Benefits	73,500	-	-	73,500	100.00%
Insurance	160,000	-	140,336	19,664	12.29%
Total Personnel Expenses	489,500	-	140,336	349,164	71.33%
Other Expenses:					
Training/Travel:					
Continuing Education/Dues	53,000	-	22,132	30,868	58.24%
Training-Travel, Meals & Lodging	42,000	3,318	21,635	20,365	48.49%
Participant/Member Education	5,000	-	-	5,000	100.00%
Equip Rent	4,000	-	-	4,000	100.00%
Printing Cost	7,000	-	-	7,000	100.00%
Supplies	7,500	-	259	7,241	96.55%
Furniture/Equipment	2,500	-	-	2,500	100.00%
Postage	8,000	-	-	8,000	100.00%
Total Other Expenses:	129,000	3,318	44,026	84,974	65.87%
Administrative Expenses	998,000	31,967	263,560	734,440	73.59%
Contingency Reserves	370,000	-	-	370,000	100.00%
Total Costs FYE 2020	\$ 3,549,500	\$ 104,427	\$ 336,020	3,213,480	90.53%
FYE 2019 Expenses Paid 2020			206,769		
Less FYE 2020 Prepaid Exp Paid 2019			(139,578)		
Total Expenditures FYE 2020	\$ 3,549,500	\$ 104,427	\$ 403,211	\$ 3,213,480	90.53%

**CITY OF HOLLYWOOD
EMPLOYEES RETIREMENT FUND
Disbursements Processed
January 1, 2020 to January 31, 2020**

Brandes Investment Partners (Oct 2019 to Dec-2019)	\$ (34,218.68)
Gabriel Roeder Smith & Company (December 2019)	\$ (2,694.00)
Gabriel Roeder Smith & Company (GASB 68)	\$ (2,000.00)
Hyatt Regency Orlando (FPPTA Winter Trustee School)	\$ (3,317.85)
Marcum LLP (December 2019)	\$ (3,950.00)
Rice Pugatch Robinson Storfer & Cohen (December 2019)	\$ (5,005.00)
Segal Marco Advisors (December 2019)	\$ (10,833.37)
Segal Marco Advisors (December 2019)	\$ (4,166.67)
The Northern Trust Company (Oct 2019 to Dec-2019)	\$ (7,354.40)
Thompson Siegal & Walmsley (Oct 2019 to Dec-2019)	\$ (30,886.60)
Total	<u>\$ (104,426.57)</u>

	<u>FYE 2020 Expenses</u>	<u>FYE 2020 Disbursements By Type</u>	<u>FYE 2020 Disbursements</u>
September	\$ (139,577.75)		\$ -
October	\$ (17,348.40)		\$ (118,985.84)
November	\$ (41,171.30)		\$ (146,303.16)
December	\$ (33,495.55)	Admin. Expenses \$ (175,287.92)	\$ (33,495.55)
January	\$ (104,426.57)	Total Invest. Prof. Fees \$ (227,923.20)	\$ (104,426.57)
	<u>\$ (336,019.57)</u>	<u>\$ (403,211.12)</u>	<u>\$ (403,211.12)</u>

**CITY OF HOLLYWOOD
EMPLOYEES RETIREMENT FUND
Disbursements Processed
December 1, 2019 to December 31, 2019**

FPPTA (Winter School registration)	\$	(2,880.00)
Marcum LLP	\$	(1,700.00)
Rice Pugatch Robinson Storfer & Cohen (Nov 2019)	\$	(9,665.89)
Rice Pugatch Robinson Storfer & Cohen (Oct 2019)	\$	(3,135.00)
Robert Strauss (FPPTA Fall School)	\$	(359.52)
Robert Strauss (IFEBP Oct 2019)	\$	(755.18)
Segal Marco Advisors (November 2019)	\$	(4,166.63)
Segal Marco Advisors (November 2019)	\$	(10,833.33)
Total	<u>\$</u>	<u>(33,495.55)</u>

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

FYE 2019

Brandes Investment Partners (July 2019 - September	\$	(31,464.65)
City Of Hollywood (September 2019)	\$	(23,093.53)
Rice Pugatch Robinson Storfer (September 2019)	\$	(6,473.41)
The Northern Trust Company (July 2019 - September	\$	(7,089.42)
Thompson Siegal & Walmsley (July 2019 - Septembe	\$	(29,218.42)
Wells Fargo Custodian (July 2019 - September 2019)	\$	(7,792.43)
	\$	<u>(105,131.86)</u>

FYE 2020

Christine Bailey	\$	(215.25)
Christine Bailey (IFEBP Oct 2019)	\$	(651.87)
Christopher Cassidy (IFEBP Oct 2019)	\$	(920.76)
FPPTA (Wall Street registration)	\$	(2,400.00)
Gabriel Roeder Smith & Company (October 2019)	\$	(6,048.00)
George Keller Jr (IFEBP Oct 2019)	\$	(740.63)
International Foundation (2020 membership)	\$	(1,265.00)
Jeffrey H Greene (IFEBP Oct 2019)	\$	(2,539.16)
Phyllis Shaw (IFEBP Oct 2019)	\$	(1,266.10)
Phyllis Shaw (IFEBP Oct 2019)	\$	(361.22)
Segal Marco Advisors (October 2019)	\$	(10,833.33)
Segal Marco Advisors (October 2019)	\$	(4,166.67)
Veron Sibble (IFEBP Oct 2019)	\$	(385.84)
Wells Fargo Credit Card (Conference & supplies)	\$	(6,718.19)
Wells Fargo Credit Card (IFEBP Oct 2019)	\$	(2,659.28)
	\$	<u>(41,171.30)</u>
Total	\$	<u><u>(146,303.16)</u></u>

**CITY OF HOLLYWOOD
EMPLOYEES RETIREMENT FUND
Disbursements Processed
October 1, 2019 to October 31, 2019**

FYE 2019

Gabriel Roeder Smith & Company (September 2019)	(\$6,639.00)
Segal Marco Advisors (September 2019)	(\$10,833.33)
Segal Marco Advisors (September 2019)	(\$4,166.67)
Wellington Trust Company (Jul-Sep 2019)	(\$79,898.60)
Wells Fargo Credit Card (Supplies)	(\$99.84)
	<hr/> (\$101,637.44)

FYE 2020

Christine Bailey (FPPTA Fall 2019)	(\$79.56)
NCPERS	(\$260.00)
Union Services Agency (Umbrella Policy)	(\$758.00)
Veron Sibble (FPPTA Fall 2019)	(\$288.15)
Wells Fargo Credit Card IFEBP 2020 Registration)	(\$14,875.00)
Wells Fargo Credit Card (Supplies and Travel)	(\$1,087.69)
	<hr/> (\$17,348.40)

Total	<hr/> <hr/> (\$118,985.84)
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**CITY OF HOLLYWOOD
EMPLOYEES RETIREMENT FUND
Disbursements Processed
September 1, 2019 to September 30, 2019**

FYE 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)
Wells Fargo Credit Card	<u>\$ (2,169.72)</u>
	\$ (88,185.78)

FYE 2020

Segal Select Insurance	\$ (137,918.00)
Seneca Insurance Company Inc	<u>\$ (1,659.75)</u>
	\$ (139,577.75)
	<u><u>\$ (227,763.53)</u></u>

AGENDA ITEM 5.A.

INVESTMENT

BOARD INSURANCE UPDATE

Christine Bailey

From: Ron Cohen <RCohen@rprslaw.com>
Sent: Monday, February 17, 2020 3:58 PM
To: Christine Bailey
Subject: [EXT]Hollywood GE
Attachments: DOC.PDF

Christine,

At its January meeting, the Board of Trustees heard from Segal Select Insurance concerning Workplace Violence and Assailant Coverage, and reviewed material that was distributed by Segal Select. The material in the agenda packet concerned two separate policies. Included in the material was an explanation of the protocol by Hamlin and Burton for an insured to follow in the case of an incident. The Board correctly expressed concerns about the protocol which would require representatives of the Plan to do such things as "politely refer any requests for statements, interviews, requests for information, etc., from anyone, including law-enforcement, to the designated spokesperson." The protocol also included such things as requiring that the attorney be involved before there was any cooperation, and would also permit Hamlin and Burton to require that all communications be through counsel.

Diane McNally had recommended Indian Harbor Insurance Company Policy, and stated that those requirements were not included in the Indian Harbor Policy. I was asked to review the policy which was Segal recommended. Christine gave me the attached, and Segal Select has indeed confirmed that this is the policy that she is recommending. (The name Indian Harbor is nowhere in the policy). The protocol requirements that were are in the handout that concerned the Board do not in fact apply to this policy. Our duties in the event of workplace violence and/or a stalking threat is set forth in paragraph N. (page 5 of 12) and do not place any undue restrictions on us, are reasonable and should not unduly limit the fund in responding properly to workplace violence or stalking threats.

I have reviewed the rest of the specimen policy, and I see no reason why the Board should not proceed to purchase this insurance.



Ronald J. Cohen

Member

Attorney Bio

Phone: (954)-462-8000

Direct: (954)-331-1287

Cell: (786)-236-3497

Fax: (954)-462-4300

Web: <https://rprslaw.com/>

Email: rcohen@rprslaw.com

101 N.E. 3rd Ave., Suite 1800

ACT OF WORKPLACE VIOLENCE AND STALKING THREAT INSURANCE POLICY

Throughout this Policy the words **Named Insured** refer to the **Named Insured** shown in the Declarations, and any other person or organization qualifying as a **Named Insured** under this Policy. The word **Company** refers to the company providing this insurance. The words **Insured Person(s)** means any person or organization qualifying as such under Section V. **DEFINITIONS**.

I. COVERAGE

In consideration of payment of the premium, and in reliance on the representations made by the **Named Insured** and its agent, broker or consultant in the application, including the proposal form and all other written statements and materials furnished to the **Company** in conjunction with such application, the **Company** agrees to indemnify the **Named Insured** and/or an **Insured Person(s)** for applicable **Insured Expenses** and **Business Interruption** directly caused by a[n]:

- A. **Act of Workplace Violence**; and/or
- B. **Stalking Threat**

that commences during the Period of Insurance set forth in the Declarations. If it is evident from the demand(s) or the making of such demand(s) that an **Act of Workplace Violence** and/or a **Stalking Threat** is or was carried out in furtherance of one another or as part of a common scheme, they shall be deemed to be connected and to constitute a single **Act of Workplace Violence** and/or **Stalking Threat**. Nevertheless, there shall be no liability hereunder in respect of any **Act of Workplace Violence** and/or **Stalking Threat** that began before the Period of Insurance.

II. INSURED EXPENSES

The **Company's** obligation to pay **Insured Expenses** shall not exceed the amounts stated in Section II. of the Declarations and shall be limited to the following:

- A. **Act of Workplace Violence Expenses**
- B. **Stalking Threat Expenses**;
- C. **Personal Accident Expenses**;
- D. **Legal Liability Expenses**; and
- E. **Business Interruption Expenses**

III. EXCLUSIONS

1. The **Company** shall not be liable for **Insured Expenses** or **Business Interruption** caused by or arising from or attributable to any of the following circumstances:

An **Act of Workplace Violence** that occurs at any location other than the **Premises**.

- B.
 - (1) Declared or Undeclared War;
 - (2) Civil War;
 - (3) Riot;
 - (4) Insurrection;
 - (5) Civil Commotion;
 - (6) Rebellion;
 - (7) Revolution;

- (8) Usurped Power;
- (9) Governmental Intervention;
- (10) Expropriation;
- (11) Nationalization;
- (12) Sabotage;
- (13) Malicious Damage;
- (14) Suicide;
- (15) Strike;
- (16) Invasion;
- (17) Coup; or
- (18) Mutiny.

C. The use or threat of force or violence occurring on the **Premises** for the purpose of demanding money, securities, or property.

D. Any **Business Interruption** sustained after the earlier of:

- (1) The resumption of business activities by the **Named Insured**; or
- (2) The expiration of the **Indemnity Period**.

2. This Policy does not cover:

- A. Any consequential damages that may accompany any **Business Interruption** loss including, but not limited to, damages attributable to loss of market share, harm to business reputation, or loss of goodwill.
- B. Any loss or damages, fees, or expenses, arising out of cancellation, suspension, abrogation or breach of a contract to which the **Named Insured** is a party.

IV. CONDITIONS

A. **ACTION AGAINST THE COMPANY:** No suit, action, or proceedings for recovery of any claim under this Policy will be sustained in any court of law, equity, or other tribunal unless all the requirements of this Policy are complied with and the same is commenced within twelve (12) months after a final statement of loss has been submitted to the **Company** by the **Named Insured** or the **Insured Person**.

B. **APPRAISAL:** In the event that the **Named Insured** or the **Insured Person** and **Company** fail to agree on the amount of loss, the **Named Insured** or the **Insured Person**, or the **Company** may make a written demand for appraisal within sixty (60) days after rejection of the final statement of loss by the **Company**. The **Named Insured** or the **Insured Person**, and the **Company** will both select a competent and disinterested appraiser and notify the other of the appraiser selected within twenty (20) days of such demand.

The appraisers shall first select a competent and disinterested umpire and failing for fifteen (15) days, agree on such umpire, then upon the **Company** or **Named Insured's** or **Insured Person's** request such umpire shall be selected by a judge of a court of record in the State of New York. The **Named Insured** or the **Insured Person**, and the **Company** will submit their cases to the appraiser and the umpire within thirty (30) days of the appointment of the umpire. An itemized award in writing of any two (2) appraisers will determine the amount of the loss. The **Named Insured** or the **Insured Person**, and the **Company** will each pay its chosen appraiser and will bear equally the other expenses of the appraisal and umpire. The **Company** will not be held to have waived any of its rights by any act relating to the appraisal. The venue for the appraisal will be within the State of New York and governed by the rules promulgated by the State of New York.

- C. ASSIGNMENT:** No assignment of the **Named Insured's** or **Insured Person's** interest hereunder shall be binding on the **Company**, unless and until its written consent thereto has been obtained and endorsed hereon.
- D. ASSISTANCE AND COOPERATION:** The **Named Insured** and the **Insured Person** will cooperate with the **Company** in all matters relating to this insurance. This may include, but is not limited to, attending hearings and trials, securing and giving evidence, obtaining the attendance of witnesses, assisting in effecting settlements, and in conducting litigation, arbitration or other proceedings.
- E. BANKRUPTCY:** Bankruptcy or insolvency of the **Named Insured** or an **Insured Person(s)** or his or her estate shall not relieve the **Company** of any of its obligations under the Policy.
- F. CANCELLATION:** This Policy may be cancelled by the first **Named Insured** by delivering or mailing written notices to the **Company** stating when thereafter such cancellation shall be effective. This Policy also may be cancelled by the **Company**, but solely as a result of non-payment of premium by the **Named Insured**. In such event, the **Company** shall mail written notice of cancellation to the first **Named Insured**, stating the effective date of cancellation, not less than ten (10) days prior to the effective date of cancellation, to the last mailing address known to the **Company**. The Period of Insurance will end on that date. If notice is mailed, proof of mailing will be sufficient proof of notice. If the first **Named Insured** cancels, earned premium shall be calculated on a pro rata basis. If the **Company** cancels, earned premium shall be calculated on a pro rata basis.
- G. CHANGES:** Notice to any or knowledge possessed by any agent of the **Company** or by any other person shall not affect a waiver or a change in any of the terms or conditions of this Policy, or prevent the **Company** from asserting any of its rights under this Policy. Nor shall the terms of this Policy be waived or changed except by written endorsement attached to and forming part of this Policy. Failure by the **Company** to exercise or enforce any rights hereunder will not be deemed to be a waiver of such rights or operate so far as to bar the exercise or enforcement thereof at any time thereafter.
- H. CHOICE OF LAW AND FORUM:** The construction, validity, and performance of this Policy will be governed by the laws of the United States and the State of New York without giving effect to provisions regarding choice of law. All claims and disputes will be brought for adjudication either in the Supreme Court of the State of New York in and for the County of New York or in the U.S. District Court for the Southern District of New York.

I. **CONFIDENTIALITY:** The **Named Insured** and each and every **Insured Person(s)** must at all times use their best efforts to ensure that knowledge of the existence of this insurance is kept confidential and access to the Policy is restricted as much as possible.

J. **CONSOLIDATION-MERGER:** The first **Named Insured** shall give the **Company** written notice within ninety (90) days of any of the following:

- (1) Consolidation or merger with;
- (2) Acquisition of the majority stock ownership of; or
- (3) Acquisition of the assets of;

any other entity whose revenues or assets are in excess of twenty-five percent (25%) of the **Named Insured's** revenues or assets as of the effective date of such consolidation, merger, or acquisition.

The **Company** may elect to accept or reject such additional exposure. If the additional exposure is rejected, it will remain covered only until the first **Named Insured** is notified in writing of the rejection.

If the **Company** accepts the additional exposure, the **Named Insured** shall pay the **Company** any additional premium as may be required, computed from the effective date of such consolidation, merger, or acquisition, to the end of the current Period of Insurance unless otherwise specifically requested.

No claim arising out of the additional exposure will be allowed unless the **Named Insured**, at the time that notice was given to the **Company**, did not know nor could reasonably have been expected to know of an **Act of Workplace Violence** and/or **Stalking Threat** giving rise to the claim.

K. **CURRENCY AND VALUATION:** The Limits of Liability of the Policy and the **Company's** obligation to indemnify for **Insured Expenses** are in United States dollars. In the event of any payment of **Insured Expenses** by the **Named Insured** or **Insured Person(s)** in foreign currency, the amount to be indemnified pursuant to the Policy shall be calculated based upon the exchange rate published in The Wall Street Journal on the date the claim for **Insured Expenses** is submitted to the **Company** for payment. In the event of any payment of **Insured Expenses** by the **Named Insured** or **Insured Person(s)** in marketable securities, goods, or services, the **Company** shall pay the least of:

- (1) The actual cash value of the securities, goods, or services at the time of their surrender; or
- (2) The actual cost to replace or repair such securities, goods, or services with consideration of similar quality and value.

L. **EXAMINATION UNDER OATH:** The **Named Insured** and the **Insured Person**, as often as may reasonably be required, will submit to examination under oath by any person named by the **Company**, and subscribe the same; and as often as may reasonably be required, will produce for examination all books of account, vouchers, bills, invoices, schedules, accounting information, and any documentation related to the **Named Insured's** or **Insured Person's** calculation of its loss, or certified copies thereof if originals are lost, at such reasonable time and place as may be designated by the **Company** or its representative, and will permit extracts and copies thereof to be made.

M. INSURED PERSON'S DUTIES IN THE EVENT OF AN ACT OF WORKPLACE VIOLENCE AND/OR STALKING THREAT: The **Named Insured** shall do the following in the event of an **Act of Workplace Violence** and/or **Stalking Threat** to the **Premises**:

- (1) Notify the proper authorities;
- (2) Give the **Company** prompt written notice of an **Act of Workplace Violence** and/or **Stalking Threat**, which must include all relevant details, including but not limited to a detailed description of the **Personal Accident Expenses** or, the **Business Interruption** incurred.
- (3) Promptly provide the **Company** with relevant documentation, reports, and records bearing on how, when and where an **Act of Workplace Violence** and/or **Stalking Threat** occurred and the matters set forth in (2) above;
- (4) Take all reasonable steps to protect the **Premises** from further **Acts of Workplace Violence** or **Stalking Threats**, and to minimize **Insured Expenses** and **Business Interruption**, including without limitation those steps to
 - a. Secure the **Premises**;
 - b. Cooperate with law enforcement; and
 - c. Record all expenses for an agency and temporary measures to secure the **Premises**.
- (5) At the **Company's** request, provide complete inventories and records of the **Insured Expenses** and **Business Interruption** that demonstrate to the **Company's** satisfaction the amount of loss claimed;
- (6) Provide complete records detailing any injuries sustained by the **Named Insured** and the **Insured Person** and amount of **Insured Expenses** claimed;
- (7) Permit the **Company** to inspect the **Premises** and the **Named Insured's** books and records and to record and take samples related to **Act of Workplace Violence** and/or **Stalking Threat** and any **Business Interruption**;
- (8) At the **Company's** request, permit the **Company** to question under oath the **Insured Person** and its representatives and to obtain verified answers under oath at such as times as may be reasonably required, concerning any matter relating to this Policy or the **Insured Person's** claim, including without limitation, the **Insured's** books and records;
- (9) Within sixty (60) days after the **Company's** request, submit a signed, sworn Statement of Loss containing information requested by the **Company** in the format specified by the **Company**;
- (10) Cooperate with the **Company** in the investigation, settlement, or other resolution of the claim.
- (11) An **Act of Workplace Violence** may include a **Stalking Threat** and if it does only a single **Act of Workplace Violence** Limit applies.
- (12) In the event of an **Act of Workplace Violence** and/or **Stalking Threat**, any claims for payment shall be made to the **Company** as soon as practicable and shall be accompanied by a computation of loss, prepared by a **Company**-approved firm of forensic accountants using standard accounting procedures, which sets out in detail the how the loss has been calculated and what assumptions have been made.

- (13) The **Company**-approved forensic accountants shall review the **Named Insured's** or **Insured Person's** claim for payment and determine the amount of the **Insured Expenses** and **Business Interruption**, taking into account any savings or recoveries or offsetting of losses which have been made or which the **Named Insured** or **Insured Person** could reasonably have been expected to make, and the ability of the **Named Insured** to resume business operations and activities.
- (14) The **Named Insured** shall produce any documentary evidence, books of accounts, bills, invoices and other vouchers and copies of the same which the **Company**-approved forensic accountants may require and shall afford them every assistance in their investigations including reasonable access to the **Named Insured's** property.
- (15) In the event that the **Company**-approved forensic accountants declare that they are unable to act in this capacity for any reason including potential conflict of interest, the **Company** will appoint another firm of similar standing in the accounting profession.

The foregoing duties of the **Named Insured** are a condition precedent to coverage under this Policy. All sums incurred by the **Named Insured** to discharge these duties or otherwise to prepare and verify its claim are for its own account and are not insured under this Policy.

N. LEGAL ACTION AGAINST THE COMPANY: No one may bring a legal action against the **Company** unless:

- (1) There has been full compliance by each **Named Insured** and **Insured Person(s)** with all of the terms of this Policy; and
- (2) The action is brought within two (2) years after the expiration or cancellation of this Policy.

O. LEGAL LIABILITY: As a condition to the **Company's** obligation to pay pursuant to this paragraph, the **Named Insured** shall:

- (1) Not admit liability or settle any claim or suit, nor incur any costs or expenses without the prior written authorization of the **Company**;
- (2) Provide the **Company** the right and opportunity to adjust any such claim or defend such suit against the **Named Insured**, including whatever investigation may be appropriate, and to settle the claim or suit as the **Company** may deem expedient and the law allows; and
- (3) Cooperate fully with the **Company** in all things in connection therewith.

Defense costs incurred by the **Company**, or by the **Named Insured** with the **Company's** prior consent and authorization, erode the policy limit. In no event shall defense costs exceed the amount stated in Section II. of the Declarations.

P. LIMITS OF LIABILITY: the **Company's** liability hereunder shall in all cases be limited to the amounts shown in the Declarations. Specifically, but without limiting the generality of the foregoing, the **Company's** liability shall not be increased because:

- If more than one **Named Insured**, only the first **Named Insured** shall have the right to make, adjust, receive or enforce payment of any claim;
- (2) **Workplace Violence** and/or **Stalking Threat** may involve the **Named Insured** and/or one or more **Insured Person(s)**;
- (3) Of renewal of this Policy. The **Company's** liability shall not be cumulative from one period of insurance to another;

- (4) Of any other reason whatsoever.
- Q. **MATERIAL CHANGES:** Notice to any or knowledge possessed by any agent or representative of the **Company** or by any other person shall not affect a waiver or a change in any of the terms or conditions of this Policy, or prevent the **Company** from asserting any of its rights under this Policy. Nor shall the terms of this Policy be waived or changed except by written endorsement attached to and forming part of this Policy. Failure by the **Company** to exercise or enforce any rights hereunder will not be deemed to be a waiver of such right nor operate so far as to bar the exercise or enforcement thereof at any time thereafter.
- R. **MEDICAL CARE AND EXAMINATIONS:** With regard to any claim for **Personal Accident Expenses**, the following additional conditions apply:
- (1) Any **Insured Person(s)** who suffers an incident which caused or may cause **Personal Accident Expense** within the meaning of this Policy must place himself/herself under the care of a qualified medical practitioner approved by the **Company** as early as possible after the incident.
 - (2) The **Company** will not be liable to pay **Personal Accident Expenses** unless the medical advisors appointed by the **Company** shall be advised as soon as is thought necessary to examine the **Insured Person(s)**.
- S. **MITIGATION OF LOSS:** The **Named Insured** and the **Insured Person** shall use due diligence and undertake or concur in the **Company's** undertaking of all things reasonably practicable to avoid or diminish any **Insured Expenses** and **Business Interruption**.
- T. **NOTICE OF CLAIM:** It is a condition precedent to the **Company's** obligation to pay that, when an **Act of Workplace Violence** or **Stalking Threat** has occurred, or is believed to have occurred, the **Named Insured** and/or the **Insured Person** shall notify the **Company** in writing and provide whatever information is required as soon as is practicable;
- U. **OTHER INSURANCE:** If the **Named Insured** or **Insured Person** has other valid and collectible insurance that may cover all or a portion of **Insured Expenses** or **Business Interruption** also covered under this Policy, this Policy will provide primary coverage. Where the **Named Insured** or the **Insured Person** has specifically purchased other valid and collectible **Workplace Violence** and/or **Stalking Threat Insurance**, the **Company** will only be liable for its proportionate share of **Insured Expenses** or **Business Interruption** up to the limit of liability declared in this policy. Where the **Named Insured** or the **Insured Person** has other insurance provided by an insurer affiliated with the **Company**, the maximum limit of insurance for **Insured Expenses** or **Business Interruption** under all policies will not exceed the Limit of Liability of this Policy.
- V. **SERVICE OF SUIT:** In the event that any disagreement arises between the **Insured Person** and the **Company** requiring judicial resolution, the **Insured Person** and the **Company** each agree that any suit shall be brought and heard in a court of competent jurisdiction within the State of New York. The **Insured Person** and the **Company** further agree to comply voluntarily with all the requirements necessary to give such court jurisdiction. Any suit shall be barred:

- (1) If commenced before the **Insured Person** has given notice and permitted the **Company** reasonable opportunity for adjustment; or
- (2) If commenced more than twenty-four (24) months after the **Act of Workplace Violence** or the **Stalking Threat** unless the **Company** agrees in writing after damage to extend that suit limitation period.

The filing of any suit does not supersede or otherwise preclude the **Insured Person** or the **Company** from invoking and pursuing appraisal of the amount of any loss under this policy.

The **Insured Person** and the **Company** further agree that New York law shall control the interpretation, application and meaning of this contract, whether in suit or otherwise.

- W. SUBROGATION:** In the event of any payment under this Policy, the **Company** shall be subrogated to the extent of such payment to all rights of recovery of the **Named Insured** and/or any **Insured Person(s)**. The **Named Insured** and any **Insured Person(s)** shall execute all papers required and shall do everything necessary to enable the **Company** to bring suit in the name of the **Named Insured** or the **Insured Person(s)**.
- X. TERRITORY:** This Policy applies to **Act of Workplace Violence** and/or **Stalking Threat** anywhere in the world, except as limited in the Declarations.
- Y. TITLES OF PARAGRAPHS:** Titles of paragraphs are inserted solely for convenience of reference and will not be deemed to limit, expand, or otherwise affect the provisions to which they relate.
- Z. TRANSFER OF RIGHTS AND DUTIES:** The rights of the **Named Insured** and any **Insured Person(s)** may not be transferred or assigned without the prior written consent of the **Company**. Notwithstanding the foregoing, if an **Insured Person(s)** dies, his or her rights will be transferred to the legal representative of such **Insured Person(s)**, but only in the scope of the legal representative's duties as such.
- AA. VIOLATIONS OF APPLICABLE LAW:** Notwithstanding **TERRITORY** (above), or anything else to the contrary notwithstanding, payment of loss under this Policy shall only be made in full compliance with all embargoes, economic or trade sanction laws, or regulations applicable to the **Named Insured** or any **Insured Person(s)** under this Policy, including but not limited to sanctions, laws, and regulations administered and enforced by the U.S. Treasury Department's Office of Foreign Assets Control.

V. DEFINITIONS

- A. Business Interruption** means the net profit lost before taxes plus payroll expenses, interest, rents and other reasonable and necessary operating expenses unavoidably incurred by the **Named Insured** during the **Indemnity Period**, plus **Extra Expense** incurred by the **Named Insured**, solely because of an **Act of Workplace Violence** and/or **Stalking Threat**.
- B. Business Interruption Expenses** means those reasonable and necessary expenses, including fees and expenses of the **Company**-approved forensic accountants directly resulting from the interruption of the **Named Insured's** business operations as a result of an **Act of Workplace Violence** and/or **Stalking Threat** following the **Waiting Period** set forth in the Declarations but not exceeding the **Limits of Liability** and the **Indemnity Period** set forth in the Declarations.
- C. Company** means the **Company** providing this insurance as indicated on the Declarations.

D. Employee means any:

- (1) Salaried or hourly wage personnel in the **Named Insured's** employ; or
- (2) Leased or temporary employees, volunteers, interns or students.

However, **Employee** does not include independent contractors.

E. Extra Expense means the total reasonably and necessary cost of conducting business activities during the **Indemnity Period** at the **Named Insured's Premises**, where the **Act of Workplace Violence** and/or **Stalking Threat** occurred for the sole purpose of reducing the loss. This Policy only covers those **Extra Expenses** which are over and above the cost of such activities during the same period of time had no **Act of Workplace Violence** and/or **Stalking Threat** occurred.

F. Guest means any natural person visiting the **Named Insured's Premises** for a lawful purpose, including a customer.

G. Indemnity Period means the maximum number of days for which **Business Interruption** and **Business Interruption Expenses** will be indemnified as set forth in the Declarations.

H. Insured Expenses mean those reasonable, customary and necessary expenses that the **Named Insured** or **Insured Person** incurs as a direct result of an **Act of Workplace Violence** and/or **Stalking Threat** and which are specified in Item II. of the Declarations and in Article II. of this Policy.

Insured Expenses shall not exceed those specified in Section III. of the Declarations.

I. Insured Person(s) means:

- (1) Any person specified under Section I. of the Declarations or qualifying as a **Named Insured**;
- (2) Any **Employee**;
- (3) Any **Guest** of the **Named Insured** while on any **Premises** occupied by the **Named Insured** in the conduct of its business;
- (4) However, **Insured Person** does not mean perpetrator of an **Act of Workplace Violence** or **Stalking Threat**.

J. Legal Liability Expenses means those reasonable and necessary defense costs allowable by law, including any resulting settlements or judgments incurred by the **Named Insured** in connection with an action for damages brought by or on behalf of an **Insured Person(s)**, or his or her legal representative, against the **Named Insured** solely and directly as a result of being a victim of an **Act of Workplace Violence** and/or **Stalking Threat**.

K. Named Insured means the entity or person(s) specified under Item I. of the Declarations.

L. Personal Accident Expenses mean the following loss payable to an **Insured Person(s)**, that solely and directly results from an **Act of Workplace Violence** and/or **Stalking Threat** provided that such injury, within twelve (12) calendar months from the date of the **Act of Workplace Violence** and/or **Stalking Threat**:

- (1) **Loss of Sight** – the entire and irrevocable loss of vision of one or both eyes, as certified by a board certified physician specializing in ophthalmology and approved by the **Company**. The limit of loss for **Loss of Sight** is one hundred percent (100%) of the per **Insured Person(s)** Limit as shown on the Declarations for an **Act of Workplace Violence** and/or **Stalking Threat**.

- (2) **Loss of Hearing** – the entire and irrevocable loss of hearing of one or both ears, as certified by a board certified physician specializing in audiology and approved by the **Company**. The limit of loss for Loss of Hearing is one hundred percent (100%) of the per **Insured Person(s)** Limit as shown on the Declarations for an **Act of Workplace Violence** and/or **Stalking Threat**.
- (3) **Loss of Extremity** – the permanent physical separation or the total and irrevocable loss of use of one or more finger(s), toe(s), ear(s), nose, or genital organ(s) or part(s) thereof caused by mutilation as certified by a board certified physician. The limit of loss for Loss of Extremity is one hundred percent (100%) of the per **Insured Person(s)** Limit as shown on the Declarations for an **Act of Workplace Violence** and/or **Stalking Threat**.
- (4) **Loss of Limb** – the permanent loss by separation or the total and irrevocable loss of use of one or both hand(s) at or above the wrist or a foot or both feet at or above the ankle as certified by a board certified physician. The limit of loss for Loss of Limb is one hundred percent (100%) of the per **Insured Person(s)** Limit as shown on the Declarations for an **Act of Workplace Violence** and/or **Stalking Threat**.
- (5) **Permanent Total Disablement** – bodily injury which necessarily and continuously prevents an **Insured Person(s)** from attending to every aspect of his or her normal business or occupation for a period of twelve (12) consecutive calendar months or, if the **Insured Person(s)** has no business or occupation, confining him or her immediately and continuously to the home and prevents him or her from attending to normal duties of daily life, as certified by a board certified physician; provided that at the end of such twelve (12) month period, two board certified physicians, who have been approved by the **Company**, certify that the **Insured Person(s)** is disabled and beyond hope of improvement. The limit of loss for Permanent Total Disablement is one hundred percent (100%) of the per **Insured Person(s)** Limit as shown on the Declarations for an **Act of Workplace Violence** and/or **Stalking Threat**.
- (6) **Death of an Insured Person(s)** – the limit of loss for Death of an **Insured Person(s)** is one hundred percent (100%) of the per **Insured Person(s)** Limit as shown on the Declarations for an **Act of Workplace Violence** and/or **Stalking Threat**. Payment for the amount set forth in the Declarations for the Death of an **Insured Person(s)** shall be made in accordance with Condition

M. **Personal Financial Loss** means loss suffered by an **Insured Person(s)** solely as a result of the physical injury caused by an **Act of Workplace Violence** and/or **Stalking Threat** victim to attend to personal financial matters while such an **Act of Workplace Violence** and/or **Stalking Threat** is ongoing.

N. **Premises** means that portion of any real property which is occupied by the **Named Insured** in the conduct of the **Named Insured's** business.

O. **Stalking Threat** means conduct by a natural person that:

(a) demonstrates the repeated and persistent intrusion into an **Insured Person(s)**' privacy against that **Insured Person(s)**' will (whether by direct communication, physical following, indirect contact via friends, family, colleagues, or social or other forms of media); and

(b) causes alarm, harassment or distress to that **Insured Person(s)**.

Any conduct which falls within the definition of an **Act of Workplace Violence** shall not be a **Stalking Threat**

P. Stalking Threat Expenses means:

- (1) Fees and expenses of the **Company**-approved Security Consultants;
- (2) Temporary security measures as recommended by the **Company**-approved Security Consultants (not to include the cost of capital improvements to property or premises);
- (3) **Personal Financial Loss**; and
- (4) Other reasonable expenses incurred and paid by the **Named Insured(s)** and/or an **Insured Person(s)**, provided that the **Company** has given its prior consent.

Q. Weapon means an instrument or explosive device which is specifically intended to be used for and used to injure, kill or incapacitate a person.

R. Act of Workplace Violence means any intentional and unlawful:

- (1) Act of potentially deadly force involving the use of a **Weapon** on the **Premises**; or
- (2) Threat of deadly force involving the display of a **Weapon** on the **Premises**.

S. Act of Workplace Violence Expenses means additional expenses necessarily and reasonably incurred by the **Named Insured** and/or an **Insured Person(s)** solely as a direct result of, immediately following, and for the duration of an **Act of Workplace Violence**, consisting of:

- (1) Fees and expenses of an independent public relations consultant with the prior authorization of the **Company**;
- (2) Fees for independent psychiatric care, medical care, dental care, and reconstructive or plastic surgery for an **Insured Person(s)** who is the victim of an **Act of Workplace Violence**;
- (3) Funeral and burial expenses, including repatriation of remains, of an **Insured Person(s)** in the event of his or her death resulting from an **Act of Workplace Violence**;
- (4) Reward or other monetary consideration paid by the **Named Insured** or an **Insured Person(s)** to an informant for material information, which is not otherwise obtainable and which directly leads to the arrest and conviction of the person(s) responsible for the **Act of Workplace Violence**;
- (5) **Personal Financial Loss**;
One hundred percent (100%) of the gross compensation, including salary and bonuses, commissions, cost of living adjustment, foreign tax reimbursements, pension, and/or welfare contributions and allowances which were contractually owed to or could reasonably be expected by an **Insured Person(s)** who is a victim of an **Act of Workplace Violence** based on his or her past performance, from the time said **Act of Workplace Violence** occurs up to ninety (90) days following the **Act of Workplace Violence** or his or her return to work, whichever occurs first;
- (7) Costs incurred by the **Named Insured** for the salaries of **Employees** specifically designated to conduct the duties of the **Insured Person** who is victim of an **Act of Workplace Violence** not to exceed the **Employees'** base rate of pay, from the time such **Act of Workplace Violence** occurs up to ninety (90) days following an **Act of Workplace Violence** or his or her return to work, whichever occurs first;
- (8) Costs, fees, and expenses of temporary security measures solely and directly for the purpose of protecting an **Insured Person(s)**, or the **Premises**, where an **Act of Workplace Violence** has occurred up to a period of ninety (90) days following the **Act of Workplace Violence**;

- (9) Reasonable fees and expenses of independent forensic analysts engaged by the **Named Insured** and/or **Insured Person(s)**;
- (10) Reasonable fees for rest and rehabilitation expenses including meals and recreation incurred by the **Named Insured** and/or an **Insured Person(s)** because of an **Act of Workplace Violence** for up to thirty (30) days when such expenses are incurred within twelve (12) months from the date of an **Act of Workplace Violence**; and
- (11) Any other reasonable fees and expenses incurred by the **Named Insured** or **Insured Person(s)** with the prior written approval of the **Company**.

SPECIMEN

ENDORSEMENT #

This endorsement, effective 12:01 a.m., forms a part of

Policy No. issued to

by

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

OFF-PREMISES COVERAGE FOR NAMED INSURED'S EMPLOYEES

This endorsement modifies insurance provided under the following:

ACT OF WORKPLACE VIOLENCE AND STALKING THREAT INSURANCE POLICY

In consideration of the premium charged, Section III. **EXCLUSIONS**, Item 1. A. is deleted and replaced with the following:

- A. References in the Declarations to which this endorsement is attached shall determine the **Company's** applicable Policy Limit and/or Waiting Period for the coverage provided herein, as well as any Restricted Areas excluded from this extension of coverage.

The **Company** agrees to indemnify the **Named Insured** for **Insured Expenses** and **Business Interruption** resulting from an **Act of Workplace Violence** which occurs during the Period of Insurance at a location other than the **Insured Premises**, to an **Employee** of the **Named Insured** who was acting within the scope of his or her employment.

All other terms, conditions, exclusions and definitions of the Policy remain unchanged.

AGENDA ITEM 5.B.

INVESTMENT

JANUARY 2020 FLASH PERFORMANCE REPORT

(HANDOUT)

AGENDA ITEM 5.C.

INVESTMENT

ALM STUDY UPDATE

(NO BACKUP FOR THIS SECTION)

AGENDA ITEM 5.D.

INVESTMENT

2020 INVESTMENT DISCUSSION

(NO BACKUP FOR THIS SECTION)

AGENDA ITEM 5.E.

INVESTMENT

WORK PLAN 2020

(HANDOUT)

AGENDA ITEM 6.A.

LEGAL

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

**IN THE CIRCUIT COURT OF THE 17TH JUDICIAL CIRCUIT
IN AND FOR BROWARD COUNTY, FLORIDA**

CASE NO. CACE15017333 DIVISION 07 JUDGE Jack Tuter

City of Hollywood, Florida

Plaintiff(s) / Petitioner(s)

v.

Board of Trustees of the Employees Retirement Fund of the City of Hollywood, et al

Defendant(s) / Respondent(s)

_____ /

AGREED ORDER

**GRANTING STIPULATION TO DROP PARTY WITH PREJUDICE
AND DROPPING PARTY WITH PREJUDICE**

THIS CAUSE having come on before the Court upon the above and foregoing Stipulation to Drop Party With Prejudice, and the Court being fully advised in the premises, it is

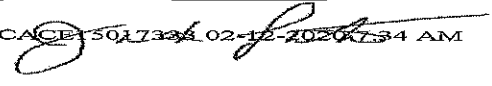
ORDERED AND ADJUDGED that the claims against Defendant the Board of Trustees of the Employees Retirement Fund of the City of Hollywood be and the same are hereby dismissed with prejudice. This Court shall retain jurisdiction to enforce the terms of any Settlement Agreement reached pursuant to this Order.

DONE AND ORDERED in Chambers at Ft. Lauderdale, Broward County, Florida this ____ day of _____, 2020.

JACK TUTER

CHIEF JUDGE, 17TH JUDICIAL CIRCUIT

DONE and **ORDERED** in Chambers, at Broward County, Florida on 02-12-2020.


CACE15017333 02-12-2020 7:34 AM

CACE15017333 02-12-2020 7:34 AM

Hon. Jack Tuter

CIRCUIT JUDGE

Electronically Signed by Jack Tuter

Copies Furnished To:

Adam P. Levinson , E-mail : adam@robertdklausner.com

David C. Miller , E-mail : mtipodi@bmolaw.com

David C. Miller , E-mail : bramirez@bmolaw.com

David C. Miller , E-mail : dmiller@bmolaw.com

J Robert McCormack , E-mail : suzette.taborelli@ogletree.com

J Robert McCormack , E-mail : bob.mccormack@ogletreedeadkins.com

J Robert McCormack , E-mail : TamDocketing@odnss.com

James W. Linn , E-mail : jlinn@llw-law.com

Neil Flaxman , E-mail : flaxy@bellsouth.net

Robert D Klausner , E-mail : lorna@robertdklausner.com

Robert D Klausner , E-mail : kkjllaw@robertdklausner.com

Robert D Klausner , E-mail : bob@robertdklausner.com

Robert D. Klausner , E-mail : bob@robertdklausner.com

Ronald J. Cohen , E-mail : mkrauss@rprslaw.com

Ronald J. Cohen , E-mail : rcohen@rprslaw.com

Ronald J. Cohen , E-mail : ECF.Rcohen@rprslaw.com

Stuart Kaufman , E-mail : stu@robertdklausner.com

IN THE CIRCUIT COURT OF THE SEVENTEENTH JUDICIAL CIRCUIT
IN AND FOR BROWARD COUNTY, FLORIDA

THE CITY OF HOLLYWOOD, FLORIDA,

Plaintiff,

v.

CASE NO.: CACE 15-017333 (07)

THE BOARD OF TRUSTEES OF THE
EMPLOYEES RETIREMENT FUND OF
THE CITY OF HOLLYWOOD, AND
THE BOARD OF TRUSTEES OF THE CITY
OF HOLLYWOOD FIREFIGHTERS
RETIREMENT SYSTEM, AND THE BOARD
OF TRUSTEES OF THE CITY OF
HOLLYWOOD POLICE OFFICERS
RETIREMENT SYSTEM,

Defendants.

STIPULATION TO DROP PARTY WITH PREJUDICE

The City of Hollywood, Plaintiff, and the Board of Trustees of the Employees Retirement Fund of the City of Hollywood by and through their respective undersigned counsel, and pursuant to Florida Rule of Civil Procedure 1.250(b) stipulate and agree that Defendant, the Board of Trustees of the Employees Retirement Fund of the City of Hollywood, is hereby dropped, with prejudice, as a party to this action. The action as a whole remains pending and the claims against the other Defendants remain pending, but the claims against the Defendant the Board of Trustees of the Employees Retirement Fund of the City of Hollywood are dismissed with prejudice. The parties wish for this Court to retain jurisdiction in order to enforce the terms of any Settlement Agreement between these two parties.

DATED this 7th day of February, 2020.

Respectfully submitted,

/s/ Ronald J. Cohen

Ronald J. Cohen

Florida Bar No. 235504

rcohen@rprslaw.com

RICE PUGATCH ROBINSON

STORFER & COHEN, PLLC

101 N.E. Third Avenue, Suite 1800

Ft. Lauderdale, Florida 33301

Telephone: (954) 462-8000

Facsimile: (954) 462-4300

*Attorneys for the Board of Trustees of the
Employees Retirement Fund of the City of
Hollywood*

/s/ J. Robert McCormack

J. Robert McCormack

Florida Bar No. 864791

bob.mccormack@ogletreedeakins.com

OGLETREE, DEAKINS, NASH

SMOAK & STEWART P.C.

100 N. Tampa Street, Suite 3600

Tampa, Florida 33602

T: (813) 289-1247

F: (813) 289-6530

Attorneys for Plaintiff the City of Hollywood

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 7th day of February, 2020, the foregoing was filed via the Florida Courts E-Filing Portal which will send electronic notification to:

Ronald Jay Cohen
RICE PUGATCH ROBINSON & SCHILLER PA
101 Northeast Third Avenue Suite 1800
Fort Lauderdale, Florida 33301

Adam P. Levinson
KLAUSNER, KAUFMAN JENSEN & LEVINSON
7080 N.W 4th Street
Plantation, Florida 33317

By: s/ J. Robert McCormack
Attorney

41715286.1

AGENDA ITEM 6.B.

LEGAL

**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**

(NO BACKUP FOR THIS SECTION)

AGENDA ITEM 6.C.

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**

(NO BACKUP FOR THIS SECTION)

AGENDA ITEM 7.A.
EXECUTIVE DIRECTOR'S REPORT
CITY COMMISSION COMMUNICATION

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

CITY COMMISSION COMMUNICATION

February 2020

The following information is provided to the City Commission for informational purposes only.

BOARD OF TRUSTEES

Phyllis Shaw – Chair
George Keller – Vice-Chair
Robert Strauss – Secretary

Christopher Cassidy
Jeffery Greene

Charles Howell
Cintya Ramos

Trustee Reichbach was replaced by Trustee Ramos on February 10, 2020. All Trustees attended the January 2020 Regular Meeting of the Board of Trustees, except George Keller who was absent and excused.

ITEMS OF INTEREST TO THE CITY COMMISSION

- The estimated value of the Fund's assets available for investments on November 30, 2019 was \$358.9 million, an estimated net fiscal year-to-date return of 2.75%.
- The Fund's assets available for investment on September 30, 2019, the end of the fiscal year was \$333.6 million, with a net rate of return for the fiscal year of 4.31%.
- The Fund is involved in litigation regarding the death benefit of a deceased member, with more than one party claiming the benefit. The Fund has temporarily withheld the payment of the death benefit in an attempt to resolve the dispute.

UPCOMING PENSION EDUCATIONAL OPPORTUNITIES FOR CITY COMMISSION

Segal Marco Advisors' 2020 Client Conference
March 19 – March 22, 2020, The Vinoy Renaissance, St. Petersburg, Florida

Florida Public Pension Trustees Association, 36th Annual Conference
June 28 – July 1, 2020, Renaissance Orlando, Orlando

MEETING SCHEDULE 2020

Unless otherwise stated all Regular Meetings of the Board of Trustees are held at 9:00 am in the Fund Office.

March 31, 2020 at 10:15am
April 28, 2020 at 6PM
May 19, 2020

June 23, 2020
July 28, 2020
August 25, 2020

September 22, 2020
October 27, 2020 at 6PM
December 8, 2020

Please be advised that the Next Regular Meeting of the Board of Trustees will be held on Tuesday, March 31st at 10:15am at the Fund Office. All Commissioners are invited to attend.

AGENDA ITEM 7.B.
EXECUTIVE DIRECTOR'S REPORT
EXECUTIVE DIRECTOR EVALUATION
(NO BACKUP FOR THIS SECTION)

AGENDA ITEM 7.C.

EXECUTIVE DIRECTOR'S REPORT

PENSION OFFICE RELOCATION

(NO BACKUP FOR THIS SECTION)

AGENDA ITEM 7.D.i.
EXECUTIVE DIRECTOR'S REPORT
ADMINISTRATIVE CONSIDERATIONS
INVESTMENT COMMITTEE CHARTER

City of Hollywood Employees Retirement Fund

Investment Committee Charter Proposed February 25, 2020

Purpose

The Investment Committee is established to support the Board in fulfilling its responsibility to oversee the Fund's investment strategy and performance. The Board of Trustees is responsible for developing, implementing, monitoring, and changing the investment strategy and performance of the Fund. The Investment Committee does not have authority to take any action in the place and stead of the Board of Trustees.

In carrying out its responsibilities, the Committee's policies and procedures should remain flexible in order to react to changing conditions and to ensure that the financial strategy of the Fund is in accordance with all requirements and are of the highest quality.

Membership

The Investment Committee is voluntary but must be comprised of at least three trustees, with at least one appointed and one elected trustee. The Committee shall elect the chair and the vice chair of the Committee.

Meetings

The Investment Committee shall meet at least 4 times a year, and as often as its chair or a majority of its members deems necessary or appropriate. Committee members should make every effort to attend all meetings in person. When personal attendance is not possible due to unforeseen circumstances, participation by telephone is permissible, but only if a quorum of Investment Committee members is physically present at the meeting location and approved the telephonic participation.

The chair and staff will develop an agenda in advance of each meeting and communicate meeting details to Committee members in a timely fashion. The Committee will produce a written report at the conclusion of each meeting, which will include an attendance record, a copy of the agenda and a full report of Committee discussions with documented recommendations and decisions. These reports will be completed no more than three weeks following the meeting and forwarded to the Committee membership.

Responsibilities

The Investment Committee will carry out the following responsibilities:

- Recommend the appointment, retention and termination of the investment consultant to the Board, including their compensation, contract term and scope of work. Ensure that a request for proposal (RFP) for an investment consultant is issued at least once every five years, or earlier as the Committee deems appropriate.
- Oversee the investment of assets of the Fund.
- Consider the qualifications of investment professionals, including consultants and managers, required to assist the Board in implementing investment policies and recommend appointments to the Board.
- Develop and maintain, subject to Board approval, the Investment Policy Statement and all other documents governing the investment and overall management of the Fund's assets. Review the Fund's investment policy at least annually and recommend appropriate

revisions to the Board; periodically review the Fund's compliance with the policy and report results to the Board.

- At least once every five years, recommend an Asset Allocation Policy to the Board of Trustees. The asset allocation policy must include, at a minimum, consideration of risk tolerance and key portfolio characteristics, including but not limited to expected return, volatility and liquidity.
- Monitor the management of the assets of the Fund to ensure compliance with investment policies and guidelines and the attainment of the Fund's investment performance objectives.
- Recommend the selection or ratification, as necessary, of the external investment managers and advisors.
- Consider new investment vehicles to ensure diversification of the assets of the Fund and maximization of investment returns.
- Review on a quarterly basis the performance of the Fund's investments.
- Review annually the Fund's Investment Policy Statement and asset allocation plan; and submit recommendation to the Board for consideration.
- Review the Fund's external audit reports in accordance with performance and strategic objectives including any relevant portions of the External Auditor's Management Letter and other communications from the auditor as referred by the Audit Committee. Review should include discussion with management of significant issues regarding accounting principles, practices and judgments, including any matters required to be communicated to the Committee by the independent auditor under applicable professional standards.
- Develop and monitor proxy voting guidelines and reviews the annual proxy report prepared by the Investment Consultant.
- Accomplish additional tasks as charged by the Chair of the Board.
- Operate under a charter and review annually for adequacy and recommend any necessary changes for approval to the Board.

AGENDA ITEM 7.D.ii.
EXECUTIVE DIRECTOR'S REPORT
ADMINISTRATIVE CONSIDERATIONS
AUDIT COMMITTEE CHARTER

City of Hollywood Employees Retirement Fund

Audit Committee Charter Proposed February 25, 2020

Purpose

The Audit Committee is established to support the Board in fulfilling its oversight responsibilities for monitoring of the integrity of the Fund's financial statements; accounting; financial reporting; internal control processes and related policies and procedures; process for identifying and managing risks; audits of its financial statements; and compliance with legal and regulatory requirements. The Audit Committee does not have authority to take any action in the place and stead of the Board of Trustees.

In carrying out its responsibilities, the Committee's policies and procedures should remain flexible in order to react to changing conditions and to ensure that the accounting and financial reporting practices of the Fund are in accordance with all requirements and are of the highest quality.

Membership

The Audit Committee is voluntary but must be comprised of at least three trustees, with at least one appointed and one elected trustee. The Committee shall elect the chair and the vice chair of the Committee.

Meetings

The Audit Committee shall meet at least semi-annually, and as often as its chair or a majority of its members deems necessary or appropriate. Committee members should make every effort to attend all meetings in person. When personal attendance is not possible due to unforeseen circumstances, participation by telephone is permissible, but only if a quorum of Audit Committee members is physically present at the meeting location and approve the telephonic participation.

The chair and staff will develop an agenda in advance of each meeting and communicate meeting details to Committee members in a timely fashion. The Committee will produce a written report at the conclusion of each meeting, which will include an attendance record, a copy of the agenda and a full report of Committee discussions with documented recommendations and decisions. These reports will be completed no more than three weeks following the meeting and forwarded to the Committee membership.

Responsibilities

The Audit Committee will carry out the following responsibilities:

- Recommend the appointment, retention and termination of the independent auditor to the Board, including their compensation, terms of engagement and the scope of the audit. If the Fund's financial statement audit has been performed by a single auditing firm for five or more years, determine whether to engage a new audit firm or request a rotation of the lead and reviewing audit partners assigned to the Fund's audit.
- On behalf of the Board, the Committee shall oversee the Fund's independent auditor, including the resolution of disagreements between management and the independent auditor regarding financial reporting, and any restrictions on the scope of the auditor's activities or access to requested information.
- Provide a clear understanding to the independent auditor that the auditor is accountable to the Committee and, ultimately, the Board. Any noteworthy findings or potentially damaging

circumstances that may adversely affect the reputation of the Fund should be brought to the attention of the Board.

- Annually, confirm with the independent auditor its independence delineating all its relationships and professional services with the Fund. In addition, review with the independent auditor the nature and scope of any disclosed relationships or professional services and take appropriate action to ensure the continuing independence of the independent auditor.
- Review results and recommendations of the external auditors on completion of the annual audit.
- Review and discuss with the independent auditor any material risks and weaknesses in internal controls identified by the auditor and the adequacy of the Fund's accounting and financial reporting processes. Solicit recommendations from the independent auditor for the improvement of the Fund's internal control procedures and particular areas where new or more detailed controls or procedures are desirable.
- Institute and oversee any special investigatory work as needed, and assure responses to investigations.
- Review the Fund's external audit reports, and ensure compliance with all required federal, state and local government agencies. Review should include discussion with management and the independent auditor of significant issues regarding accounting principles, practices and judgments, including certain matters required to be communicated to the Committee in accordance with AICPA professional standards.
- Review the Fund's policies and internal controls and recommend new policies and appropriate revisions to current policies to the Board; also review Fund management's compliance with such policies and report results to the Board.
- Review and discuss with the Pension Staff, any significant risks or exposures, steps staff have taken or should consider taking to minimize such risks or exposures, and the Fund's underlying policies with respect to risk assessment and risk management.
- Operate under a charter and review annually for adequacy and recommend any necessary changes for approval to the Board; and
- Accomplish additional tasks as charged by the Chair of the Board.

AGENDA ITEM 7.D.iii.
EXECUTIVE DIRECTOR'S REPORT
ADMINISTRATIVE CONSIDERATIONS
PROPOSED POLICY ON OVERPAYMENTS
TO MEMBERS AND BENEFICIARIES
(UNDER SEPARATE COVER)

CITY OF HOLLYWOOD EMPLOYEES' RETIREMENT FUND
PROPOSED POLICY ON OVERPAYMENTS TO MEMBERS OR BENEFICIARIES

FEBRUARY 25, 2020

If the Hollywood Employees Retirement Fund learns that a person is being overpaid and the overpayment is more than \$500, it should be placed on the agenda for discussion at the regularly scheduled meeting of the Board of Trustees. The Board shall determine if the Pension Staff should cease making any overpayments immediately and/or if the overpayments should be confirmed by the Fund's Actuary before any attempt to recoup the overpayment is made.

The Board of Trustees shall cause that person to be notified of the overpayment, the amount of the overpayment, and the reason for the overpayment. The person receiving the overpayment shall be notified of the date and time of the Board of Trustees meeting where the overpayment will be placed on the agenda. The person being overpaid shall be permitted at least five minutes to be heard on whether the overpayment has been made, the amount of the overpayment, and the proper method of recovery of the overpayment.

If the Board has determined that there has been an overpayment, the Board shall consider recoupment of the overpayment. Customarily, this will be accomplished by a reduction from future pension payments. Unless a shorter timetable is agreed to by the retiree or beneficiary, the amount to be recovered should customarily be recovered

- over a period of not more than five years, and
- the minimum amount of each monthly payment to be recovered will be five percent of the new monthly payment, and
- the maximum amount of each monthly payment to be recovered will be twenty percent of the new monthly payment.

If, however, the overpayments have continued for a period in excess of five years, the repayment may be for a period of time no longer than the period of time that the overpayment has been made.

The Board has discretion in determining the amount of the overpayment to be recovered from each monthly payment, the method of recoupment of the overpayment. The Board shall base its discretion on such factors as the hardship to the participant, the participant's reliance on the overpayment, the length of time that the overpayments shall have been made, and other lawful considerations.

Christine Bailey

From: Jeffrey.Amrose@grsconsulting.com
Sent: Friday, February 14, 2020 8:47 AM
To: Christine Bailey
Cc: C100730@grsconsulting.com; Trisha.Amrose@grsconsulting.com
Subject: [EXT]Proposed fees

Hi Christine,

As requested, we are providing our proposed fees for the additional calculations needed for DROP and Non-DROP retirees whose benefits are being revised.

Our proposed fee for calculating the following items for a DROP retiree is \$300 per calculation:

- Revised DROP balance (reflecting the revised benefit amount provided by you)
- Current benefit amount reflecting COLA increases based on the revised benefit amount provided by you
- Total overpayment amount

Our proposed fee for calculating the following items for a non-DROP retiree is \$200 per calculation:

- Current benefit amount reflecting COLA increases based on the revised benefit amount provided by you
- Total overpayment amount

For each recalculation, we will prepare a letter summarizing our calculations and the updated amounts.

If the number of revised calculations exceeds 50, we will discount the above fees by 10%, and if the number exceeds 100, the discount will be 20%.

It is important to note that the fees above do not include certifying the revised benefit amount that will be provided by you.

Please let us know if there are any questions.

Thank you,

Jeff



Jeffrey Amrose, EA, MAAA

Senior Consultant

One East Broward Blvd. | Suite 505 | Fort Lauderdale, FL 33301

Phone: 954.527.1616 | Fax: 954.525.0083

jeffrey.amrose@grsconsulting.com

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

Notice of Confidentiality: This transmission contains information that may be confidential and that may also be privileged. Unless you are the intended recipient of the message (or authorized to receive it for the intended recipient), you may not copy, forward, or otherwise use it, or disclose its contents to anyone else. If you have received this email in error, please notify me immediately and delete it from your system.

AGENDA ITEM 7.D.iv.

EXECUTIVE DIRECTOR'S REPORT

ADMINISTRATIVE CONSIDERATIONS

TRANSFERRED MEMBERS WHO RECEIVED FY2013 SUPPLEMENTAL DISTRIBUTION IN ERROR

Christine Bailey

From: Alan Fallik
Sent: Thursday, February 13, 2020 8:00 AM
To: Christine Bailey
Subject: Request for Legal Opinion - Coordination of Pension Benefits

Dear Christine:

You have requested a legal opinion regarding section 33.029 (Coordination of Pension Benefits). It is my understanding that Ron Cohen, the attorney for the Board of the General Pension Plan (the "Plan"), has a conflict of interest that prevents him from opining on this issue.

The first question that I must address is whether it is proper for me to get involved in this matter. Of course, I am an attorney for the City and not for the Board. This means that if I give an opinion, it will be in my role as an attorney for the City. In that role, I believe I have no conflict of interest that would affect my ability to answer your question.

As I understand your question, there are retirees who are subject to section 33.029, since they began their City employment as general employees and subsequently became police officers or firefighters. As such, the benefits payable by the Plan are governed by subsections (B) and (C). Subsection (B) is written for a situation in which an employee transfers into the Plan, which is the opposite of the situation that has triggered your request. However, subsection (C) clarifies that subsection (B) is to be applied either way, as long as the other City pension plan has appropriate language to accept transfers on the same basis. Both the Police Pension Plan and the Fire Pension Plan appear to have appropriate language to accept transfers on the same basis.

Therefore, subsection (B) should be read as though the Plan is the "previous plan" and the Police Plan or the Fire Plan, as the case may be, is "this plan." With this in mind, the second sentence of paragraph (B)(1) prescribes the method for determining the normal retirement benefit payable by the Plan, and the third sentence prescribes when the normal retirement benefit commences. The fourth (and last) sentence of paragraph (B)(1) says the individuals who are the subject of your inquiry are not eligible for any other benefits from the Plan. One of the "other benefits" offered by the Plan is the supplemental pension distribution. Therefore, the subject individuals are not eligible for the supplemental pension distribution.

Sincerely,

Alan

Alan Fallik
Deputy City Attorney
2600 Hollywood Blvd.
Hollywood, FL 33020
954 921-3435 (telephone)
954 921-3081 (facsimile)

AGENDA ITEM 7.E.

EXECUTIVE DIRECTOR'S REPORT

COMMUNICATIONS FROM THE EXECUTIVE DIRECTOR

(UNDER SEPARATE COVER)

AGENDA ITEM 8

PUBLIC COMMENT

(NO BACKUP FOR THIS SECTION)

AGENDA ITEM 9

TRUSTEE REPORTS, QUESTIONS AND COMMENTS

(NO BACKUP FOR THIS SECTION)

AGENDA ITEM 10

ADJOURNMENT

(NO BACKUP FOR THIS SECTION)