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# **CITY OF HOLLYWOOD EMPLOYEES' RETIREMENT FUND**

## **CALENDAR OF ITEMS**

**REGULAR BOARD MEETING**

**AUGUST 24, 2021**

# **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, 2<sup>ND</sup> Floor, Room 20 • Hollywood, FL 33020  
(954) 921-3333 • (954) 921-3332 Fax • [www.hollywoodpension.com](http://www.hollywoodpension.com)

### AGENDA REGULAR PENSION BOARD MEETING TUESDAY, AUGUST 24, 2021 at 9:00 AM CITY HALL BUILDING ROOM 219

**PLEASE NOTE THAT THIS MEETING WILL BE IN PERSON**

1. **CALL TO ORDER**
2. **ROLL CALL AND PLEDGE OF ALLEGIANCE**
  - A. Agenda Adoption
  - B. Election of Vice Chair
  - C. Absent and Excused
3. **CONSENT AGENDA**
  - A. June 22, 2021 Regular Meeting Minutes
  - B. July 27, 2021 Regular Meeting Minutes
  - C. Ratification of Distributions (Contributions and DROP) and Plan Expenses
  - D. Approval/Ratification of New Retirements/DROP/Vested/Death Annuities
4. **FINANCIAL**
  - A. Financial Reports and Investment Summary
  - B. Proposed Fiscal Year 2021 Budget Modification
5. **INVESTMENT (Segal Marco Advisors)**
  - A. June 2021 Flash Performance Report
  - B. Work Plan 2021
  - C. Board Insurance Update
6. **LEGAL (Ron Cohen – Lorium Law)**
  - A. Attendance and Telephone Participation Policy
  - B. Legal Updates
  - C. Affiliated Housing Impact Fund
  - D. Virginia Tisdale-Ferguson v. the Board of Trustees of the City of Hollywood Employees' Retirement Fund, and Blanche T. Pressley, a/k/a/ Blanche Tisdale
  - E. Request for Executive Session to Discuss Pending Litigation
7. **EXECUTIVE DIRECTOR'S REPORT**
  - A. City Commission Communication
  - B. Pension Office Relocation
  - C. Rules for Supplemental Pension Distributions
  - D. 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 VIDEO CONFERENCING.\*

\*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 2.B.**  
**ELECTION OF VICE CHAIR**  
**(NO BACKUP FOR THIS SECTION)**

# **AGENDA ITEM 2.C.**

## **ABSENT AND EXCUSED**

**(NO BACKUP FOR THIS SECTION)**

# **AGENDA ITEM 3.A.**

## **CONSENT AGENDA**

**JUNE 22, 2021**

**REGULAR MEETING MINUTES**

**MINUTES  
REGULAR PENSION BOARD MEETING  
CITY OF HOLLYWOOD EMPLOYEES' RETIREMENT FUND  
TUESDAY, JUNE 22, 2021 AT 9:00AM**

**CORRECTED**

**1. CALL TO ORDER**

Vice Chair Greene called the meeting to order at 10:00a.m.

**2. ROLL CALL AND PLEDGE OF ALLEGIANCE**

Board Members present: Chair Phyllis Shaw (telephonically, exited at 12:00noon), Vice Chair Jeffrey Greene, Secretary Robert Strauss, Melissa Cruz, Charles Howell (telephonically) and George Keller. Also present: Executive Director Christine Bailey; Keith Reynolds and Felicia Ewell of Segal Marco; and Ronald Cohen of Lorium Law.

Trustee Cassidy was Absent.

**a. June 22, 2021 Regular Board Meeting Agenda**

Vice Chair Greene requested that the Agenda Items be taken out of order as necessary.

**MOTION** made by Trustee Strauss, seconded by Trustee Cruz, to adopt the June 22, 2021 Regular Board Meeting Agenda. In a voice vote of the members present, all members voted in favor. **Motion** passed 6-0.

**b. Absent and Excused**

Ms. Bailey advised that Mr. Cassidy was unable to attend the last meeting due to Family Medical Leave, and requested to be excused. She further advised the Mr. Cassidy also requested to be excused from this meeting for the same reason.

**MOTION** made by Trustee Keller, seconded by Trustee Cruz, to excuse Mr. Cassidy's absences. In a voice vote of the members present, all members voted in favor. **Motion** passed 6-0.

**3. CONSENT AGENDA**

- a. May 25, 2021 Regular Meeting Minutes**
- b. Ratification of Distributions (Contributions and DROP) and Plan Expenses**
- c. Approval/Ratification of New Retirements/DROP/Vested/Death Annuities**

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

**7. EXECUTIVE DIRECTOR'S REPORT**

**b. Presentations by Prospective CPMS Project Managers**

Ms. Bailey advised the Board that two proposals were received in response to RFQ#2021-1: Segal and GTJZ Consulting LLC.

Messrs. Jeffrey Mills and John Van Dunk of Segal presented their proposal to the Board. In response to questions, they advised that they had worked with PTG on several projects that were completed timely and that their proposed schedule was a 12 month timetable to match the PTG's proposal.

Messrs. Gary Tunncliffe and Jack Ziegler of GTJZ presented their proposal to the Board. In response to questions, they advised that any additional work over the proposed 870, even work beyond the additional 435 hour proposed at no cost, would be provided at no cost to the Fund. They also advised that they had no intention of closing the firm in the next 13 months and if, something unforeseen was to happen to one of them, an equally qualified colleague would assume responsibilities.

**MOTION** made by Trustee Shaw, seconded by Trustee Keller, to approve GTJZ with the caveat that if GTJZ cannot work with PTG then the Board can opt out of the contract. In a roll call vote of the members present, all members voted in favor. **Motion** passed 6-0.

**4. FINANCIAL**

a. Proposed Budget for Fiscal Year 2022

Ms. Bailey provided the Board with the proposed budget for fiscal year 2022. She advised that overall budget request was \$3,812,900, a decrease of 5%. She advised that FY2021 and FY2022 expenses of approximately \$1,291,777, representing the new office space and CPMS would be capitalized.

In response to a question, Ms. Bailey advised that the budget included \$396,000 for the CPMS Project Manager. She advised that if the budget were approved as proposed, the excess funds budgeted for the project would be transferred into the contingent reserve.

**MOTION** made by Trustee Strauss, seconded by Trustee Cruz, to approve the FY2022 Budget as proposed by the Executive Director. In a roll call vote of the members present, all members voted in favor. **Motion** passed 6-0.

c. Financial Reports and Investment Summary

Ms. Bailey provided the Board with the Final December 2020, January 2021 and February 2021 Financial Operations and Investment Summaries as well as the Draft May 2021 Summaries. She also provided the Budget Variance Reports for Fiscal Year 2021 as of May 31, 2021.

**6. LEGAL (Ron Cohen – Lorium Law)**

a. Legal Updates

Mr. Cohen advised that the closing for Brightwood would be today but that he received the documents yesterday and would be reviewing them. He stated that there may be a capital call soon, however no capital call would be met until the documentation was complete. Mr. Cohen also advised that he expected the PTG contract to be done very soon.

**5. INVESTMENT (Keith Reynolds – Segal Marco)**

a. April 2021 Flash Performance Report

Ms. Ewell provided the Board with an updated Flash Performance Report for April 2021. She noted that the market value of the assets available for investment as of April 30, 2021 was \$425.0 million, up 2.4% net of fees for the month of April 2021, and up 17.0% net of fees for the fiscal year to date.

b. Affiliated Housing Impact Fund

Messrs. Jeffrey Burns and Nicholas Rojo presented the Affiliated Housing Fund LP investment opportunity. They advised that they would reduce their proposed fee from 1.50% to 1.25% if the three Hollywood pension plans invested a total of \$20 million in the Fund. In response questions, they advised that the Hollywood Police and Fire Plans had invested \$5 million and \$2.5 million, respectively. They also advised that 5% of the units in the proposed Hollywood location, the Tropic, would be set aside for City of Hollywood General Employees' Retirement Fund Participants. Trustee Strauss requested that any agreement clearly state that retirees are included in the 5% of units set aside for Fund Participants.

Trustees requested that the definition of local workforce essential workers be expanded to clearly include City Employees and Retirees, and that the proposed fee reduction threshold be reduced to \$15 million. Mr. Burns and Mr. Rojo agreed to the requests.

Mr. Reynolds advised that this investment would be an extension of the Fund's real estate investments. He advised that the assets would be sources from core real estate. He noted that this would be a good fit for the real estate allocation and emerging manager program.

In response to a question, Mr. Burns noted that all units would be ADA compliant and would also met FHA requirements.

**MOTION** made by Trustee Keller, seconded by Trustee Strauss, to invest \$5 million in Affiliated Development. In a roll call vote of the members present, all members voted in favor. **Motion** passed 5-0. Trustee Shaw exited the meeting.

**MOTION** made by Trustee Keller, seconded by Trustee Strauss, to extend the meeting for an additional 15 minutes. In a voice vote of the members present, all members voted in favor. **Motion** passed 5-0.

- e. Work Plan 2021  
Mr. Reynolds provided the 2021 Work Plan.

## 7. EXECUTIVE DIRECTOR'S REPORT

- a. City Commission Communication  
The Board received the City Commission Communication.

In response to a question, Mr. Cohen noted that while there seems to be no State statute requirement that the Fund meet in person, the Attorney General had opined that meetings must be in person. He said that he believed that the Fund could continue to meet virtually but was not certain how a court would rule. He also advised that there were several pension funds who continue to meet virtually.

- b. Proposed Questions for Prospective City Commission Board Appointees  
Ms. Bailey advised that at least one of the current questions for prospective City Commission Board appointees was outdated. She provided new proposed questions that would be forwarded to the City Clerk for consideration.
- d. Communications from the Executive Director
  - Ms. Bailey advised that approximately 60 of the 2021 Life Certificates remain outstanding.
  - Ms. Bailey advised the SPD 2012 balances remained unchanged.
  - Ms. Bailey requested approval to attend the Koried Global Summit.

**MOTION** made by Trustee Keller, seconded by Trustee Strauss, to approve the attendance of any interested Board Member and the Executive Director at the Koried Global Summit on July 14-16, 2021. In a roll call vote of the members present, all members voted in favor. **Motion** passed 5-0.

- Ms. Bailey provided the DROP and Planned Retirement Participant Lists.

Ms. Bailey noted that the City Commission reappointed Charles Howell to a three-year term beginning July 1, 2021. She also noted that the Commission did not appoint anyone to its other Board position, the two-year term beginning July 1, 2021. She advised that Trustee Greene would be leaving the Board as of June 30, 2021 and thanked him for his service, assistance and guidance.

## 9. PUBLIC COMMENTS

There were no additional public comments.

## 10. TRUSTEE REPORTS, QUESTIONS AND COMMENTS

Trustee Greene thanked current and former Trustees, consultants and staff. He thanked the Commission members for the honor of being involved with the employees of the City of Hollywood. He expressed his great respect for all that they do. He thanked former Mayor Giuliani for getting him involved and noted that when he joined the Fund, there were \$40 million in assets and now there were over \$400 million. He expressed appreciation for the ability to serve the members and retirees.

Trustees thanked Trustee Greene for his over two decades of service to the Fund and the City. They noted he would be missed as he left with a vast amount of institutional knowledge that could not be replaced.

Trustee Strauss requested information on the architect. Ms. Bailey advised that the contract had been signed, measurements had been taken, and the first draft was expected shortly. She advised that she hoped to provide the Board with a plan at the next meeting.

**11. ADJOURNMENT**

**MOTION** made by Trustee Keller, seconded by Trustee Strauss, to adjourn the meeting. In a voice vote by the members present, all members voted in favor. **Motion** passed 5-0. The meeting adjourned at 12:50p.m.

\_\_\_\_\_  
Phyllis Shaw, Chair

\_\_\_\_\_  
Date



# **AGENDA ITEM 3.B.**

## **CONSENT AGENDA**

**JULY 27, 2021**

**REGULAR MEETING MINUTES**

**MINUTES**  
**REGULAR PENSION BOARD MEETING**  
**CITY OF HOLLYWOOD EMPLOYEES' RETIREMENT FUND**  
**TUESDAY, JULY 27, 2021 AT 9:00AM**

**1. CALL TO ORDER**

Chair Shaw called the meeting to order at 9:18a.m.

**2. ROLL CALL AND PLEDGE OF ALLEGIANCE**

Board Members present: Chair Phyllis Shaw, Secretary Robert Strauss, Melissa Cruz, and Charles Howell. Also present: Executive Director Christine Bailey; Keith Reynolds, Alan Kosan, Benji Patzik, Francois Otieno, and Felicia Ewell of Segal Marco; and Ronald Cohen of Lorium Law.

Trustee Cassidy and Trustee Keller were absent.

a. July 27, 2021 Regular Board Meeting Agenda

**MOTION** made by Trustee Strauss, seconded by Trustee Howell, to adopt the July 27, 2021 Regular Board Meeting Agenda. In a voice vote of the members present, all members voted in favor. **Motion** passed 4-0.

b. Election of Vice Chair

Chair Shaw requested that the Election of Vice Chair be laid over.

**MOTION** made by Trustee Cruz, seconded by Trustee Strauss, to table the Election of Vice Chair. In a voice vote of the members present, all members voted in favor. **Motion** passed 4-0.

c. Absent and Excused

Ms. Bailey advised that Trustee Cassidy and Trustee Keller were unable to attend the meeting and requested to be excused.

**MOTION** made by Trustee Strauss, seconded by Trustee Howell, to excuse the absences of Trustee Cassidy and Trustee Keller. In a voice vote of the members present, all members voted in favor. **Motion** passed 4-0.

**3. CONSENT AGENDA**

- a. June 22, 2021 Regular Meeting Minutes
- b. Ratification of Distributions (Contributions and DROP) and Plan Expenses
- c. Approval/Ratification of New Retirements/DROP/Vested/Death Annuities

**MOTION** made by Trustee Strauss, seconded by Trustee Cruz, to approve the Consent Agenda Items 3a through 3c. After discussion, the motion was withdrawn. The Board requested that Ms. Bailey make requested changes to the minutes of the June 22, 2021 Regular Meeting Minutes.

**MOTION** made by Trustee Strauss, seconded by Trustee Cruz, to approve the Consent Agenda Items 3b and 3c. In a voice vote of the members present, all members voted in favor. **Motion** passed 4-0.

**4. FINANCIAL**

a. Audit Committee Report

Trustee Howell reported that the Audit Committee met at 9:45am on July 27, 2021. He advised that the Audit Committee recommended that the Fund continue to retain the services of Marcum LLP to conduct the Fiscal Year 2021 Audit of the Financial Statements. The Board discussed continuing to retain Marcum LLP and the cost of the retention.

**MOTION** made by Trustee Cruz, seconded by Trustee Howell to allow the Executive Director to negotiate with Marcum for auditing services for the next fiscal year up to \$20,000. In a roll call vote of the members present, all members voted in favor. **Motion** passed 4-0.

- c. Financial Reports and Investment Summary  
Ms. Bailey provided the Board with the Final March 2021 and April 2021 Financial Operations and Investment Summaries as well as the Draft June 2021 Summaries. She also provided the Budget Variance Reports for Fiscal Year 2021 as of June 30, 2021.

Trustees requested that Ms. Bailey provide a breakdown of the contingent reserve funds and a modification to align the budget more closely with actual expenditures.

**5. INVESTMENT (Keith Reynolds – Segal Marco)**

- a. May 2021 Flash Performance Report  
Mr. Reynolds provided the Board with the Flash Performance Report for May 2021. He noted that the market value of the assets available for investment as of May 31, 2021 was \$425.2 million, up 0.5% net of fees for the month of May 2021, and up 17.9% net of fees for the fiscal year to date.
- b. First Quarter Performance Review  
Mr. Reynolds reported the Fund's performance for the quarter ended March 31, 2021. He noted that the assets available for investments were \$418.7 million and performance was 3.7% for the quarter.
- c. Private Credit Consideration  
Messrs. Reynolds, Kosan, Patzik and Otieno presented an overview of Private Credit and Opportunistic Credit. Mr. Reynolds noted that the Board increases its allocation to private credit from 3.75% to 8.75% in 2020 after the asset liability study. Mr Patzik and Mr. Otieno reviewed three potential investments: AG Credit Solutions Fund II, Marathon Healthcare Finance and Neuberger Berman Private Debt Fund IV. Due to technical difficulties with the video conferencing equipment, Trustees were unable to ask questions.  
  
The Board requested that the discussion be continued at the next meeting at which time Segal would provide a quick summary and Trustees would be better able to ask questions and review the allocation as well as prospective investments.
- d. Work Plan 2021  
Mr. Reynolds provided the 2021 Work Plan. Mr. Reynolds noted that the Private Credit Manager Presentations would be pushed back until Trustees are able to ask questions in person.

**6. LEGAL (Ron Cohen – Lorium Law)**

- a. Legal Updates  
Mr. Cohen advised that the Fund was not part of the initial close of the Affiliated Housing Impact Fund. He noted that a portion of the investment would be used to pay the initial investors to cover their preferred returns to date. He further noted that the fees were on committed capital and not called capital. He noted that the language regarding fees and the fee formula would have to be corrected to properly document the reduced fee and the way the fees would be calculated.  
  
Mr. Cohen noted that 5% of the units at the Tropic development would be reserved for General Pension Fund members who work for, or retired from the City of Hollywood. He noted that the agreement stated that once the building was at 95% capacity and there remained vacant reserved units, and after using their best efforts, Affiliated would be allowed to lease the reserved units to anyone. The Board discussed best efforts and requested that it be defined to include notification to the City, the Retirees Association, and the Fund of any reserved vacancy before leasing to anyone else.

Mr. Cohen advised that Affiliated requested that language in a City agreement that had not yet been fully drafted or approved be referenced. Trustees noted that the Fund was a separate entity and requested that no relationship should be made to a City agreement as part of the Fund's agreement. The Board also expressed concern that the Tropic might not be built. It was noted that while it appears that the Tropic development was moving forward, there is not written guarantee that it would be built.

Mr. Cohen advised that he would be reviewing the scope of services with PTG for CPMS. He also noted that PTG may request a change in their payment schedule based on their data quality unknowns. He noted that he would have additional information after PTG had an initial meeting with the Fund staff and the City's IT Department.

Mr. Cohen advised that the GTJZ contract was complete and awaited the finalization of the PTG contract.

**MOTION** made by Trustee Cruz, seconded by Trustee Strauss, to extend the meeting for an additional 30 minutes. In a voice vote of the members present, all members voted in favor. **Motion** passed 4-0.

## 7. EXECUTIVE DIRECTOR'S REPORT

### a. City Commission Communication

The Board received the City Commission Communication.

### b. Member Consideration – Survivor Benefits of Joseph Bowman

Ms. Bailey reviewed the history of Mr. Bowman's Disability Retirement Benefits. She advised that Mr. Bowman had submitted a retirement application in February 2014 that was never processed. She recommended that the Board approve the processing of the application as it was correctly completed and received timely. She noted that this would result in an overpayment to Mr. Bowman of \$152,352.92 and a survivor benefit of \$2,357.71 to Mr. Bowman's beneficiaries for the lifetime of the last surviving beneficiary. Ms. Bailey further recommended that the overpayment be recovered from the beneficiary payment from June 2021 through July 2026.

**MOTION** made by Trustee Cruz, seconded by Trustee Strauss, to approve the Executive Director's recommendation. In a roll call vote of the members present, all members voted in favor. **Motion** passed 4-0.

### c. Pension Office Relocation

Ms. Bailey provided the Board with proposed designs for the new office space. She noted that the designs were incomplete. She requested permission to obtain significant assistance on this project from the City, who had resources more capable of managing the renovations. She noted that based on prior discussions with the City, there would be no charge for the City's assistance.

### d. Communications from the Executive Director

- Ms. Bailey advised that approximately 40 of the 2021 Life Certificates remain outstanding.
- Ms. Bailey advised that 31 distributions remained for the FY2012 13th Check Settlement totaling \$179,324.79.
- Ms. Bailey advised that the 2020 CPPT renewal fees for Trustees were paid despite emails recently received by Trustees. She noted that the 2021 renewal fees were outstanding and have since been paid.
- Ms. Bailey advised that after beginning the transition of the administration of the investments, she believes that it is in the best interest of the Fund to retain Segal. She noted that the transactions required were very detailed and intricate, and that one mistake could result in a charge equal to the annual administrative fees currently charged by Segal.
- Ms. Bailey noted that the interns were reviewing all member Designation of Beneficiary Forms to ensure that all designation forms are completed correctly and processed. She advised that they were also collecting data for the compensation review.

- Ms. Bailey stated that the Summary Plan Description was almost complete and expected publication in September 2021.
- Ms. Bailey provided the Board with the CPMS Project Vision, Objectives and Critical Success Factors. She requested any recommendations, suggestions, or comments from Trustees.
- Ms. Bailey advised that a group of Hollywood residents, Get My Money Out (GMMO) had requested to appear before the Board to present a request for the Fund to divest from fossil fuels. She advised that they were expected to present at the September Meeting. Mr. Reynolds noted that fossil fuel divestment, as well as zero emission targets, have been embraced by investment managers. He noted that managers are moving away from or discounting these types of investments.
- Ms. Bailey provided the DROP and Planned Retirement Participant Lists.

**9. PUBLIC COMMENTS**

There were no additional public comments.

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

Trustee Shaw commented on the timely payment of vendors for service. She also commented on the benefits of Fund investments that benefit the City and the membership.

**11. ADJOURNMENT**

**MOTION** made by Trustee Cruz, seconded by Trustee Strauss, to adjourn the meeting. In a voice vote by the members present, all members voted in favor. **Motion** passed 4-0. The meeting adjourned at 12:35p.m.

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Phyllis Shaw, Chair

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Date

# **AGENDA ITEM 3.C.**

## **CONSENT AGENDA**

**RATIFICATION OF DISTRIBUTIONS (CONTRIBUTIONS AND  
DROP) AND PLAN EXPENSES**

**EMPLOYEES' RETIREMENT FUND**  
**Refunds and DROP Distributions**  
**August 24, 2021 Regular Pension Board Meeting**

| <u>Name</u>                                 | <u>Refund</u>        |
|---|----------------------|
| <u><b>Refunds of Contributions</b></u>      |                      |
| Frank, Felicita                             | \$ 2,659.68          |
|   | \$ <u>2,659.68</u>   |
| <u><b>Planned Retirement</b></u>            |                      |
| None  | \$ <u>0.00</u>       |
| <u><b>Partial Lump Sum Distribution</b></u> |                      |
| None  | <u></u>              |
| <u><b>DROP Distributions</b></u>            |                      |
| Baker, Carletha (Partial)                   | \$ 355,549.32        |
| Brummer, John ( Final)                      | 28,009.01            |
| DeLiso, Domenico (Final)                    | 6,807.71             |
| Ekelund, Eugenia (Final)                    | 16,291.67            |
| Paicely, Yvonne (Partial)                   | 267,872.09           |
|   | \$ <u>674,529.80</u> |
| <b>TOTAL: \$</b>                            | <b>677,189.48</b>    |

**CITY OF HOLLYWOOD  
EMPLOYEES RETIREMENT FUND  
Disbursements Processed  
July 1, 2021 to July 31, 2021**

|  |                              |
|--|------------------------------|
| 2450 Center Court Condominium (Utilities)        | \$ (568.39)                  |
| Gabriel Roeder Smtih & Co (June 2021)            | \$ (4,992.00)                |
| Lorium PLLC (June 2021)                          | \$ (5,032.50)                |
| Segal Advisors Inc (June 2021)                   | \$ (10,833.33)               |
| Segal Advisors Inc (June 2021)                   | \$ (4,166.67)                |
| The Northern Trust Company (April-June 2021)     | \$ (8,733.14)                |
| Thompson Siegel & Walmsley LLC (April-June 2021) | \$ (36,071.85)               |
| Wells Fargo Credit Card (Supplies/meals)         | <u>\$ (251.17)</u>           |
|  | <u><u>\$ (70,649.05)</u></u> |



# **AGENDA ITEM 3.D.**

## **CONSENT AGENDA**

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

**EMPLOYEES' RETIREMENT FUND**  
**New Retirement/DROP/Death/Vested Annuities - Monthly Amounts**  
**August 24, 2021 Regular Pension Board Meeting**

**New Retirement**

|   | <b>Future Benefit</b> | <b>Pension</b> |
|---|-----------------------|----------------|
| Baker, Carletha - DROP 07/01/2016             | Normal Annuity \$     | 4,541.04       |
| Brown, Eric - VESTED 06/20/2021               | Joint & Equal \$      | 2,942.51       |
| Fallik, Alan - 05/28/2021                     | Joint & Equal \$      | 10,367.49      |
| Paicely, Yvonne - DROP 07/01/2016             | Joint & Half \$       | 3,366.27       |
| Reger, Margaret (Beneficiary of Robert Reger) | None - beneficiary \$ | 2,492.00       |

**Benefits Stopped**

|                                     |                       |            |
|-------------------------------------|-----------------------|------------|
| Bosowicz, John - Died 06/13/2021    | None \$               | (1,649.37) |
| Candis, Christina - Died 06/07/2021 | None \$               | (283.06)   |
| Fico, Virginia M - Died 06/14/2021  | None - beneficiary \$ | (1,193.73) |

**Benefits Reinstated - Life Certificates Received**

|                                      |    |          |
|--------------------------------------|----|----------|
| Bixler, Eva - Reinstate 07/01/2021   | \$ | 1,582.28 |
| Mizell, David - Reinstate 06/30/2021 | \$ | 3,187.91 |

# **AGENDA ITEM 4.A.**

## **FINANCIAL**

### **PROPOSED FISCAL YEAR 2021 BUDGET MODIFICATION**

**(NO BACKUP FOR THIS SECTION)**

**City of Hollywood Employees Retirement Fund**  
**Proposed 2021 Budget Modification**  
**For Year Ending 9/30/2021**

|  | 2021 Approved<br>Budget<br>(A) | FYE 2021<br>Projection | Variance to<br>Budget | Modification    | Revised<br>Budget |
|--|--------------------------------|------------------------|-----------------------|-----------------|-------------------|
| <b>Investment Fees:</b>                |                                |                        |                       |                 |                   |
| Northern Trust                         | 33,000                         | 27,718                 | 5,282                 | -               | 33,000            |
| Thompson Siegel (TSW)                  | 110,000                        | 138,808                | (28,808)              | 30,000          | 140,000           |
| Wellington                             | 415,000                        | 339,522                | 75,478                | (75,000)        | 340,000           |
| Custodial Fees                         | 38,000                         | 32,186                 | 5,814                 | (5,800)         | 32,200            |
|  |                                |                        |                       |                 | -                 |
| <b>Total Invest. Professional Fees</b> | <b>596,000</b>                 | <b>538,235</b>         | <b>57,765</b>         | <b>(50,800)</b> | <b>545,200</b>    |
|  |                                |                        |                       |                 | -                 |
| <b>Administrative Fees:</b>            |                                |                        |                       |                 |                   |
| Consultants                            | 130,000                        | 130,000                | -                     | -               | 130,000           |
| Accounting                             | 37,500                         | 50,000                 | (12,500)              | 12,500          | 50,000            |
| Audit                                  | 20,000                         | 20,000                 | -                     | -               | 20,000            |
| GRS-Actuarial and other Fees           | 73,500                         | 73,500                 | -                     | (5,477)         | 68,023            |
| Medical Svcs (Disability Verification) | 4,800                          | -                      | 4,800                 | -               | 4,800             |
| Rice / Lorum PLLC- Board Attorney      | 108,000                        | 108,000                | (0)                   | -               | 108,000           |
| <b>Total Admin. Professional Fees</b>  | <b>373,800</b>                 | <b>381,500</b>         | <b>(7,700)</b>        | <b>7,023</b>    | <b>380,823</b>    |
|  |                                |                        |                       |                 | -                 |
| <b>Personnel Expenses:</b>             |                                |                        |                       |                 |                   |
| Total Salaries                         | 293,000                        | 267,474                | 25,526                | (23,000)        | 270,000           |
| Taxes & Benefits                       | 102,000                        | 93,614                 | 8,386                 | -               | 102,000           |
| Insurance                              | 160,000                        | 147,450                | 12,550                | (12,550)        | 147,450           |
| <b>Total Personnel Expenses</b>        | <b>555,000</b>                 | <b>508,537</b>         | <b>46,463</b>         | <b>(35,550)</b> | <b>519,450</b>    |
|  |                                |                        |                       |                 | 0%                |
| <b>Other Expenses:</b>                 |                                |                        |                       |                 |                   |
| Continuing Education/Dues              | 53,000                         | 7,550                  | 45,450                | (45,450)        | 7,550             |
| Training-Travel, Meals & Lodging       | 42,000                         | 714                    | 41,286                | (39,000)        | 3,000             |
| Participant/Member Education           | 5,000                          | 5,000                  | -                     | -               | 5,000             |
| Equipment Rent                         | 4,000                          | 2,255                  | 1,745                 | -               | 4,000             |
| Software Maintainance                  | -                              | -                      | -                     | -               | -                 |
| Printing & Postage Cost                | 17,000                         | 17,000                 | (0)                   | -               | 17,000            |
| Equipment & Supplies                   | 7,500                          | 2,186                  | 5,314                 | -               | 7,500             |
| Postage                                | 1,200                          | -                      | 1,200                 | -               | 1,200             |
| Outside service                        | -                              | 30                     | (30)                  | -               | -                 |
| Moving Costs*                          | -                              | -                      | -                     | -               | -                 |
| Property Taxes*                        | -                              | -                      | -                     | -               | -                 |
| Architecture Services                  | -                              | 2,000                  | (2,000)               | 2,000           | 2,000             |
| Office Condo Utilities                 | -                              | 3,640                  | (3,640)               | 4,000           | 4,000             |
| Office Condo Fees and Assessments      | -                              | 22,606                 | (22,606)              | 23,000          | 23,000            |
| <b>Total Other Expenses:</b>           | <b>129,700</b>                 | <b>62,982</b>          | <b>66,718</b>         | <b>(55,450)</b> | <b>74,250</b>     |
|  |                                |                        |                       |                 | -                 |
| <b>Administrative Expenses</b>         | <b>1,058,500</b>               | <b>953,019</b>         | <b>105,481</b>        | <b>(83,977)</b> | <b>974,523</b>    |
|  |                                |                        |                       |                 | -                 |
| Capital Expenditures                   | -                              | 634,777                | (634,777)             | 634,777         | 634,777           |
| Contingency Reserves                   | 500,000                        | -                      | 500,000               | (500,000)       | -                 |
| <b>Total Costs FYE 2021</b>            | <b>2,154,500</b>               | <b>2,126,031</b>       | <b>28,469</b>         | <b>-</b>        | <b>2,154,500</b>  |
| <b>FYE 2020 Expenses Paid 2021</b>     |                                |                        |                       |                 | -                 |
| <b>FYE 2021 Prepaid Exp Paid 2020</b>  |                                |                        |                       |                 | -                 |
| <b>Total Expenditures FYE 2021</b>     | <b>2,154,500</b>               | <b>2,126,031</b>       | <b>28,469</b>         | <b>-</b>        | <b>2,154,500</b>  |

# **AGENDA ITEM 4.B.**

## **FINANCIAL**

### **FINANCIAL REPORTS AND INVESTMENT SUMMARY**

**CITY OF HOLLYWOOD**  
**EMPLOYEES' RETIREMENT FUND**  
**FINANCIAL OPERATIONS AND INVESTMENT SUMMARY**  
**FINAL**  
**May 31, 2021**  
**Fiscal Year-To-Date**

| <u>Investment Balances</u>   | <u>Market Value</u> | <u>Book Value</u>  | <u>Unrealized Gain<br/>(Loss)</u> |
|--|---------------------|--------------------|-----------------------------------|
| Balance October 1, 2020  | \$ 354,905,931.08   | \$ 296,378,719.18  | \$ 58,527,211.90                  |
| Contributions and Payments:  |                     |                    |                                   |
| City Contributions   |                     | \$ 34,375,259.00   |                                   |
| Employees Contributions  |                     | \$ 2,118,767.67    |                                   |
| Pension Disbursement   |                     | \$ (23,164,418.23) |                                   |
| Building Purchase  |                     | \$ (494,959.92)    |                                   |
| Administrative Expenses  |                     | \$ (528,903.81)    | (1)                               |
| Net Contributions/Payments   |                     | \$ 12,305,744.71   |                                   |
| Investment Income:   |                     |                    |                                   |
| Dividends & Interest Received  |                     | \$ 2,874,879.60    |                                   |
| Gain on Sales (Realized Gains/(Loss))                                  |                     | \$ 13,338,481.66   |                                   |
| Commission Recapture   |                     | \$ 2,002.11        |                                   |
| Total Invest. Professional Fees  |                     | \$ (396,436.59)    | (2)                               |
| Net Investment Income  |                     | \$ 15,818,926.78   |                                   |
| Balance May 31, 2021   | \$ 431,812,755.79   | \$ 324,503,390.67  | \$ 107,309,365.12                 |
| Increase (Decrease) for the Period                                     | \$ 76,906,824.71    | \$ 28,124,671.49   | \$ 48,782,153.22                  |
| Unreconciled   |                     |                    | -                                 |
| <u>Unrealized Gain (Loss) Account</u>                                  |                     |                    |                                   |
| Composition of Increases (Decreases)                                   |                     |                    |                                   |
| AG Direct Lending  |                     |                    | \$ 751,540.95                     |
| Angelo-Gordon Realty   |                     |                    | \$ (111,472.00)                   |
| Baird Core Plus Bond Fund  |                     |                    | \$ (1,518,262.94)                 |
| EnTrust Blue Ocean   |                     |                    | \$ (375.00)                       |
| Golden Tree  |                     |                    | \$ 1,740,556.80                   |
| Gold Point   |                     |                    | \$ 488,906.90                     |
| Harbourvest Dover IX49   |                     |                    | \$ 767,084.00                     |
| IFM Global   |                     |                    | \$ 952,109.12                     |
| Loomis Sayles  |                     |                    | \$ 2,940,688.49                   |
| Morgan Stanley   |                     |                    | \$ (2,336,308.21)                 |
| NB Crossroads  |                     |                    | \$ 4,803,793.62                   |
| Neuberger Short Duration   |                     |                    | \$ 1,030,720.04                   |
| Northern Trust-Extended  |                     |                    | \$ 4,529,533.99                   |
| Northern Trust   |                     |                    | \$ 16,977,975.57                  |
| Principal Investors  |                     |                    | \$ 701,492.49                     |
| RBC Emerging Markets   |                     |                    | \$ 4,187,037.36                   |
| Thompson, Siegel & Walmsley  |                     |                    | \$ 4,502,306.59                   |
| Wellington International   |                     |                    | \$ 8,374,825.45                   |
|  |                     |                    | \$ 48,782,153.22                  |
| Investment Return  |                     |                    |                                   |
| Net Investment Income  |                     |                    | \$ 15,818,926.78                  |
| Increases (Decrease) in Unrealized Gain/Loss                           |                     |                    | \$ 48,782,153.22                  |
| Total Investment Return for the Period                                 |                     |                    | \$ 64,601,080.00                  |
| Beginning Market Value   |                     |                    | \$ 354,905,931.08                 |
| Plus/(Less): Net Contributions/Payment                                 |                     |                    | \$ 12,305,744.71                  |
| Assets Available for Investment  |                     |                    | \$ 367,211,675.79                 |
| Investment Return as a result of % of Assets Available for Investments |                     |                    | 17.59%                            |

(1) (2) Refer to Cash Payments Detail

**CITY OF HOLLYWOOD**  
**EMPLOYEES' RETIREMENT FUND**  
**FINANCIAL OPERATIONS AND INVESTMENT SUMMARY**  
**PRELIMINARY**  
**July 31, 2021**  
**Fiscal Year-To-Date**

| <u>Investment Balances</u>   | <u>Market Value</u> | <u>Book Value</u>  | <u>Unrealized Gain<br/>(Loss)</u> |
|--|---------------------|--------------------|-----------------------------------|
| Balance October 1, 2020  | \$ 354,905,931.08   | \$ 296,378,719.18  | \$ 58,527,211.90                  |
| Contributions and Payments:  |                     |                    |                                   |
| City Contributions   |                     | \$ 34,375,259.00   |                                   |
| Employees Contributions  |                     | \$ 2,949,834.61    |                                   |
| Pension Disbursement   |                     | \$ (29,787,496.61) |                                   |
| Building Purchase  |                     | \$ (494,959.92)    |                                   |
| Administrative Expenses  |                     | \$ (702,431.70)    | (1)                               |
| Net Contributions/Payments   |                     | \$ 6,340,205.38    |                                   |
| Investment Income:   |                     |                    |                                   |
| Dividends & Interest Received  |                     | \$ 3,189,844.09    |                                   |
| Gain on Sales (Realized Gains/(Loss))                                  |                     | \$ 13,981,401.92   |                                   |
| Commission Recapture   |                     | \$ 2,256.50        |                                   |
| Total Invest. Professional Fees  |                     | \$ (449,497.53)    | (2)                               |
| Net Investment Income  |                     | \$ 16,724,004.98   |                                   |
| Balance July 31, 2021  | \$ 431,604,471.07   | \$ 319,442,929.54  | \$ 112,161,541.53                 |
| Increase (Decrease) for the Period                                     | \$ 76,698,539.99    | \$ 23,064,210.36   | \$ 53,634,329.63                  |
| Unreconciled   |                     |                    | (7,204,203.02)                    |
| <b><u>Unrealized Gain (Loss) Account</u></b>                           |                     |                    |                                   |
| Composition of Increases (Decreases)                                   |                     |                    |                                   |
| AG Direct Lending  |                     |                    | \$ 751,540.95                     |
| Angelo-Gordon Realty   |                     |                    | \$ (111,472.00)                   |
| Baird Core Plus Bond Fund  |                     |                    | \$ (749,318.93)                   |
| EnTrust Blue Ocean   |                     |                    | \$ (375.00)                       |
| Golden Tree  |                     |                    | \$ 1,740,556.80                   |
| Gold Point   |                     |                    | \$ 488,906.90                     |
| Harbourvest Dover IX49   |                     |                    | \$ 767,084.00                     |
| IFM Global   |                     |                    | \$ 1,195,419.70                   |
| Loomis Sayles  |                     |                    | \$ 3,725,653.14                   |
| Morgan Stanley   |                     |                    | \$ (2,336,308.21)                 |
| NB Crossroads  |                     |                    | \$ 4,803,793.62                   |
| Neuberger Short Duration   |                     |                    | \$ 1,030,720.04                   |
| Northern Trust-Extended  |                     |                    | \$ 4,529,533.99                   |
| Northern Trust   |                     |                    | \$ 16,977,975.57                  |
| Principal Investors  |                     |                    | \$ 701,492.49                     |
| RBC Emerging Markets   |                     |                    | \$ 2,543,375.68                   |
| Thompson, Siegel & Walmsley  |                     |                    | \$ 2,691,518.55                   |
| Wellington International   |                     |                    | \$ 7,680,029.32                   |
|  |                     |                    | \$ 46,430,126.61                  |
| Investment Return  |                     |                    |                                   |
| Net Investment Income  |                     |                    | \$ 16,724,004.98                  |
| Increases (Decrease) in Unrealized Gain/Loss                           |                     |                    | \$ 53,634,329.63                  |
| Total Investment Return for the Period                                 |                     |                    | \$ 70,358,334.61                  |
| Beginning Market Value   |                     |                    | \$ 354,905,931.08                 |
| Plus/(Less): Net Contributions/Payment                                 |                     |                    | \$ 6,340,205.38                   |
| Assets Available for Investment  |                     |                    | \$ 361,246,136.46                 |
| Investment Return as a result of % of Assets Available for Investments |                     |                    | 19.48%                            |

(1) (2) Refer to Cash Payments Detail

**CITY OF HOLLYWOOD  
EMPLOYEES RETIREMENT FUND  
Disbursements Processed  
July 1, 2021 to July 31, 2021**

|  |                       |
|--|-----------------------|
| 2450 Center Court Condominium (Utilities)        | \$ (568.39)           |
| Gabriel Roeder Smtih & Co (June 2021)            | \$ (4,992.00)         |
| Lorium PLLC (June 2021)                          | \$ (5,032.50)         |
| Segal Advisors Inc (June 2021)                   | \$ (10,833.33)        |
| Segal Advisors Inc (June 2021)                   | \$ (4,166.67)         |
| The Northern Trust Company (April-June 2021)     | \$ (8,733.14)         |
| Thompson Siegel & Walmsley LLC (April-June 2021) | \$ (36,071.85)        |
| Wells Fargo Credit Card (Supplies/meals)         | \$ (251.17)           |
|  | <u>\$ (70,649.05)</u> |

| <u>FYE 2021 Expenses</u> |                          | <u>FYE 2021 Disbursements By Type</u> | <u>FYE 2021 Disbursements</u> |
|--------------------------|--------------------------|---------------------------------------|-------------------------------|
| September                | (142,427.80)             |                                       | \$ -                          |
| October                  | (4,570.75)               |                                       | \$ (160,819.45)               |
| November                 | (16,000.00)              |                                       | \$ (135,040.30)               |
| December                 | (64,613.25)              | Admin. Expenses                       | \$ (64,613.25)                |
| January                  | (43,925.41)              | Total Invest. Prof. Fees              | \$ (43,925.41)                |
| February                 | (203,745.78)             | Bldg. Purchase                        | \$ (203,745.78)               |
| March                    | (557,079.99)             |                                       | \$ (557,079.99)               |
| April                    | (233,200.30)             |                                       | \$ (233,200.30)               |
| May                      | (21,875.84)              |                                       | \$ (21,875.84)                |
| June                     | (155,939.78)             |                                       | \$ (155,939.78)               |
| July                     | (70,649.05)              |                                       | \$ (70,649.05)                |
|                          | <u>\$ (1,514,027.95)</u> |                                       | <u>\$ (1,646,889.15)</u>      |
|                          |                          | <u>\$ (1,646,889.15)</u>              | <u>\$ (1,646,889.15)</u>      |



**City of Hollywood Employees Retirement Fund**  
**Budget v. Actual**  
**For Year Ending 9/30/2021**  
**Expenses as of 7/31/2021**

|  | Approved Budget<br>(A) | Jul-21        | YTD Actual<br>(B) | Remaining<br>(A-B) | % Remaining<br>(A-B)/(A) |
|--|------------------------|---------------|-------------------|--------------------|--------------------------|
| <b>Investment Fees:</b>                |                        |               |                   |                    |                          |
| Northern Trust-Large Cap               | 33,000                 | 8,733         | 30,677            | 2,323              | 7.04%                    |
| Thompson Siegel (TSW)                  | 110,000                | 36,072        | 130,788           | (20,788)           | -18.90%                  |
| Wellington                             | 415,000                | -             | 263,620           | 151,380            | 36.48%                   |
| Custodial Fees                         | 38,000                 | -             | 24,413            | 13,587             | 35.75%                   |
| <b>Total Invest. Professional Fees</b> | <b>596,000</b>         | <b>44,805</b> | <b>449,498</b>    | <b>146,502</b>     | <b>24.58%</b>            |
| <b>Administrative Fees:</b>            |                        |               |                   |                    |                          |
| Consultants                            | 130,000                | 10,833        | 108,333           | 21,667             | 16.67%                   |
| Accounting                             | 37,500                 | 4,167         | 41,667            | (4,167)            | -11.11%                  |
| Audit                                  | 20,000                 | -             | 20,000            | -                  | 0.00%                    |
| GRS-Actuarial and other Fees           | 73,500                 | 4,992         | 39,285            | 34,215             | 46.55%                   |
| Medical Svcs (Disability Verification) | 4,800                  | -             | -                 | 4,800              | 100.00%                  |
| Rice / Lorium PLLC- Board Attorney     | 108,000                | 5,033         | 90,073            | 17,927             | 16.60%                   |
| <b>Total Admin. Professional Fees</b>  | <b>373,800</b>         | <b>25,025</b> | <b>299,358</b>    | <b>74,442</b>      | <b>19.92%</b>            |
| <b>Personnel Expenses:</b>             |                        |               |                   |                    |                          |
| Total Salaries                         | 293,000                | -             | 278,313           | 14,687             | 5.01%                    |
| Taxes & Benefits                       | 102,000                | -             | 96,167            | 5,833              | 5.72%                    |
| Insurance                              | 160,000                | -             | 5,021             | 154,979            | 96.86%                   |
| <b>Total Personnel Expenses</b>        | <b>555,000</b>         | <b>-</b>      | <b>379,500</b>    | <b>175,500</b>     | <b>31.62%</b>            |
| <b>Other Expenses:</b>                 |                        |               |                   |                    |                          |
| Continuing Education/Dues              | 53,000                 | 11            | 3,169             | 49,831             | 94.02%                   |
| Training-Travel, Meals & Lodging       | 42,000                 | 91            | 645               | 41,355             | 98.46%                   |
| Participant/Member Education           | 5,000                  | -             | -                 | 5,000              | 100.00%                  |
| Equip Rent                             | 4,000                  | -             | 2,189             | 1,811              | 45.28%                   |
| Printing Cost                          | 17,000                 | -             | 779               | 16,221             | 95.42%                   |
| Supplies                               | 7,500                  | 149           | 1,171             | 6,329              | 84.39%                   |
| Postage                                | 1,200                  | -             | -                 | 1,200              | 100.00%                  |
| Architecture Svcs                      | -                      | -             | 2,000             | (2,000)            | -100.00%                 |
| Outside service                        | -                      | -             | 5                 | (5)                | -100.00%                 |
| Office Condo Utilities                 | -                      | 568           | 2,069             | (2,069)            | -100.00%                 |
| Office Condo Fees and Assessments      | -                      | -             | 10,047            | (10,047)           | -100.00%                 |
| <b>Total Other Expenses:</b>           | <b>129,700</b>         | <b>820</b>    | <b>22,074</b>     | <b>107,626</b>     | <b>82.98%</b>            |
| <b>Administrative Expenses</b>         | <b>1,058,500</b>       | <b>25,844</b> | <b>700,932</b>    | <b>357,568</b>     | <b>33.78%</b>            |
| Building Purchase                      | 0                      | -             | 496,460           | (496,460)          | -100.00%                 |
| Contingency Reserves                   | 500,000                | -             | -                 | 500,000            | 100.00%                  |
| <b>Total Costs FYE 2021</b>            | <b>\$ 2,154,500</b>    | <b>70,649</b> | <b>1,646,889</b>  | <b>\$ 507,611</b>  | <b>23.56%</b>            |
| <b>FYE 2020 Expenses Paid 2021</b>     |                        |               | <b>(275,289)</b>  | <b>275,289</b>     |                          |
| <b>FYE 2021 Prepaid Exp Paid 2020</b>  |                        |               | <b>142,428</b>    | <b>(142,428)</b>   |                          |
| <b>Total Expenditures FYE 2021</b>     | <b>\$ 2,154,500</b>    | <b>70,649</b> | <b>1,514,028</b>  | <b>640,472</b>     | <b>29.73%</b>            |

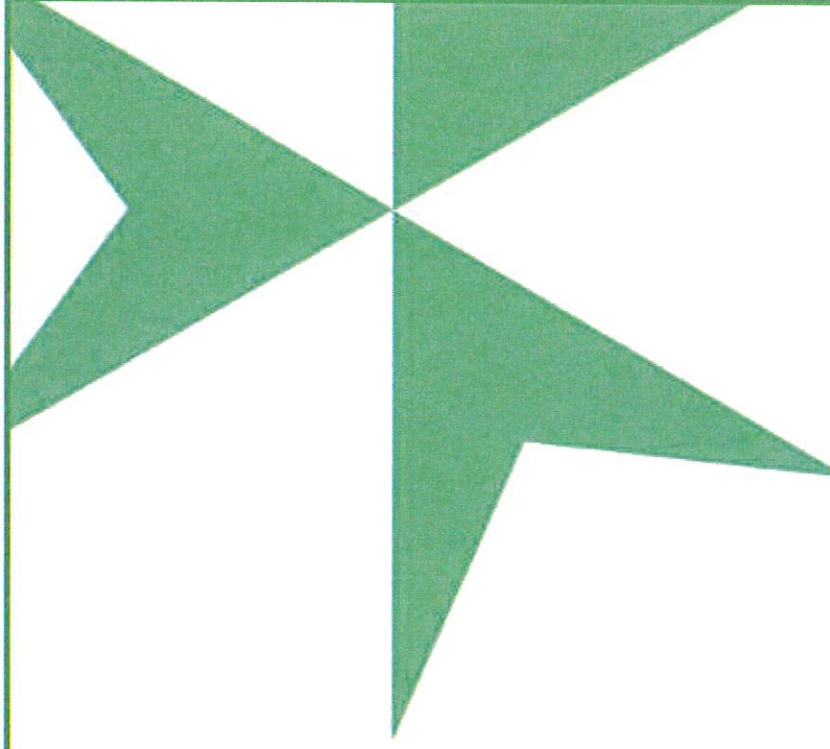
**City of Hollywood Employees Retirement Fund**  
**Budget v. Actual**  
**For Year Ending 9/30/2021**  
**Expenses as of 7/31/2021**

|   | <u>Approved Budget</u> | <u>Jul-21</u> | <u>YTD Actual</u> | <u>Remaining</u>    | <u>% Remaining</u> |
|---|------------------------|---------------|-------------------|---------------------|--------------------|
| <b>Manager fees not invoiced Separately**</b> |                        |               |                   |                     |                    |
| AG Direct Lending Fund II, LP                 | 172,000                | -             | -                 | 172,000             | 100.00%            |
| AG Direct Realty                              | 32,000                 | -             | -                 | 32,000              | 100.00%            |
| Baird Core Plus Bond                          | 130,000                | -             | -                 | 130,000             | 100.00%            |
| Blue Ocean (Entrust)                          | 112,500                | -             | -                 | 112,500             | 100.00%            |
| Brightwood                                    | 75,000                 | -             | -                 | 75,000              | 100.00%            |
| GoldenTree Multi-Sector Fund                  | 125,000                | -             | -                 | 125,000             | 100.00%            |
| GoldPoint Co-Investment VI                    | 110,000                | -             | -                 | 110,000             | 100.00%            |
| HarbourVest Dover Fund IX                     | 110,000                | -             | -                 | 110,000             | 100.00%            |
| IFM Global Infrastructure                     | 215,000                | -             | -                 | 215,000             | 100.00%            |
| Loomis Sayles                                 | 82,800                 | -             | -                 | 82,800              | 100.00%            |
| Morgan Stanley                                | 240,000                | -             | -                 | 240,000             | 100.00%            |
| Neuberger Berman Crossroads XXI               | 80,000                 | -             | -                 | 80,000              | 100.00%            |
| Neuberger Short Duration                      | 161,000                | -             | -                 | 161,000             | 100.00%            |
| Principal                                     | 165,000                | -             | -                 | 165,000             | 100.00%            |
| RBC Global Asset Management.                  | 66,000                 | -             | -                 | 66,000              | 100.00%            |
| <b>Total Fees</b>                             | <b>1,876,300</b>       | <b>-</b>      | <b>-</b>          | <b>1,876,300</b>    | <b>100.00%</b>     |
|   | <b>\$ 4,030,800</b>    | <b>70,649</b> | <b>1,514,028</b>  | <b>\$ 2,516,772</b> | <b>62.44%</b>      |

# **AGENDA ITEM 5.A.**

## **INVESTMENT**

### **JUNE 2021 FLASH PERFORMANCE REPORT**



City of Hollywood Employees' Retirement System

# Monthly Flash Report

Period Ending June 30, 2021

J. Keith Reynolds  
Vice President & Senior Consultant

Felicia Ewell  
Senior Associate

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 **Segal Marco Advisors**

# Market Environment – June 2021

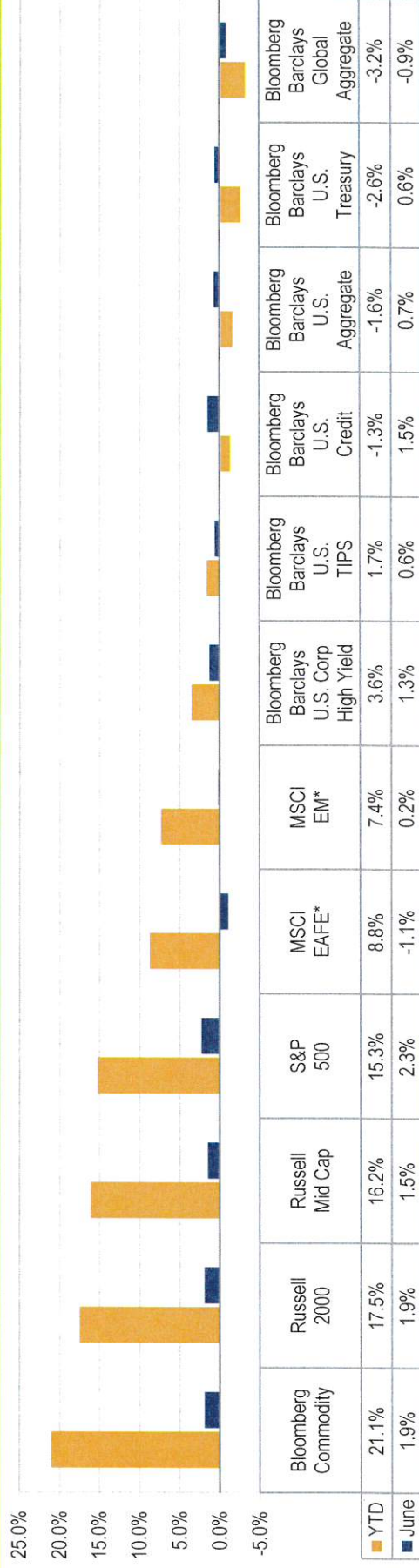
## June Highlights

- The U.S. unemployment rate ticked up to 5.9% as the labor force participation rate increased slightly. The U.S. economy gained 850,000 jobs in the month, as the economic recovery strengthened. Hiring rose most in hospitality sectors as state and local governments continued to ease restrictions on business activity.
- U.S. stocks were higher again in June, with the S&P 500 reaching new all-time highs by the end of June. Large caps were the biggest gainers, though every capitalization size was positive. Information technology (+7.0%) was the best performing sector.
- Developed market stocks slipped a bit in June as fears surrounding a COVID variant led to extended business restrictions in some countries. Emerging market stocks eked out a gain, but some EM countries also were putting new restrictions in place.
- Credit and high yield made solid gains with still-improving economic news in the US. TIPS also rose with expectations of higher inflation.
- Commodities were higher again in June. Energy prices surged as global demand expectations improved.

## YTD Highlights

- The economic effects of the COVID-19 outbreak continue to take a significant toll on the global economy, though optimism for an imminent global recovery is rising, particularly in the US and developed countries.
- All capitalization sizes of US stocks are now solidly positive in 2021. Optimism about a global economic recovery persists among investors as the US economy continues to reopen.
- Developed market stocks are positive so far this year, as expectations for global growth have risen. Emerging markets have benefited from commodities' recent rise, though COVID's toll on many economies and the emergence of the Delta variant has held back both developed and EM countries.
- Treasuries are negative so far in 2021. High yield has gained as expectations for economic recovery have grown.
- Commodities have performed well recently with hopes for greater global demand in 2021. Likely volatility in energy prices and other areas of commodities may mean that performance swings are the norm here.

## Returns



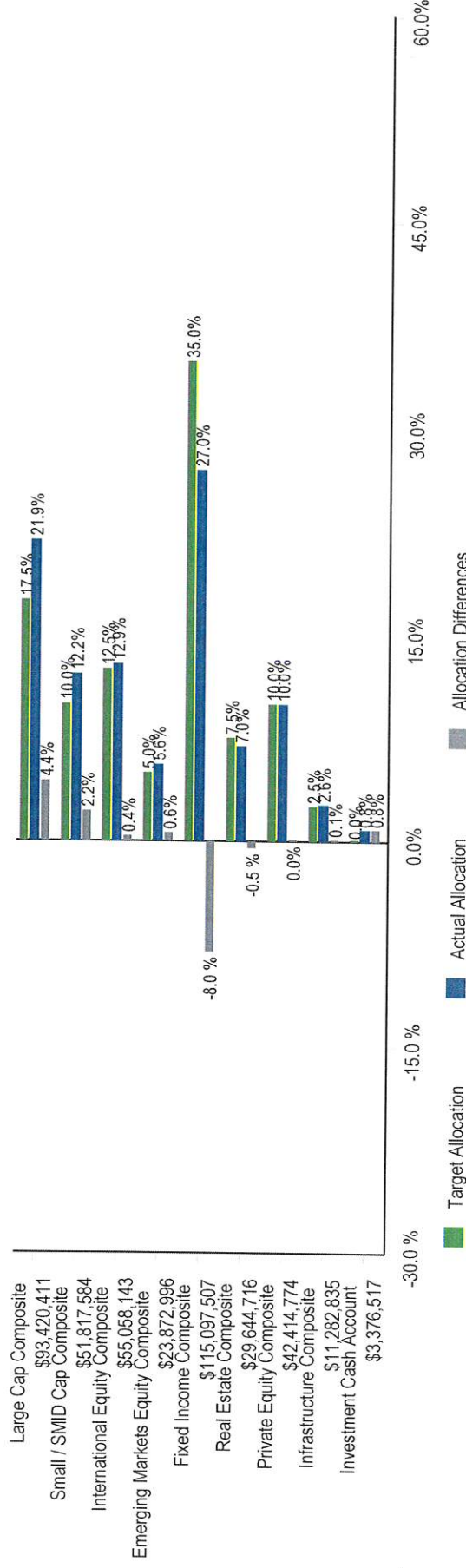
\*Net dividends reinvested



# The City of Hollywood

## Total Fund Composite

As of June 30, 2021



|                                   | Asset Allocation (\$) | Asset Allocation (%) | Target Allocation (%) | Differences (%) | Minimum Allocation (%) | Maximum Allocation (%) |
|-----------------------------------|-----------------------|----------------------|-----------------------|-----------------|------------------------|------------------------|
| <b>Total Fund Composite*</b>      | <b>425,985,483</b>    | <b>100.0</b>         | <b>100.0</b>          | <b>0.0</b>      |                        |                        |
| Large Cap Composite               | 93,420,411            | 21.9                 | 17.5                  | 4.4             | 10.0                   | 25.0                   |
| Small / SMID Cap Composite        | 51,817,584            | 12.2                 | 10.0                  | 2.2             | 5.0                    | 15.0                   |
| International Equity Composite    | 55,058,143            | 12.9                 | 12.5                  | 0.4             | 7.5                    | 17.5                   |
| Emerging Markets Equity Composite | 23,872,996            | 5.6                  | 5.0                   | 0.6             | 2.0                    | 8.0                    |
| Fixed Income Composite**          | 115,097,507           | 27.0                 | 35.0                  | -8.0            | 25.0                   | 45.0                   |
| Real Estate Composite             | 29,644,716            | 7.0                  | 7.5                   | -0.5            | 0.0                    | 12.5                   |
| Private Equity Composite          | 42,414,774            | 10.0                 | 10.0                  | 0.0             | 0.0                    | 15.0                   |
| Infrastructure Composite          | 11,282,835            | 2.6                  | 2.5                   | 0.1             | 0.0                    | 5.0                    |
| Investment Cash Account           | 3,376,517             | 0.8                  | 0.0                   | 0.8             | 0.0                    | 5.0                    |

\*Total does not include non-investment cash account

\*\*Fixed Income Composite includes AG Direct Lending Fund II, L.P. and Entrust Blue Ocean Fund LP

# The City of Hollywood

## Asset Allocation

As of June 30, 2021

|   | Total Fund         | %            |
|---|--------------------|--------------|
|   | (\$)               |              |
| <b>Total Fund Composite*</b>                | <b>425,985,483</b> | <b>100.0</b> |
| <b>Domestic Equity Composite</b>            | <b>145,237,995</b> | <b>34.1</b>  |
| <b>Large Cap Composite</b>                  | <b>93,420,411</b>  | <b>21.9</b>  |
| Northern Trust S&P 500                      | 93,420,411         | 21.9         |
| <b>Small / SMID Cap Composite</b>           | <b>51,817,584</b>  | <b>12.2</b>  |
| TSW - SMID Value                            | 19,262,578         | 4.5          |
| Loomis, Sayles Small/Mid Cap Growth         | 15,394,680         | 3.6          |
| Northern Trust Extended Equity Market Index | 17,160,326         | 4.0          |
| <b>International Equity Composite</b>       | <b>55,058,143</b>  | <b>12.9</b>  |
| Wellington International                    | 55,058,143         | 12.9         |
| <b>Emerging Markets Equity Composite</b>    | <b>23,872,996</b>  | <b>5.6</b>   |
| RBC Emerging Markets Equity                 | 23,872,996         | 5.6          |
| <b>Fixed Income Composite</b>               | <b>115,097,507</b> | <b>27.0</b>  |
| Baird Core Plus Bond                        | 48,093,943         | 11.3         |
| Neuberger & Berman Short Duration           | 37,952,385         | 8.9          |
| AG Direct Lending Fund II, L.P.             | 8,716,797          | 2.0          |
| GoldenTree Multi-Sector LP                  | 18,502,646         | 4.3          |
| EnTrust Blue Ocean Onshore Fund LP          | 1,831,736          | 0.4          |
| <b>Real Estate Composite</b>                | <b>29,644,716</b>  | <b>7.0</b>   |
| Morgan Stanley                              | 12,055,424         | 2.8          |
| Principal Enhanced Property Fund            | 12,697,336         | 3.0          |
| AG Realty Value Fund X                      | 4,891,956          | 1.1          |
| <b>Private Equity Composite</b>             | <b>42,414,774</b>  | <b>10.0</b>  |
| NB Crossroads Fund XXI                      | 23,373,927         | 5.5          |
| HarbourVest Dover Fund IX                   | 8,308,032          | 2.0          |
| GoldPoint Co-Investment VI                  | 10,732,815         | 2.5          |
| <b>Infrastructure Composite</b>             | <b>11,282,835</b>  | <b>2.6</b>   |
| IFM Global Infrastructure                   | 11,282,835         | 2.6          |
| <b>Investment Cash Account</b>              | <b>3,376,517</b>   | <b>0.8</b>   |

\*Total does not include non-investment cash account.

# Comparative Performance

As of June 30, 2021

|   | Performance (%)            |                            |                            |
|---|----------------------------|----------------------------|----------------------------|
|   | Oct-2020<br>To<br>Dec-2020 | Jan-2021<br>To<br>Mar-2021 | Apr-2021<br>To<br>Jun-2021 |
| <b>Total Fund Composite (Gross)</b>                 | <b>10.5</b>                | <b>3.7</b>                 | <b>3.9</b>                 |
| Total Fund Composite (Net)                          | 10.4                       | 3.7                        | 3.9                        |
| Policy Index*                                       | 9.8                        | 2.4                        | 4.9                        |
| <b>Domestic Equity</b>                              |                            |                            |                            |
| Northern Trust S&P 500 (Gross)                      | 12.1                       | 6.2                        | 8.5                        |
| Northern Trust S&P 500 (Net)                        | 12.1                       | 6.2                        | 8.5                        |
| S&P 500   | 12.1                       | 6.2                        | 8.5                        |
| TSW - SMID Value (Gross)                            | 29.0                       | 12.5                       | 4.7                        |
| TSW - SMID Value (Net)                              | 28.8                       | 12.3                       | 4.5                        |
| Russell 2500 Value Index                            | 28.5                       | 16.8                       | 5.0                        |
| Loomis, Sayles Small/Mid Cap Growth (Gross)         | 19.3                       | 1.5                        | 6.4                        |
| Loomis, Sayles Small/Mid Cap Growth (Net)           | 19.3                       | 1.5                        | 6.4                        |
| Russell 2500 Growth Index                           | 25.9                       | 2.5                        | 6.0                        |
| Northern Trust Extended Equity Market Index (Gross) | 27.4                       | 7.9                        | 7.0                        |
| Northern Trust Extended Equity Market Index (Net)   | 27.4                       | 7.9                        | 7.0                        |
| Dow Jones U.S. Completion Total Stock Market Indx   | 27.4                       | 7.7                        | 7.1                        |
| <b>International Equity</b>                         |                            |                            |                            |
| Wellington International (Gross)                    | 17.5                       | 0.9                        | 5.2                        |
| Wellington International (Net)                      | 16.9                       | 0.8                        | 5.0                        |
| MSCI AC World ex USA (Net)                          | 17.0                       | 3.5                        | 5.5                        |
| <b>Emerging Markets Equity</b>                      |                            |                            |                            |
| RBC Emerging Markets Equity**                       | 17.8                       | 3.0                        | 0.3                        |
| MSCI EM (Net)                                       | 19.7                       | 2.3                        | 5.0                        |



# Comparative Performance

As of June 30, 2021

|   | Performance (%)            |                            |                            |
|---|----------------------------|----------------------------|----------------------------|
|   | Oct-2020<br>To<br>Dec-2020 | Jan-2021<br>To<br>Mar-2021 | Apr-2021<br>To<br>Jun-2021 |
| <b>Fixed Income</b>                           |                            |                            |                            |
| Baird Core Plus Bond**                        | 1.4                        | -3.1                       | 2.1                        |
| Bimbg. Barc. U.S. Aggregate                   | 0.7                        | -3.4                       | 1.8                        |
| Neuberger & Berman Short Duration**           | 2.4                        | 0.4                        | 0.9                        |
| NB Blended Benchmark***                       | 0.1                        | 0.0                        | 0.0                        |
| Bimbg. Barc. Intermid. U.S. Government/Credit | 0.5                        | -1.9                       | 1.0                        |
| GoldenTree Multi-Sector LP**                  | 6.3                        | 2.4                        | 2.2                        |
| GT Blended Index****                          | 4.5                        | 1.2                        | 1.8                        |
| Bimbg. Barc. U.S. Aggregate                   | 0.7                        | -3.4                       | 1.8                        |
| <b>Real Estate</b>                            |                            |                            |                            |
| Morgan Stanley**                              | 1.5                        | 1.9                        | 2.8                        |
| NCREIF ODCE Equal Weighted                    | 1.4                        | 2.3                        | 4.4                        |
| Principal Enhanced Property Fund**            | 2.0                        | 3.3                        | 3.9                        |
| NCREIF Property Index                         | 1.1                        | 1.7                        | 3.6                        |
| <b>Infrastructure</b>                         |                            |                            |                            |
| IFM Global Infrastructure**                   | 3.9                        | 1.7                        | 6.5                        |
|   |                            |                            | 12.5                       |

\*Policy Index (Oct 2020-current) consists of 17.5% S&P 500, 10% Russell 2500, 12.5% MSCI ACWI ex US (net), 5% MSCI EM (net), 35% Bloomberg Barclays Aggregate, 2.5% NCREIF ODCE (ew), 3% NCREIF NPI, 2% NCREIF NPI+3%, 10% Russell 3000+3% and 2.5% CPI+3.5%

\*\*Performance shown net of fees

\*\*\*NB Blended Benchmark consists of 40% Bloomberg Barclays 1-3 Year Gov/Credit and 60% BofA Merrill Lynch 3 Month T-Bill.

\*\*\*\*GT Blended Index consists of 33.34% BofA Merrill Lynch High Yield Master II, 33.33% HFRI RV: Fixed Income-Corporate Index, and 33.33% S&P/LSTA Leveraged Loan Index.

# The City of Hollywood

## Comparative Performance - IRR

As of June 30, 2021

|                                    | Market Value<br>(\$) | %    | Year<br>To<br>Date | Oct-2020<br>To<br>Jun-2021 | 1<br>Year | 3<br>Years | 5<br>Years | 7<br>Years | Since<br>Inception | Inception<br>Date |
|------------------------------------|----------------------|------|--------------------|----------------------------|-----------|------------|------------|------------|--------------------|-------------------|
| <b>Private Equity</b>              |                      |      |                    |                            |           |            |            |            |                    |                   |
| <b>Private Equity Composite</b>    |                      |      |                    |                            |           |            |            |            |                    |                   |
| NB Crossroads Fund XXI             | 42,414,774           | 10.0 | 12.2               | 27.0                       | 39.8      | 21.7       | 20.8       | N/A        | 20.5               | 06/23/2016        |
| HarbourVest Dover Fund IX          | 23,373,927           | 5.5  | 9.1                | 23.1                       | 34.9      | 19.9       | 17.9       | N/A        | 17.4               | 06/23/2016        |
| GoldPoint Co-Investment VI         | 8,308,032            | 2.0  | 11.0               | 24.9                       | 34.1      | 22.0       | N/A        | N/A        | 28.2               | 12/16/2016        |
|                                    | 10,732,815           | 2.5  | 20.0               | 38.0                       | 58.1      | 26.9       | N/A        | N/A        | 24.4               | 04/23/2018        |
| <b>Private Debt</b>                |                      |      |                    |                            |           |            |            |            |                    |                   |
| AG Direct Lending Fund II, L.P.    | 8,716,797            | 2.0  | 3.5                | 7.7                        | 10.7      | 8.3        | N/A        | N/A        | 8.9                | 05/31/2017        |
| EnTrust Blue Ocean Onshore Fund LP | 1,831,736            | 0.4  | 1.2                | 0.0                        | N/A       | N/A        | N/A        | N/A        | 0.0                | 09/22/2020        |
| <b>Private Real Estate</b>         |                      |      |                    |                            |           |            |            |            |                    |                   |
| AG Realty Value Fund X             | 4,891,956            | 1.1  | 1.0                | 9.2                        | 13.4      | N/A        | N/A        | N/A        | 9.0                | 06/10/2019        |



**City of Hollywood Employees' Retirement Fund**  
**Investment Manager Fee Table**  
**Period Ended June 30, 2021**

| Manager                               | Mandate                     | Market Value   | Fee Schedule  | Estimated Annual Fee (\$)* | Estimated Annual Fee (%)† |
|---------------------------------------|-----------------------------|----------------|---|----------------------------|---------------------------|
| Northern Trust S&P 500                | Passive Large Cap Equity    | \$ 93,420,411  | 3.5 bps on assets   | \$ 32,697                  | 0.04%                     |
| TSW                                   | SMID Cap Value Equity       | \$ 19,262,578  | 75 bps on assets  | \$ 144,469                 | 0.75%                     |
| Loomis Sayles                         | Small/Mid Cap Growth Equity | \$ 15,394,680  | 69 bps on assets  | \$ 106,223                 | 0.69%                     |
| Northern Trust Extended Equity Market | SMID Cap Core Equity        | \$ 17,160,326  | 3 bps on assets   | \$ 5,148                   | 0.03%                     |
| Wellington                            | International Equity        | \$ 55,058,143  | 71 bps on assets  | \$ 390,913                 | 0.71%                     |
| RBC Emerging Markets Equity           | Emerging Markets Equity     | \$ 23,872,996  | 88 bps on assets  | \$ 210,082                 | 0.88%                     |
| Neuberger & Berman Short Duration     | Short Duration Fixed Income | \$ 37,952,385  | 43 bps on assets  | \$ 163,195                 | 0.43%                     |
| Baird Core Plus Bond                  | Core Plus Fixed Income      | \$ 48,093,943  | 30 bps on assets  | \$ 144,282                 | 0.30%                     |
| GoldenTree Multi-Sector Fund          | Multi-Sector Credit         | \$ 18,502,646  | 75 bps on assets  | \$ 138,770                 | 0.75%                     |
| AG Direct Lending Fund II, LP¹        | Direct Lending Fixed Income | \$ 8,716,797   | 100 bps on first \$50MM, 85 bps on \$50-\$100MM, 80 bps on \$100-\$200MM, 60 bps above \$200MM  | \$ 87,168                  | 1.00%                     |
| EnTrust Blue Ocean²                   | Direct Lending Fixed Income | \$ 1,831,736   | 150 bps on invested capital + incentive fee   | \$ 27,476                  | 1.50%                     |
| Morgan Stanley                        | Real Estate                 | \$ 12,055,424  | 84 basis points base fee, plus a monthly accrued performance based fee equal to 5% multiplied by NAV multiplied by comparable property NOI growth for the month | \$ 101,266                 | 0.84%                     |
| Principal³                            | Real Estate                 | \$ 12,697,336  | 130 bps on assets + incentive fee   | \$ 165,065                 | 1.30%                     |
| AG Realty Value Fund X⁴               | Real Estate                 | \$ 4,891,956   | 100 bps on assets + incentive fee   | \$ 48,920                  | 1.00%                     |
| Neuberger Berman Crossroads XXI⁵      | Private Equity              | \$ 23,373,927  | 25.8 bps on assets  | \$ 60,305                  | 0.26%                     |
| HarbourVest Dover Fund IX⁶            | Private Equity              | \$ 8,308,032   | 70 bps on assets  | \$ 58,156                  | 0.70%                     |
| GoldPoint Co-Investment VI⁷           | Private Equity              | \$ 10,732,815  | 1% on committed capital during investment period, 1% on invested capital thereafter   | \$ 100,000                 | 1.00%                     |
| IFM Global Infrastructure⁸            | Infrastructure              | \$ 11,282,835  | 77 bps on assets  | \$ 86,878                  | 0.77%                     |
| Investment Management Fees            |                             | \$ 422,608,966 |   | \$ 2,071,013               | 0.49%                     |
| Segal Marco                           | Investment Consulting       |                | \$130,000 annual retainer   | \$ 130,000                 | 0.03%                     |
| Wells Fargo                           | Custodian                   | \$ 422,608,966 | 2 bps on first \$50MM, 1 bps on next \$75MM, 0.5 bps on balance   | \$ 32,380                  | 0.01%                     |
| <b>TOTAL FEES</b>                     |                             |                |   | \$ 2,233,394               | 0.53%                     |

\*Fees shown are estimated and does not include incentive fees.

¹Incentive fee is equal to 15% of the profits in excess of an 7% net IRR to investors.

²Incentive fee is equal to 15% of the profits, subject to a 6% hurdle rate.

³Incentive fee is equal to 15% of the profits in excess of an 11% net IRR to investors

⁴Incentive fee is equal to 20% of the profits in excess of an 8% preferred return to investors.

⁵NB is aggregating commitments to provide best pricing for SMA clients, and as a result the City of Hollywood \$20 million is saving 10.5 bps; if the commitment had not be aggregated the fee would have been 36.3 bps.

⁶The fee for the Dover IX Fund is 75 bps, but the City of Hollywood is receiving a 5 bps fee discount.

⁷Incentive fee is equal to 10% of the profits in excess of an 8% per annum.

⁸Incentive fee is equal to 10% of the profits in excess of an 8% per annum.

## Watch List – June 30, 2021

| Equity Managers  | Strategy              | Rating      | Performance Criteria* |                   |                     |      |                   |                     |            |                   |                     |      | Exceed Peer Median |             | Comments |
|------------------|-----------------------|-------------|-----------------------|-------------------|---------------------|------|-------------------|---------------------|------------|-------------------|---------------------|------|--------------------|-------------|----------|
|                  |                       |             | Benchmark Criteria    |                   |                     |      |                   |                     |            |                   |                     |      |                    |             |          |
|                  |                       |             | 3-Yr                  | Manager Returns % | Benchmark Returns % | 5-Yr | Manager Returns % | Benchmark Returns % | Inception* | Manager Returns % | Benchmark Returns % | 3-Yr | 5-Yr               |             |          |
|                  |                       |             |                       |                   |                     |      |                   |                     |            |                   |                     |      |                    |             |          |
| TSW <sup>1</sup> | SMID Cap Value Equity | Recommended | No                    | 7.7               | 10.6                | No   | 9.0               | 12.3                | No         | 8.2               | 9.7                 | N/A  | N/A                | Performance |          |

\*Performance is Net of Fees.

<sup>1</sup>TSW placed on "Watch List" November 12, 2019. Inception Date - TSW: 11/1/2013

## Cash Flow Activity – Inception to Date

- Since the December 2017 inception of the Administrative Services relationship, the SMA Client Services team has administered the following investment activity for the Fund:

| City of Hollywood Employees' Retirement Fund | 12/2017 - 07/2021 Activity |            |
|--|----------------------------|------------|
|  | Dollars                    | Count      |
| Subscriptions / Redemptions                  | 405,150,000                | 78         |
| Benefits                                     | -                          | -          |
| Capital Calls                                | 34,480,000                 | 57         |
| Capital Distributions                        | 217,560,000                | 89         |
| Mutual Fund Trades                           | 75,600,000                 | 17         |
| Internal Bank Transfers                      | 291,060,000                | 75         |
| Invoice Payments                             | -                          | -          |
| Other Directives                             | -                          | -          |
| <b>TOTALS: \$</b>                            | <b>1,023,850,000</b>       | <b>316</b> |



## Cash Flow Activity Detail – June & July 2021

| Manager                           | Product                   | Wire Type                   | Transfer Date | Transfer Amount     |
|-----------------------------------|---------------------------|-----------------------------|---------------|---------------------|
| Angelo Gordon                     | AG Direct Lending Fund II | Capital Distribution        | 7/30/2021     | \$1,040,425         |
| Wells Fargo                       | DB Account                | Internal Bank Transfer      | 7/30/2021     | \$3,000,000         |
| Neuberger Berman                  | Short Duration            | Outgoing Wire               | 7/27/2021     | \$1,500,000         |
| Wells Fargo                       | Investment Cash Account   | Internal Bank Transfer      | 7/27/2021     | \$1,000,000         |
| Thompson, Siegel & Walmsley       | TS&W SMID Cap Value       | Internal Bank Transfer      | 7/26/2021     | \$2,500,000         |
| Thompson, Siegel & Walmsley       | TS&W SMID Cap Value       | Separate Account Cash Raise | 7/26/2021     | \$2,500,000         |
| Brightwood Capital                | Brightwood Capital Fund V | Capital Call                | 7/12/2021     | \$1,500,000         |
| Northern Trust Global Investments | S&P 500 Index Fund        | Capital Distribution        | 7/9/2021      | \$5,000,000         |
| Northern Trust Global Investments | S&P 500 Index Fund        | Commingled Fund Redemption  | 7/8/2021      | \$5,000,000         |
| Wells Fargo                       | DB Account                | Internal Bank Transfer      | 7/1/2021      | \$460,540           |
| Neuberger Berman                  | Crossroads XXI            | Capital Distribution        | 6/22/2021     | \$1,447,122         |
| Wells Fargo                       | DB Account                | Internal Bank Transfer      | 6/1/2021      | \$3,000,000         |
| <b>Total</b>                      |                           |                             |               | <b>\$30,487,547</b> |

# **AGENDA ITEM 5.B.**

## **INVESTMENT**

**WORK PLAN 2021**

# City of Hollywood Employees' Retirement Fund

## Draft 2021 Work Plan\*

| MEETING DATE | BOARD MEETING   | INVESTMENT COMMITTEE MEETING                                   |
|--------------|---|--|
| January 19   | <ul style="list-style-type: none"> <li>• November Flash Report</li> <li>• 3Q 2020 Performance Report</li> </ul>   | <ul style="list-style-type: none"> <li>• No Meeting</li> </ul> |
| February 23  | <ul style="list-style-type: none"> <li>• December Flash Report</li> </ul>   | <ul style="list-style-type: none"> <li>• No Meeting</li> </ul> |
| March 23     | <ul style="list-style-type: none"> <li>• January Flash Report</li> <li>• February Flash Report</li> <li>• 2021 Investment Ideas Discussion</li> </ul>   | <ul style="list-style-type: none"> <li>• No Meeting</li> </ul> |
| April 27     | <ul style="list-style-type: none"> <li>• March Flash Report</li> <li>• 4Q 2020 Performance Report (if data available)</li> <li>• Affiliated Housing Impact Fund Analysis</li> <li>• Investment Policy Statement Update (page 13)</li> </ul> | <ul style="list-style-type: none"> <li>• No Meeting</li> </ul> |
| May 25       | <ul style="list-style-type: none"> <li>• April Flash Report (handout)</li> <li>• 4Q 2020 Performance Report</li> <li>• Affiliated Housing Impact Fund</li> <li>• TSW Manager Presentation</li> </ul>  | <ul style="list-style-type: none"> <li>• No Meeting</li> </ul> |
| June 22      | <ul style="list-style-type: none"> <li>• April Flash Report</li> <li>• Affiliated Housing Impact Fund Presentation</li> </ul>   | <ul style="list-style-type: none"> <li>• No Meeting</li> </ul> |
| July 27      | <ul style="list-style-type: none"> <li>• May Flash Report</li> <li>• 1Q 2021 Performance Report</li> <li>• Private Credit Considerations</li> </ul>   | <ul style="list-style-type: none"> <li>• No Meeting</li> </ul> |
| August 24    | <ul style="list-style-type: none"> <li>• June Flash Report</li> </ul>   | <ul style="list-style-type: none"> <li>• No Meeting</li> </ul> |
| September 28 | <ul style="list-style-type: none"> <li>• July Flash Report</li> <li>• Emerging Manager Program Considerations</li> </ul>  |  |
| November 16  | <ul style="list-style-type: none"> <li>• September Flash Report</li> <li>• 2Q 2021 Performance Report</li> </ul>  |  |
| December 14  | <ul style="list-style-type: none"> <li>• October Flash Report</li> <li>• Annual Investment Policy Review</li> </ul>   |  |

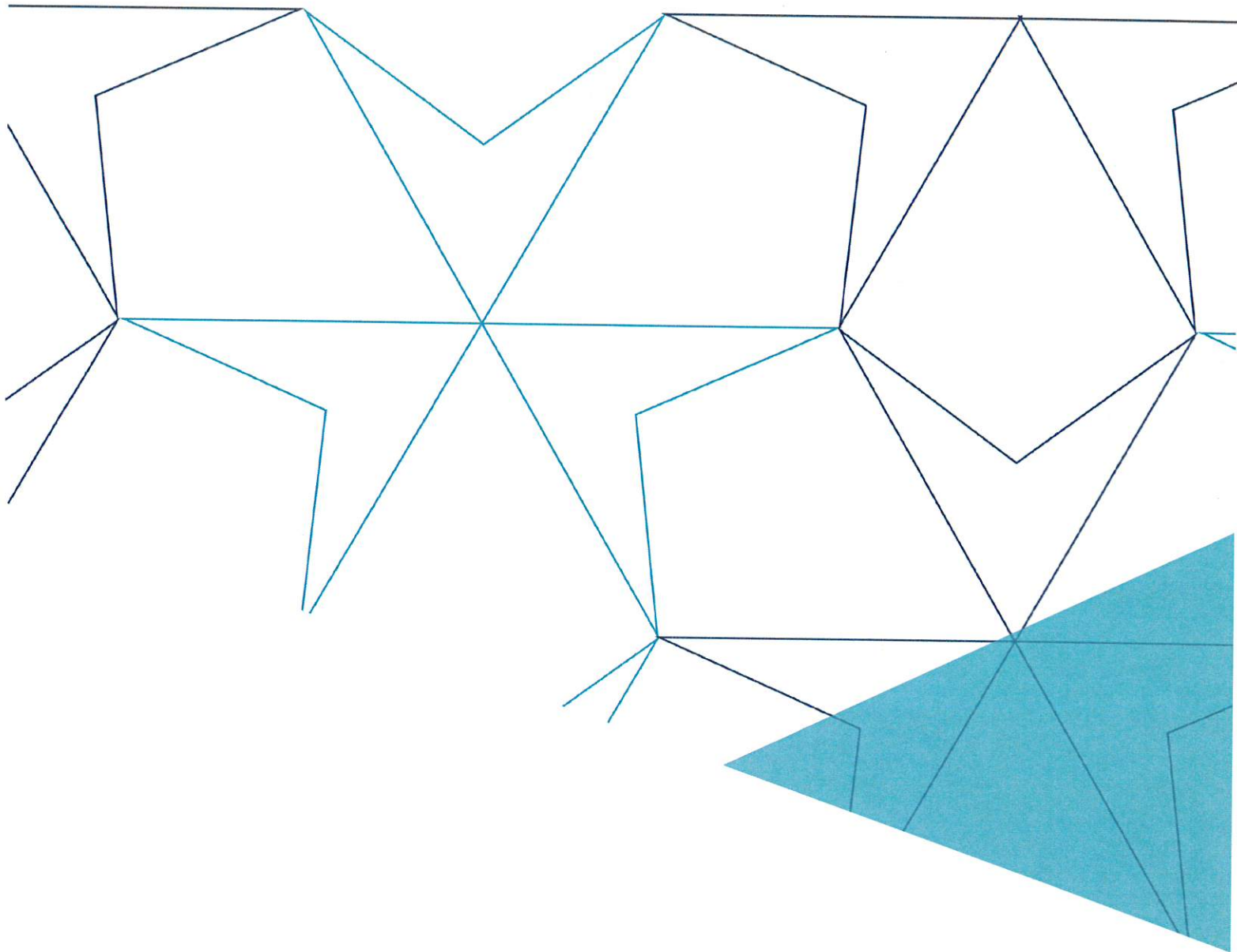
*\*This is a working document and subject to change.*



# **AGENDA ITEM 5.C.**

## **INVESTMENT**

### **BOARD INSURANCE UPDATE**



City of Hollywood Employees Retirement Fund

# Fiduciary Liability Insurance

**Policy Nos. SFD31211202, MFX0016632 & 82552645**

August 20, 2021



333 West 34th Street  
New York, NY 10001-2402  
T 212.251.5000  
F 212.251.5490  
segalco.com  
CA License No. 0106323

## Memorandum

**To:** Phyllis Shaw  
Utilities Accounting Supervisor/Chair

**From:** Angie Begazo  
Insurance Broker

**Date:** August 20, 2021

**Re:** **Fiduciary Liability Insurance**  
**City of Hollywood Employees Retirement Fund**  
**Policy Nos. SFD31211202, MFX0016632 & 82552645**

Thank you for the opportunity to provide quotations for this year's renewal of Fiduciary Liability Insurance. We recommend renewing the expiring program, consisting of a Euclid/Hudson primary, Ullico/Markel first excess layer, and Chubb second excess layer, based on continuity, and scope of coverage including penalty dropdowns. Please note, due to the claim history and the increased loss activity across the Fiduciary market, Euclid/Hudson has imposed a new retention for indemnifiable claims only.

| Carrier   | Total Premium | Total Limit of Liability | Retention   | Response   |
|---|---------------|--------------------------|---|--|
| Euclid/Hudson<br>+<br>Ullico/Markel<br>+<br>Chubb | \$131,173     | \$15-million             | \$0 Non-Indemnifiable Claims<br>\$50,000 All other Claims | <b>RECOMMENDED</b> - Key decision variables: continuity, scope of coverage, introduction of retention for indemnifiable claims only. |

Additional information is available in the attached sections. If you would like samples of any quoted policy forms or endorsements, please let us know and we will provide them to you.

Please provide binding instructions by September 30, 2021. Binding instructions received after this date may result in changes or withdrawal of the quoted terms. Please note that insurance coverage cannot be bound or changed via email, voicemail, text, or fax unless confirmed by a licensed broker.

If you have any questions, please contact our client team:

- **Broker:**

Angie Begazo, RPLU, AIS  
Insurance Broker  
212.251.5421  
[abegazo@segalco.com](mailto:abegazo@segalco.com)

- **Lead Regional Consultant:**

Matthew Jackson, RPLU, CCIC  
Senior Vice President  
212.251.5387  
[mjackson@segalco.com](mailto:mjackson@segalco.com)

cc: Christine Bailey  
Veron Sibble  
Ron Cohen  
Brent Chudachek  
Keith Reynolds  
Diane McNally

# Table of Contents

|  |    |
|--|----|
| Premium & Coverage Summary.....                  | 1  |
| Primary .....                                    | 1  |
| First Excess.....                                | 3  |
| Second Excess.....                               | 4  |
| Policy Analyses .....                            | 5  |
| Scope of Coverage .....                          | 5  |
| Continuity of Coverage .....                     | 5  |
| Limit of Liability .....                         | 6  |
| Premium .....                                    | 6  |
| Subjectivities .....                             | 7  |
| Trustee List .....                               | 8  |
| Supplemental Information .....                   | 9  |
| Notice of Claim or Circumstances.....            | 9  |
| Extended Reporting Period.....                   | 9  |
| Insured's Obligation to Notice the Insurer ..... | 9  |
| Services and Compensation .....                  | 9  |
| Proposal Advisory.....                           | 10 |



# Premium & Coverage Summary<sup>1</sup>

## Primary

| Description                              | Expiring Terms            | Renewal   |
|--|---------------------------|---|
|  | Euclid/Hudson             | Euclid/Hudson   |
| <b>Policy Summary</b>                    |                           |   |
| A.M. Best Rating <sup>2</sup>            | A                         | A   |
| Policy Period                            | 10/1/2020-10/1/2021       | 10/1/2021-10/1/2022   |
| Limit of Liability                       | \$5-million               | \$5-million   |
| Basic Premium                            | \$71,774                  | \$72,223  |
| Waiver of Recourse Premium               | \$175                     | \$175   |
| <b>Retention</b>                         | \$0                       | <b>\$0 Non-Indemnifiable Claims<br/>\$50,000 All other Claims</b> |
| <b>Coverages/Endorsements</b>            |                           |   |
| Administrative Errors & Omissions        | ✓                         | ✓   |
| COBRA Coverage                           | ✓                         | ✓   |
| Conduct Exclusions – Final Adjudication  | ✓                         | ✓   |
| Duty to Defend                           | ✓                         | ✓   |
| Enforcement Agency Interview Coverage    | ✓                         | ✓   |
| First Party Benefit Overpayment Coverage | ✓<br>\$100,000 sublimit   | ✓<br>\$100,000 sublimit   |
| First Party Cyber Reimbursement          | ✓<br>\$100,000 sublimit   | ✓<br>\$100,000 sublimit   |
| HIPAA Fines/Penalties                    | ✓                         | ✓   |
| IRC 4975 Tax Coverage                    | ✓                         | ✓   |
| Misc. Regulatory Penalty Coverage        | ✓<br>\$250,000 sublimit   | ✓<br>\$250,000 sublimit   |
| No Hammer/Settlement Clause              | ✓                         | ✓   |
| Non-cancellable except for non-payment   | ✓                         | ✓   |
| Non-Fiduciary Defense                    | ✓<br>\$2-million sublimit | ✓<br>\$2-million sublimit   |
| Pending & Prior Litigation Exclusion     | ✓<br>9/4/1998             | ✓<br>9/4/1998   |
| PPACA Fines/Penalties                    | ✓                         | ✓   |

<sup>1</sup> These policy summaries are not an exhaustive list and are not legal interpretations of coverage. Insurance policies are legal contracts that counsel should review.

<sup>2</sup> Segal can recommend insurance carriers with an A.M. Best rating of "A" or better.

| Description                                 | Expiring Terms   | Renewal  |
|---|--|--|
|   | Euclid/Hudson  | Euclid/Hudson  |
| Pre-Claim Investigation Coverage            | ✓<br>Any "federal, state, or local law enforcement or governmental authority"  | ✓<br>Any "federal, state, or local law enforcement or governmental authority"  |
| Prior Notice Exclusion                      | ✓  | ✓  |
| Section 203 Bipartisan Act Penalty Coverage | ✓  | ✓  |
| Selection of Defense Counsel                | ✓  | ✓  |
| Settlor/Plan Sponsor Coverage               | ✓  | ✓  |
| Severability Coverage                       | ✓  | ✓  |
| Specific Claim/Matter Exclusion             | #1. The City of Hollywood v. The Board of Trustees of the Employees Retirement Fund of the City of Hollywood, et al., Judicial Circuit In and For Broward County, Florida Circuit Court Case CACE 15-017333)<br>#2. RLI Claim # 00413206 regarding the City of Hollywood's action against the Board pertaining to "13th checks". | #1. The City of Hollywood v. The Board of Trustees of the Employees Retirement Fund of the City of Hollywood, et al., Judicial Circuit In and For Broward County, Florida Circuit Court Case CACE 15-017333)<br>#2. RLI Claim # 00413206 regarding the City of Hollywood's action against the Board pertaining to "13th checks". |
| Spousal Coverage                            | ✓  | ✓  |
| State Amendatory Endorsement(s)             | ✓  | ✓  |
| Surcharge/Equitable Relief Coverage         | ✓  | ✓  |
| Umbrella/Penalty Box Endorsement            | ✓<br>\$250,000 sublimit  | ✓<br>\$250,000 sublimit  |
| Voluntary Settlement Program                | ✓<br>\$250,000 sublimit<br>One Reinstatement   | ✓<br>\$250,000 sublimit<br>One Reinstatement   |



## First Excess

| Description                              | Expiring Terms            | Renewal                   |
|--|---------------------------|---------------------------|
|  | Ullico/Markel             | Ullico/Markel             |
| <b>Policy Summary</b>                    |                           |                           |
| A.M. Best Rating <sup>1</sup>            | A                         | A                         |
| Policy Period                            | 10/1/2020-10/1/2021       | 10/1/2021-10/1/2022       |
| Limit of Liability                       | \$5-million               | \$5-million               |
| Basic Premium                            | \$32,298                  | \$32,453                  |
| Waiver of Recourse Premium               | \$175                     | \$175                     |
| Retention                                | \$5-million               | \$5-million               |
| <b>Coverages/Endorsements</b>            |                           |                           |
| First Party Benefit Overpayment Coverage | ✓<br>\$100,000 dropdown   | ✓<br>\$100,000 dropdown   |
| Misc. Regulatory Penalty Coverage        | ✓<br>\$250,000 dropdown   | ✓<br>\$250,000 dropdown   |
| Non-Fiduciary Defense                    | ✓<br>\$2-million dropdown | ✓<br>\$2-million dropdown |
| Pending & Prior Litigation Exclusion     | ✓<br>9/4/1998             | ✓<br>9/4/1998             |
| Umbrella/Penalty Box Endorsement         | ✓<br>\$250,000 dropdown   | ✓<br>\$250,000 dropdown   |
| Voluntary Settlement Program             | ✓<br>\$250,000 dropdown   | ✓<br>\$250,000 dropdown   |

<sup>1</sup> Segal can recommend insurance carriers with an A.M. Best rating of "A" or better.



## Second Excess

| Description                              | Expiring Terms            | Renewal                   |
|--|---------------------------|---------------------------|
|  | Chubb                     | Chubb                     |
| <b>Policy Summary</b>                    |                           |                           |
| A.M. Best Rating <sup>1</sup>            | A++                       | A++                       |
| Policy Period                            | 10/1/2020-10/1/2021       | 10/1/2021-10/1/2022       |
| Limit of Liability                       | \$5-million               | \$5-million               |
| Basic Premium                            | \$24,223                  | \$26,497                  |
| Waiver of Recourse Premium               | \$175                     | \$175                     |
| Retention                                | \$10-million              | \$10-million              |
| <b>Coverages/Endorsements</b>            |                           |                           |
| First Party Benefit Overpayment Coverage | ✓<br>\$100,000 dropdown   | ✓<br>\$100,000 dropdown   |
| Misc. Regulatory Penalty Coverage        | ✓<br>\$250,000 dropdown   | ✓<br>\$250,000 dropdown   |
| Non-Fiduciary Defense                    | ✓<br>\$2-million dropdown | ✓<br>\$2-million dropdown |
| Pending & Prior Litigation Exclusion     | ✓<br>9/4/1998             | ✓<br>9/4/1998             |
| Umbrella/Penalty Box Endorsement         | ✓<br>\$250,000 dropdown   | ✓<br>\$250,000 dropdown   |
| Voluntary Settlement Program             | ✓<br>\$250,000 dropdown   | ✓<br>\$250,000 dropdown   |

<sup>1</sup> Segal can recommend insurance carriers with an A.M. Best rating of "A" or better.

# Policy Analyses

## Scope of Coverage

At this renewal, Euclid/Hudson, Ullico/Markel and Chubb will continue to provide the same broad scope of coverage as expiring, including first-dollar coverage. However, due to the claim history and current market condition, Euclid/Hudson has imposed a \$50,000 retention to the policy.

The excess carriers will continue to dropdown and match certain sublimits in the primary policy (e.g. 502(c), Voluntary Settlement Program, etc.) essentially tripling those coverages.

| Coverages                                | Primary Sublimits | Total with Excess Layers |
|--|-------------------|--------------------------|
| First Party Benefit Overpayment Coverage | \$250,000         | \$750,000                |
| Misc. Regulatory Penalty Coverage        | \$250,000         | \$750,000                |
| Non-Fiduciary Defense                    | \$2-million       | \$6-million              |
| Pending & Prior Litigation Exclusion     | \$250,000         | \$750,000                |
| Umbrella Penalty Endorsement             | \$250,000         | \$750,000                |

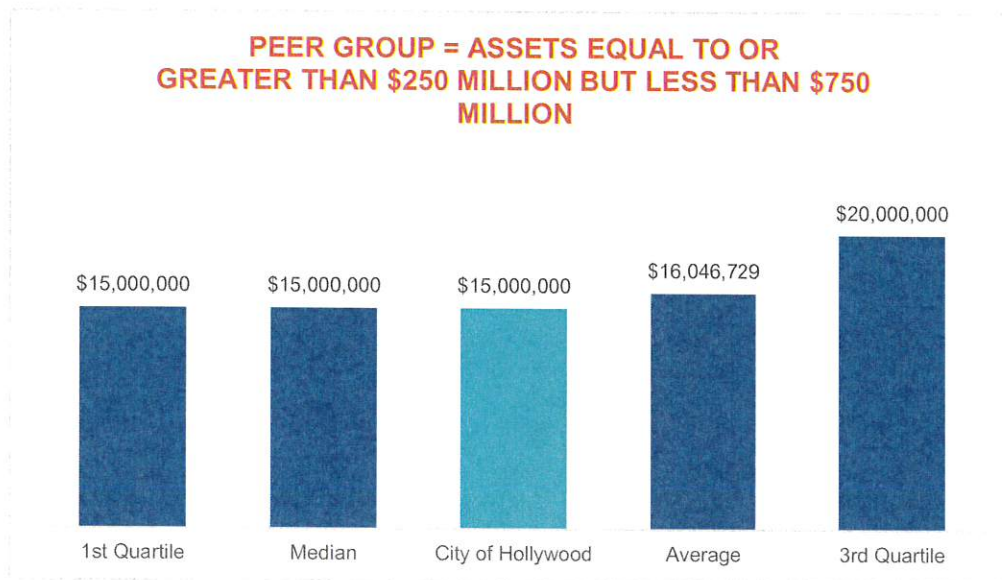
## Continuity of Coverage

Continuity is a concept addressing the scope of coverage provided by a renewal policy from the incumbent carrier or a new policy from a new carrier. The policy in force when a claim is made will determine whether coverage is or is not provided. When renewing coverage with the incumbent or moving coverage to a new carrier, the insured should determine whether the renewal (or new) policy will provide at least the same scope of coverage as the expiring policy. In particular, a new carrier may wish to limit coverage in some fashion.

To maintain continuity, any additional policy exclusions, new Pending & Prior Litigation dates, and/or new Prior Acts dates should be reviewed.

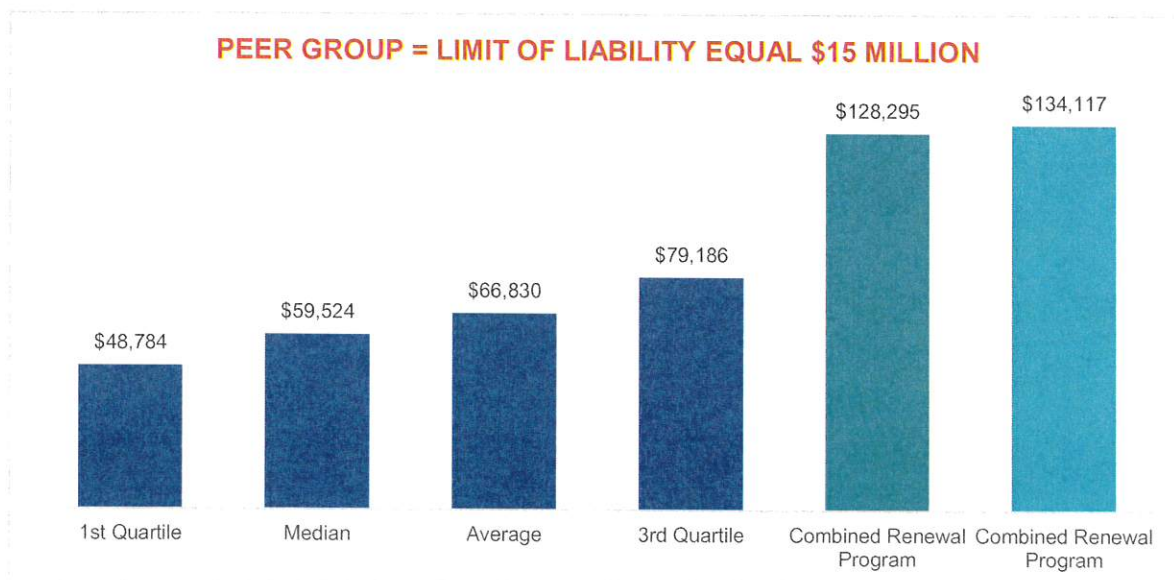
## Limit of Liability

Euclid/Hudson, Ullico/Markel and Chubb combined renewal proposal is at the same \$15-million combined limit of liability as expiring, which we can support based on the current asset size of the Fund. Our proprietary benchmarking data illustrates what similar sized Funds typically purchase in limits.



## Premium

At the expiring limit, the carriers quoted a total combined renewal premium increase of \$2,878 (2.3%), the premium remains above the Average and 3<sup>rd</sup> Quartile for this limit of liability. Also, based on claim history and the current market condition, the primary carrier, Euclid/Hudson, has imposed a \$50,000 retention to the policy.





# Subjectivities

**This section summarizes the additional information the carrier will require in order to bind coverage.**

- Euclid/Hudson
  - No additional information is required at this time
- Ullico/Markel
  - No additional information is required at this time
- Chubb
  - No additional information is required at this time

## Important Note

You, the Insured, represent and warrant that the information provided by you in connection with the application for insurance is complete and accurate through the later of the date that (i) coverage is bound or (ii) coverage becomes effective. You agree to immediately notify Segal, in writing, if any of the information included in the application changes between date the application for quotation/insurance coverage is submitted and the later of (i) the date of the quotation or the date coverage is bound or (ii) the effective date of coverage. You understand and acknowledge that the quoting insurance carriers may reserve the right to withdraw or amend any outstanding quotations based upon such changes and that Segal will not have any liability whatsoever for the decisions of any quoting insurance carriers based on any such changes.

# Trustee List

Please review the accuracy of the attached list, which is used in determining the elimination/waiver of recourse premium. If there are any discrepancies, please contact us immediately to avoid any billing problems.

1. Cassidy, Christopher
2. Greene, Jeffrey
3. Howell, Charles
4. Keller, George
5. Ramos, Cintya
6. Shaw, Phyllis
7. Strauss, Robert

# Supplemental Information

While many insurance policies may follow a similar format, substantial differences exist between carriers. Segal recommends Insureds familiarize themselves with the policy's basic coverage features, especially those that require action on their part, and that counsel review all insurance policies.

## Notice of Claim or Circumstances

Please carefully review any claims reporting instructions. Failure to timely and properly report a claim may jeopardize coverage for the claim. In addition, you should retain copies of all insurance policies and coverage documents as well as claims reporting instructions after termination of the policies because in some cases you may need to report claims after termination of a policy.

**Disclosure in an application does not meet these terms and conditions. All regulatory audits or investigations should be treated as a claim and noticed to the insurance carrier as soon as the first written communication from a regulatory agency is received.**

Notice must be in accordance with the policy's terms and conditions and must be sent to a designated address. All electronic claim notifications to be processed by Segal must be sent to [claims@segalco.com](mailto:claims@segalco.com). Please copy me on any notification, but Segal is not responsible for the processing of any electronic claim notification if it is not addressed to [claims@segalco.com](mailto:claims@segalco.com).

## Extended Reporting Period

Should consideration be made to move coverage from one carrier to another, or there is a material change in terms and conditions, the Insured may also consider purchasing an Extended Reporting Period, commonly known as an "ERP" or "Tail Coverage." An ERP provides the Insured additional time to report claims or circumstances that occurred up to the date of the policy's expiration. This coverage is available for an additional premium and time period to be determined by the carrier. Some policies may also offer an automatic ERP for no additional premium. Please review your policy for specific terms and conditions.

## Insured's Obligation to Notice the Insurer

In addition to an obligation to notice the insurer of any claim or circumstance as soon as practicable, the policy will, or may, obligate the Insured to provide notice to the insurer in other instances.

## Services and Compensation

For more information about Segal and our services, visit us online at [segalco.com](http://segalco.com). Information about how we are compensated is available [here](#).

## Proposal Advisory

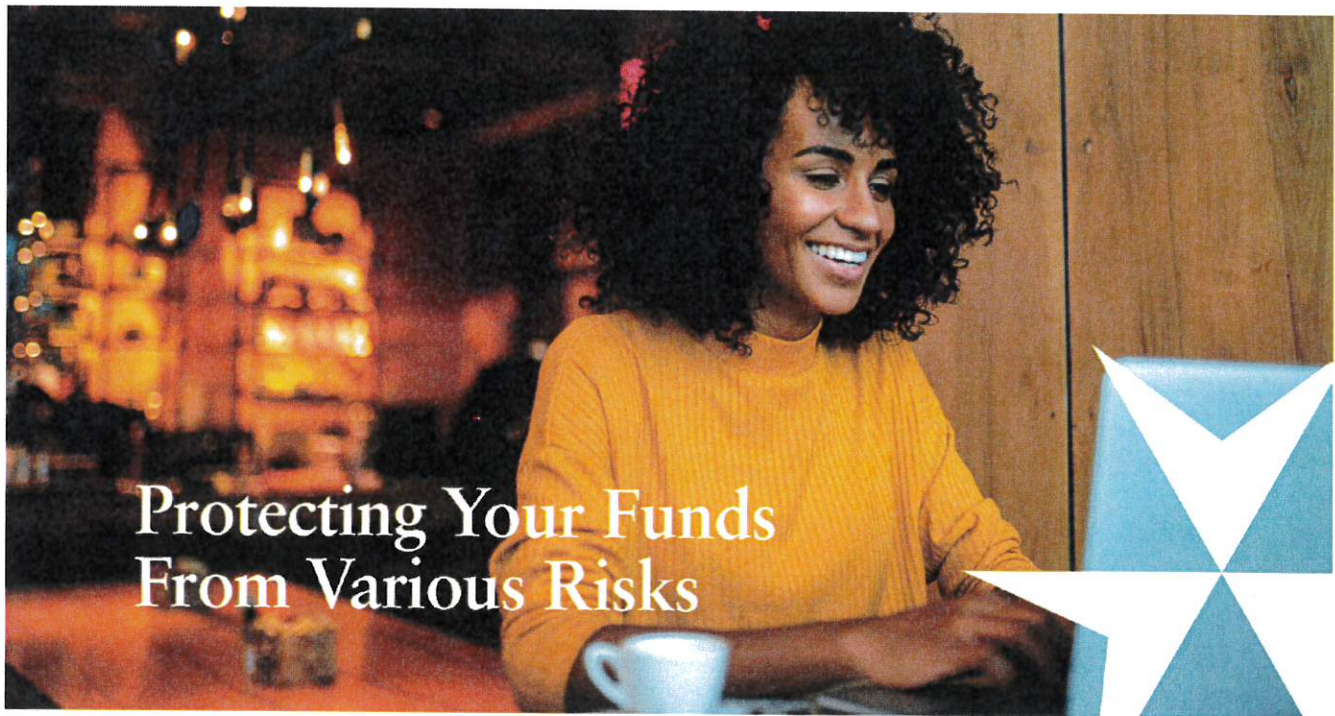
This quote memo is a summary of coverage forms, limits of insurance, endorsements and other terms and conditions of the carrier quotations. Please review quotes and policies with legal counsel for specific terms, conditions, limitations and exclusions that will govern in the event of a loss.

This quote memo does not amend, or otherwise affect, the provisions of coverage of any resulting insurance policy issued by any insurance company to you. It is your responsibility to check the policy or policies being purchased for accuracy.

This proposal is not a representation that coverage does or does not exist for any particular claim or loss under any policy. Coverage depends on the applicable provisions of the actual policy issued, the facts and circumstances involved in each claim or loss, and any applicable law.

In evaluating your exposures for loss, we have depended upon the information provided by you. If there are other areas that you think need to be evaluated prior to binding coverage, please bring these items to our attention as soon as possible.





## Protecting Your Funds From Various Risks

Benefits funds and their trustees have various risk exposures because of the many functions they perform. One of the mechanisms to help manage risk is the purchase of insurance protection that permits the transfer of fund and trustee risk to an insurance carrier.

### Core products for funds of all types



#### Fiduciary liability insurance

Protects Plans and trustees from allegations of breach of fiduciary duty and certain administrative errors



#### Fidelity bond

Protection from costs associated with employee dishonesty, theft and third party crime losses



#### Cyber liability insurance

Protects funds from costs associated with cyber risks



#### Employment practices liability insurance (EPLI)

Protection for allegations of employment wrongdoing



### Does the fund own property, host events, and conduct travel?

#### Property & casualty insurance

Protects and provides liability in case the fund is found legally responsible causing injuries or damages to others

#### Event cancellation insurance

Protects from unforeseen losses related to hosting events

#### Travel accident insurance

Protects for losses due to accidental death and dismemberment during business travel



## Does the fund provide service to others?



### Miscellaneous E&O insurance

Protects against allegations of errors and omissions



### Employed lawyers insurance

Protects a funds' in-house attorneys from legal advice allegations



### Medical professional insurance

Protects for allegations of wrongful practices and services



### Retiree representatives insurance

Errors and omissions protection designed for MPRA retiree representatives

## Does the fund manage training facilities?



### Educators liability insurance

Protects against claims alleging improper or insufficient training



### Directors and officers insurance

Protects for various operational exposures related to managing a training facility



### Media liability insurance

Protects against various personal injury allegations



### Student accident insurance

Responds to injury of students, volunteers or participants

## To learn more

about Segal's insurance brokerage services, visit our website at [www.segalco.com](http://www.segalco.com) or contact Diane McNally, Senior Vice President, Senior Consultant and Principal at 212.251.5146, [dmcnally@segalco.com](mailto:dmcnally@segalco.com).

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119 Pere Marquette, Suite 1A  
Lansing, MI 48912  
ph 517.482.6700  
fax 517.482.6731  
www.unionservicesagency.com

## INSURANCE RENEWAL SUMMARY FOR: CITY OF HOLLYWOOD EMPLOYEES RETIREMENT FUND

Thank you for the continued opportunity to serve the needs of the City of Hollywood Employees Retirement Fund. We are pleased to present a Commercial Package and Umbrella renewal quote from Seneca Insurance Company, Inc & RT Specialty (Star Stone). The coverage highlights are as follows:

### Commercial Package Policy

| POLICY TERMS  | SENECA EXPIRING TERMS   | SENECA RENEWAL TERMS    |
|---|-------------------------|-------------------------|
| POLICY PERIOD   | 09/27/2020 – 09/27/2021 | 09/27/2021 – 09/27/2022 |
| POLICY NUMBER   | UCM5342775              | UCM5342775              |
| COMMERCIAL PROPERTY: 2600 Hollywood Blvd. 2 <sup>nd</sup> Floor Annex Bldg. Hollywood, FL 33020 |                         |                         |
| BUSINESS PERSONAL PROPERTY  | \$20,400                | \$20,400                |
| PROPERTY PLUS ENHANCEMENT   | INCLUDED                | INCLUDED                |
| DEDUCTIBLE  | \$1,000                 | \$1,000                 |
| 2450 Hollywood Blvd Unit 202,204,205,207,209, & 210 Hollywood, FL 33020                         |                         |                         |
| BUSINESS PERSONAL PROPERTY  | \$50,000                | \$50,000                |
| TENANTS IMPROVEMENTS AND BETTERMENTS  | \$596,000               | \$596,000               |
| GENERAL LIABILITY – 2 LOCATIONS   |                         |                         |
| AGGREGATE/OCCURENCE   | \$2,000,000/\$1,000,000 | \$2,000,000/\$1,000,000 |
| PRODUCTS/COMPLETED OPS  | \$1,000,000             | \$1,000,000             |
| PERSONAL/ADVERTISING  | EXCLUDED                | \$1,000,000             |
| DAMAGE TO PREMISES RENTED TO YOU  | \$100,000               | \$100,000               |
| MEDICAL PAYMENTS  | \$5,000                 | \$5,000                 |
| GENERAL LIABILITY ENHANCEMENT   | NOT INCLUDED            | INCLUDED                |
| HIRED & NON OWNED COVERAGE  |                         |                         |
| HIRED AND NON OWNED   | INCLUDED                | INCLUDED                |
| TOTAL ANNUAL PREMIUM  |                         |                         |
| TOTAL ANNUAL PREMIUM  | \$2,752.78              | \$4,011.34              |

### Changes to the Renewal

- Effective 3/8/2021, 2450 Hollywood Blvd was added to the policy for an additional premium of \$955.03. The annualized premium for this change was \$ 1,717.
- Seneca agreed to include a Personal / Advertising Injury limit of \$1,000,000.
  - This coverage refers to an injury that is committed by a business entity during the course of advertising its products or services. This damage may be suffered by an individual or another business. It includes the offenses of libel, slander, invasion of privacy, copyright infringement, and misappropriation of advertising ideas. The injured party usually suffers from a financial loss as a result of the injury.



119 Pere Marquette, Suite 1A  
Lansing, MI 48912  
ph 517.482.6700  
fax 517.482.6731  
www.unionservicesagency.com

- Seneca included the General Liability Enhancement (attached).
- The overall increase to the 2021/2022 policy is \$1,258.56. This increase is due to the addition of the General Liability Enhancement (\$250), the entire year of coverage for 2450 Hollywood Blvd, and the ISO Form general liability rate change.

### Commercial Umbrella Policy

| POLICY TERMS                | RT SPECIALTY<br>EXPIRING TERMS | RT SPECIALTY<br>RENEWAL TERMS |
|-----------------------------|--------------------------------|-------------------------------|
| POLICY PERIOD               | 09/27/2020 – 09/27/2021        | 09/27/2021 – 09/27/2022       |
| POLICY NUMBER               | 880501191ALI                   | 880501191ALI                  |
| <b>COMMERCIAL UMBRELLA</b>  |                                |                               |
| AGGREGATE LIMIT             | \$1,000,000                    | \$1,000,000                   |
| OCCURRENCE LIMIT            | \$1,000,000                    | \$1,000,000                   |
| DEDUCTIBLE                  | \$10,000                       | \$10,000                      |
| <b>TOTAL ANNUAL PREMIUM</b> |                                |                               |
| TOTAL ANNUAL PREMIUM        | \$758                          | \$758                         |

### Public Official Bond

| POLICY TERMS                          | TRAVELERS<br>EXPIRING TERMS | TRAVELERS<br>RENEWAL TERMS |
|---------------------------------------|-----------------------------|----------------------------|
| POLICY PERIOD                         | 05/27/2020 – 09/27/2021     | 09/27/2020 – 09/27/2022    |
| POLICY NUMBER                         | 106745674                   | 106745674                  |
| <b>BOND LIMITS</b>                    |                             |                            |
| TOTAL BOND LIMIT                      | \$1,250,000                 | \$1,250,000                |
| INDIVIDUAL BOND LIMIT<br>(PER PERSON) | \$250,000                   | \$250,000                  |
| <b>TOTAL ANNUAL PREMIUM</b>           |                             |                            |
| TOTAL ANNUAL PREMIUM                  | \$5,885                     | \$4,375                    |

### Covered Individuals

- Phyllis Shaw - Chair of the Board
- George R. Keller, Jr. - Vice-chair of the Board
- Robert Strauss - Secretary of the Board
- Christine Bailey - Executive Director
- Veron Sibble - Pension Coordinator

If any of the above board members have been replaced, please complete the attached application for the new board member.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **GENERAL LIABILITY PLUS ENDORSEMENT**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL GENERAL LIABILITY COVERAGE PART**

| <b>Contents</b>  | <b>Page</b> |
|--|-------------|
| 1. Expected or Intended Injury – Property Damage   | 1           |
| 2. Non-Owned Watercraft  | 1           |
| 3. Property Damage Liability – Borrowed Equipment  | 2           |
| 4. Damage to Premises Rented to You  | 2           |
| 5. Contractual Liability for Personal and Advertising Injury   | 2           |
| 6. Medical Payments  | 2           |
| 7. Supplementary Payments  | 3           |
| 8. Fellow Employee Coverage  | 3           |
| 9. Incidental Medical Malpractice Liability  | 3           |
| 10. Newly Acquired Organizations   | 3           |
| 11. Additional Insured By Written Contract   | 3           |
| 12. Additional Insured – Lessor of Leased Equipment  | 3           |
| 13. Additional Insured – State or Governmental Agency or<br>Subdivision or Political Subdivision – Permits or Authorizations | 4           |
| 14. Additional Insured – Vendors   | 5           |
| 15. Broad Knowledge / Notice of Occurrence   | 6           |
| 16. Waiver of Transfer of Rights of Recovery Against Others to Us  | 6           |
| 17. Unintentional Failure to Disclose Hazards  | 7           |
| 18. Mobile Equipment   | 7           |
| 19. Liberalization Clause  | 7           |
| 20. Application of This Endorsement  | 7           |

#### **1. Expected Or Intended Injury**

**Section I – Coverage A – Bodily Injury And Property Damage Liability Exclusion a. Expected Or Intended Injury** is hereby deleted and replaced by the following:

“Bodily injury” or “property damage” expected or intended from the standpoint of the insured. This exclusion does not apply to “bodily injury” or “property damage” resulting from the use of reasonable force to protect persons or property.

#### **2. Non-Owned Watercraft**

**Section I – Coverage A – Bodily Injury And Property Damage Liability, Exclusion g. Aircraft, Auto Or Watercraft, Paragraph (2)(a)** is hereby deleted and replaced by the following:

**(a)** Less than 51 feet long; and

### 3. Property Damage Liability – Borrowed Equipment

The following is added to **Section I – Coverage A – Bodily Injury And Property Damage Liability, Exclusion j. Damage To Property, Paragraph (4)**:

This exclusion does not apply to equipment which you borrow from a person or entity, other than an insured, unless the "property damage" occurs while such equipment is being used by an insured at a job site.

Subject to all terms of **Section III – Limits of Insurance**, the maximum limit we will pay for any one "occurrence" is \$25,000 subject to an annual aggregate of \$50,000 for all "occurrences". The insurance provided by this exception to Exclusion j.(4) as set forth in Paragraph 5. of this General Liability Enhancement Endorsement is excess over any other valid and collectible insurance available to the insured whether primary, excess (other than insurance written to apply specifically in excess of this policy), contingent or any other basis, that would also apply to the loss covered under this provision.

### 4. Damage to Premises Rented To You

**Section III – LIMITS OF INSURANCE – 6.** is hereby deleted and replaced by the following:

Subject to Paragraph 5. above, the most we will pay under **Coverage A** for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, while rented to you temporarily occupied by you with the permission of the owner is the greater of:

- a. The Damage to Premises Rented To You Limit shown in the Declarations; or
- b. \$300,000

### 5. Contractual Liability For Personal And Advertising Injury

The following is added to **Section I – Coverage B – Personal And Advertising Injury Liability Exclusion, e. Contractual Liability**:

This exclusion also does not apply to that part of any contract or agreement pertaining to your business under which you assume the "tort liability" of another party to pay for "personal and advertising injury" to a third party or organization, provided the "personal and advertising injury" offense occurs subsequent to the execution of the contract or agreement.

As used in this endorsement, "tort liability" means a liability that would be imposed by law in the absence of any contract or agreement.

### 6. Medical Payments

The following is added to **Section I – Coverage C – Medical Payments**, only if Coverage C – Medical Payments is not otherwise excluded from this coverage part:

The Medical Payments Limit is changed to the greater of:

- a. \$15,000; or
- b. The Medical Expense Limit shown in the Declarations of this coverage part.

**Section I – Coverage C – Medical Payments, Paragraph 1.a.(3)(b)** is hereby deleted and replaced by the following:

The expenses are incurred and reported to us within three years of the date of the accident; and

### 7. Supplementary Payments

**Section I – Supplementary Payments – Coverages A and B, Paragraph 1.** is amended as follows:

- a. The bail bonds limit shown in Paragraph 1.b. is increased from \$250 to \$2,500.
- b. The actual loss of earnings limit shown in Paragraph 1.d. is increased from \$250 to \$1,000.

**8. Fellow Employee Coverage**

**Section II – Who Is An Insured, Paragraph 2.a. (1)(a)** is hereby deleted.

**9. Incidental Medical Malpractice Liability**

**Section II – Who Is An Insured, Paragraph 2.a. (1)(d)** does not apply to “employees” who are employed as nurses or other “employees”, excluding physicians and medical doctors, who provide incidental health care services within the scope of their employment by you.

**10. Newly Acquired Organizations**

**Section II – Who Is An Insured, Paragraph 3.a.** is hereby deleted and replaced by the following:

- a. Coverage under this provision is afforded only until the 180<sup>th</sup> day after you acquire or form the organization or the end of the policy period, whichever is earlier;

**11. Additional Insured By Written Contract**

**Section II – Who Is An Insured** is amended to include as an additional insured, any person or organization whom you are required to add as an additional insured to this policy by written contract or written agreement that is:

- a. Currently in effect or becoming effective during the term of this policy; and
- b. Executed prior to the “bodily injury”, “property damage” or “personal and advertising injury”.

- 1. The insurance provided to the additional insured applies as follows:

- (a) That person or organization is only an additional insured with respect to liability for “bodily injury”, “property damage” or “personal and advertising injury” caused by your negligent acts or omissions at or from:

- (i) Premises you own, rent, lease or occupy; or

- (ii) Your ongoing operations performed for the additional insured at the job indicated by the written contract or written agreement.

- (b) The Limits of Insurance applicable to the additional insured are those specified in the written contract or written agreement or in the Declarations of this policy, whichever is less. These Limits of Insurance are inclusive of, and not in addition to, the Limits of Insurance shown in the Declarations of this policy.

- 2. If the additional insured is an architect, engineer or surveyor, the insurance provided to the additional insured does not apply to “bodily injury”, “property damage” or “personal and advertising injury” caused by:

- (a) The rendering of or failure to render any professional services including preparing, approving or failing to prepare or approve maps, drawings, opinions, reports, surveys, change orders, designs or specifications; or
  - (b) Any supervisory, inspection or engineering services.
3. With respect to the insurance afforded these additional insured(s), the following additional exclusion applies:
- This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury":
- (a) Occurring after all work (including materials, parts or equipment furnished in connection with such work) on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
  - (b) Occurring after that portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as part of the same project.

**Section IV – Commercial General Liability Conditions, 4. Other Insurance, Paragraph a. Primary Insurance** is amended by the addition of the following:

Regardless of whether other insurance is available to an additional insured on a primary basis, the coverage provided by Paragraph 15. of this General Liability Enhancement Endorsement will be primary and noncontributory if the written contract between you and the additional insured specifically requires that this insurance be primary.

**12. Additional Insured – Lessors Of Leased Equipment**

**Section II – Who Is An Insured** is amended to include as an additional insured any person or organization from whom you lease equipment and with whom you have agreed to add as an additional insured to this policy by written contract or written agreement but only with respect to "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your maintenance, operation or use of the equipment leased to you by such person or organization.

With respect to the insurance afforded to these additional insured(s), this insurance does not apply to any "occurrence" which takes place after the equipment lease expires.

**13. Additional Insured – State Or Governmental Agency Or Subdivision Or Political Subdivision – Permits Or Authorizations**

**Section II – Who Is An Insured** is amended to include as an additional insured any state or governmental agency or subdivision or political subdivision which has issued a permit or authorization to you.

- a. This applies only with respect to operations performed by you or on your behalf for which the state or governmental agency or subdivision or political subdivision has issued a permit or authorization.
- b. This insurance does not apply to:
  - (1) "Bodily injury", "property damage" or "personal and advertising injury" arising out of operations performed for the state or governmental agency or subdivision or political subdivision; or

- (2) "Bodily injury" or "property damage" included within the "products-completed operations hazard" or to "personal and advertising injury" occurring after you have completed your operations.

#### **14. Additional Insured – Vendors**

**A. Section II – Who Is An Insured** is amended to include as an additional insured any person or organization (referred to below as vendor) whom you have agreed to add as an additional insured to this policy by written contract or written agreement but only with respect to "bodily injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of the vendor's business.

However:

1. The insurance afforded to such vendor only applies to the extent permitted by law; and
2. The insurance afforded to such vendor will not be broader than that which you are required by the contract or agreement to provide for such vendor.

**B. With Respect to the insurance afforded to these vendors, the following additional exclusions apply:**

1. The insurance afforded the vendor does not apply to:

- a. "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;
- b. Any express warranty unauthorized by you;
- c. Any physical or chemical change in the product made intentionally by the vendor;
- d. Repackaging, except when unpacked solely for the purpose of inspection, demonstration, testing or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;
- e. Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;
- f. Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;
- g. Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor; or
- h. "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its "employees" or anyone else acting on its behalf. However, this exclusion does not apply to:
  - (1) The exceptions contained in Subparagraphs **d.** or **f.**; or
  - (2) Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.

The coverage afforded the additional insured under this provision will be excess over any valid and collectible insurance available to the additional insured as an additional insured under a policy



issued to a manufacturer or distributor for products manufactured, sold, handled or distributed unless you require that this insurance be primary and non-contributory.

#### **15. Broad Knowledge / Notice Of Occurrence**

The following is added to **Section IV – Commercial General Liability Conditions**:

The requirement in Condition 2.a., which states that you must see to it that we are notified of any "occurrence" or offense, applies only when the "occurrence" or offense is known to:

1. You, if you are an individual;
2. A partner, if you are a partnership;
3. A member, if you are a joint venture;
4. An "executive officer", manager or supervisor if you are a corporation; and
5. A member, if you are a limited liability company.

The requirement in Condition 2.b., which states that you must see to it that we receive notice of a claim or "suit", will not be considered breached unless the breach occurs after such claim or "suit" is known to:

1. You, if you are an individual;
2. A partner, if you are a partnership;
3. A member, if you are a joint venture;
4. An "executive officer", manager or supervisor if you are a corporation; and
5. A member, if you are a limited liability company.

If you report an accident to your Workers Compensation insurance carrier which later develops into a claim or "suit" for a liability "occurrence" for coverage which is provided by this policy, failure to report such "occurrence" to us at the time of the accident shall not be a violation of the notification of loss condition (**Condition 2. Duties In The Event Of Occurrence, Offense, Claim Or Suit** under **Section IV – Commercial General Liability Conditions**) contained in this policy. It is agreed, however, that you shall give notification of such claim or "suit" to us as soon as you are made aware of the fact that the particular accident has developed into a claim or "suit".

#### **16. Waiver of Transfer of Rights of Recovery Against Others To Us**

The following is added to **Section IV – Commercial General Liability Conditions, 8. Transfer of Rights Of Recovery Against Others To Us**:

We waive any right of recovery we may have against a person or organization because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a contract with that person or organization and included the "products-completed operations hazard" when you have waived such right of recovery under a written contract with that person or organization. Such written contract must be:

- a. Currently in effect or becoming effective during the term of this policy; and
- b. Executed prior to the "bodily injury", "property damage" or "personal and advertising injury"; or

#### **17. Unintentional Failure To Disclose Hazards**

The following is added to **Section IV – Commercial General Liability Conditions**:

**10. Unintentional Failure To Disclose Hazards**

Your unintentional failure to disclose all hazards or prior "occurrences" existing as of the inception date of this policy shall not prejudice the coverage afforded by this policy.

**18. Mobile Equipment**

The following is added to **Section V – Definitions, Paragraph 12.:**

Paragraph f.(1) does not apply to self-propelled vehicles of less than 1,000 pounds gross vehicle weight.

**19. Liberalization Clause**

If we adopt a change in the coverage form, CG 00 01, which broadens coverage without an additional premium charge, the broader coverage will apply to this policy on the effective date of approval in the state shown in the Named Insured's address in the Declarations of this policy.

**20. Application Of This Endorsement**

The coverage enhancements provided by this endorsement apply to the Commercial General Liability Coverage Part. If your policy includes other endorsements in addition to this General Liability Enhancement Endorsement, and there is a conflict between any of the terms of such endorsement(s) and this General Liability Enhancement Endorsement, the terms of the other endorsement(s) shall be given priority and control over the terms set forth in this General Liability Enhancement Endorsement, even if the terms of such other endorsement(s) have the effect of limiting, excluding or reducing the coverage provided under this General Liability Enhancement Endorsement.

All other terms and conditions remain unchanged.



## PUBLIC OFFICIAL APPLICATION AND INDEMNITY AGREEMENT

Agency Name or Code \_\_\_\_\_

Producer Name \_\_\_\_\_

**THIS IS A LEGAL DOCUMENT – PLEASE TYPE OR PRINT LEGIBLY.**

Bond No. \_\_\_\_\_

|   |                            |                              |
|---|----------------------------|------------------------------|
| Applicants Name in full ( <i>As it should appear on the bond</i> )  |                            | Phone: _____                 |
|   |                            | Fax: _____                   |
|   |                            | Email: _____                 |
| Applicants Home Address ( <i>Street Address, City, State and Zip Code</i> )   |                            | Social Security Number _____ |
| Type of Bond Required?  | Amount of Bond<br>\$ _____ | Effective Date<br>\$ _____   |
| 1 If a special bond issue, what is the purpose?<br>Has an application for this bond been declined by another company? ..... <input type="checkbox"/> Yes <input type="checkbox"/> No<br><i>If yes, which surety and why?</i><br>Currently bonded? ..... <input type="checkbox"/> Yes <input type="checkbox"/> No<br><i>If yes, give name of surety and reason for change.</i><br>Has the Applicant professionally or personally:<br>a. Had any lawsuits or judgments against them? ..... <input type="checkbox"/> Yes <input type="checkbox"/> No<br>b. Ever failed in business or declared bankruptcy? ..... <input type="checkbox"/> Yes <input type="checkbox"/> No<br>c. Ever been convicted of a crime? ..... <input type="checkbox"/> Yes <input type="checkbox"/> No<br>d. Ever had their license suspended, revoked or denied, or been subject to any legal/administrative proceedings resulting in disciplinary action? ..... <input type="checkbox"/> Yes <input type="checkbox"/> No<br>e. Ever been party to a surety bond claim? ..... <input type="checkbox"/> Yes <input type="checkbox"/> No<br><i>(If any answers are "yes", please provide details on a separate page.)</i><br>Obligee Name and Address _____ |                            |                              |

## PLEASE PROVIDE THE FOLLOWING ADDITIONAL INFORMATION

|   |   |                               |                                      |
|---|---|-------------------------------|--------------------------------------|
| Has the Applicant experienced any public official losses in the last five years? ..... <input type="checkbox"/> Yes <input type="checkbox"/> No<br><i>If yes, please provide details.</i>   |   |                               |                                      |
| Official Title of Applicant   | <input type="checkbox"/> Elected <input type="checkbox"/> Appointed | Term of Office in Years _____ | Start Date: _____<br>End Date: _____ |
| 2 Has the Applicant previously occupied this position? ..... <input type="checkbox"/> Yes <input type="checkbox"/> No<br><i>If yes, during what period?</i>   |   |                               |                                      |
| Does the Applicant currently have E&O or Liability Insurance? ..... <input type="checkbox"/> Yes <input type="checkbox"/> No<br><i>If so, please provide the following information.</i><br>Company: _____ Limit: _____ Policy Number: _____ |   |                               |                                      |

## AGENT'S RECOMMENDATION

|  |  |
|--|--|
| 3 Describe the length and nature of your relationship with the Applicant:<br>Do you recommend the Applicant for this bond? ..... <input type="checkbox"/> Yes <input type="checkbox"/> No<br><i>Why?</i> |  |
|--|--|

|  |  |
|--|--|
| 4 1. Amount of money handled during an annual term..... \$ _____   |  |
| 2. Largest amount at any one time under your control..... \$ _____   |  |
| 3. Are funds deposited as received? ..... <input type="checkbox"/> Yes <input type="checkbox"/> No                                       |  |
| 4. Have you agreed to use only depositories designated by your superiors? ..... <input type="checkbox"/> Yes <input type="checkbox"/> No |  |

Section "4" continued on next page

5. Does the applicant have the authority to withdraw funds from depository by check? ..... ☐ Yes ☐ No  
 If "yes", is countersignature required? ..... ☐ Yes ☐ No  
 By whom? \_\_\_\_\_

4 6. Is applicant a custodian of securities? ..... ☐ Yes ☐ No  
 If "yes", what amount? ..... \$  
 Where are securities kept? \_\_\_\_\_  
 Is there joint control? ..... ☐ Yes ☐ No  
 If "yes", by whom? \_\_\_\_\_

7. Are your accounts audited on an annual basis? ..... ☐ Yes ☐ No  
 If "yes", by whom? \_\_\_\_\_

8. Did the CPA make recommendations during the last audit? ..... ☐ Yes ☐ No  
 If "yes", attach a copy of the recommendations and management's response. \_\_\_\_\_

9. Does the applicant collect taxes? ..... ☐ Yes ☐ No

10. To whom and when does the applicant make a report of insolvencies and delinquencies? \_\_\_\_\_

11. Is the applicant responsible for investment of funds? ..... ☐ Yes ☐ No  
 If "yes", is there a published investment policy which has been approved by obligee? ..... ☐ Yes ☐ No

12. Is there someone other than the applicant checking at least annually to be sure the investment policy is being followed? ..... ☐ Yes ☐ No

### INDEMNITY AGREEMENT

The undersigned Applicant and Indemnitor(s), all hereinafter referred to as "Indemnitors," hereby certify that the declarations made and answers given are the truth without reservation, and are made for the purpose of inducing TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, any of their present or future direct or indirect parent companies, any of the respective present or future direct or indirect affiliates or subsidiaries of such companies and parent companies, and/or any of the aforementioned entities' successors or assigns, hereinafter referred to, individually and/or collectively, as "Company," to furnish a certain bond or undertaking applied for and any renewal and increase of the same or of any bond or undertaking of similar nature given in substitution or renewal thereof (all comprehended in the word "Bond" as herein used). Indemnitors agree that Company may decline the Bond applied for or may cancel or terminate same without incurring liability whatsoever to Indemnitors. In consideration of Company executing said Bond or the forbearance of cancellation of said Bond, Indemnitors do undertake and agree as follows:

Indemnitors will pay all premiums, as they fall due, until Company has been provided with competent legal evidence that the Bond has been duly discharged. Indemnitors will at all times indemnify and exonerate Company from and against any and all loss, cost and expense of whatever kind which it may incur or sustain as a result of or in connection with the furnishing of the Bond and/or the enforcement of this Agreement, including unpaid premiums, interest, court costs and counsel fees, and any expense incurred or sustained by reason of making any investigation. To this end Indemnitors promise: a) to promptly reimburse Company for all sums paid and b) to deposit with Company on demand an amount sufficient to discharge any claim made against the Company on the Bond. This sum may be used by Company to pay such claim or be held by Company as collateral security against loss or cost on the bond.

5 Indemnitors hereby expressly authorize Company to access credit records and to make such pertinent inquiries as may be necessary from third party sources for underwriting purposes, claim purposes and/or debt collection. To the extent required by law, Company will, upon request, provide notice whether or not a consumer report has been requested by Company, and if so, the name and address of the consumer reporting agency furnishing the report.

Regardless of the date of signature(s), this Agreement is effective as of the date of execution of the Bond and is continuous until Company is satisfactorily discharged from liability pursuant to the terms and conditions contained herein. An Indemnitor may terminate participation in this Agreement with respect to future renewals or substitution bonds or undertakings by providing written notice to Company of such intent to terminate. Such notice shall be addressed to Travelers Bond & Financial Products, Attention: Vice President-PNP, One Tower Square, Hartford, Connecticut 06183 and shall become effective sixty (60) days after Company's receipt of the same. Termination hereunder shall not relieve the terminating Indemnitor(s) from liability with respect to any renewals or substitution bonds or undertakings issued, or for which Company has obligated itself to issue, before the effective date of termination.

**Attention: Any person who knowingly and with intent to defraud a surety company or any other person files an application for a surety bond containing any materially false information, or conceals, for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent act and may be subject to civil and/or criminal penalties.**

Signed this \_\_\_\_\_ Day of \_\_\_\_\_, \_\_\_\_\_

X \_\_\_\_\_  
 Witness Sign Here

\_\_\_\_\_

Print Name

X \_\_\_\_\_  
 Applicant Sign Here

\_\_\_\_\_

Print Name and Social Security Number Above

X \_\_\_\_\_  
 Witness Sign Here

\_\_\_\_\_

Print Name

X \_\_\_\_\_  
 Additional Indemnitor Sign Here

\_\_\_\_\_

Print Name

All applications are available online via the Bond Forms Library at [www.travelersbond.com](http://www.travelersbond.com).

## IMPORTANT NOTICE REGARDING COMPENSATION DISCLOSURE

For information about how Travelers compensates independent agents, brokers, or other insurance producers, please visit this website: [www.travelers.com/w3c/legal/Producer\\_Compensation\\_Disclosure.html](http://www.travelers.com/w3c/legal/Producer_Compensation_Disclosure.html)

If you prefer, you can call the following toll-free number: 1-866-904-8348. Or you can write to us at Travelers, Enterprise Development, One Tower Square, Hartford, CT 06183.



**CRUM & FORSTER®**  
A FAIRFAX COMPANY

**SENECA**

### COMMERCIAL MULTI PERIL QUOTE

**Insurance Carrier:** SENECA INSURANCE COMPANY, INC.  
(Admitted) rated "A" (Excellent) XIII by A.M. Best Company

**Date:** 08/17/2021  
**Renewal of Policy #:** UCM 5342775  
**Producer:** Union Services Agency  
**Attention:** Leighann Thilo  
**Email:** leighann.thilo@usaunionservices.com  
**Underwriter:** Tin Tran  
**Phone:** (914) - 418-3108  
**Email:** ttran@senecainsurance.com  
**Policy Effective:** 09/27/2021 - 09/27/2022  
**Named Insured:** City of Hollywood Employees Retirement Fund  
**Mailing Address:** 2600 Hollywood Blvd., 2nd Fl. Annex Bldg.  
Hollywood, FL 33020

#### Premium Summary

| Coverage                     | Premium     |
|------------------------------|-------------|
| Commercial Property          | \$1,323.00  |
| Commercial General Liability | \$2,371.00  |
| Commercial Inland Marine     | Not Covered |
| Commercial Auto              | \$312.00    |
| Commercial Crime             | Not Covered |
|                              |             |
| Mandatory Terrorism          | \$0.00      |
| Certified Terrorism          | \$50.00     |
|                              |             |
| Total Premium                | \$4,056.00  |
| Fee, Surcharge, Assessments  | \$5.34      |
|                              |             |
| Total Cost:                  | \$4,061.34  |

**This quote is valid for thirty (30) days**

ALL COVERAGES ARE INCLUDED IN THIS QUOTATION. ANY COVERAGES NOT SPECIFICALLY OUTLINED ARE NOT INCLUDED. THESE COVERAGES MAY DIFFER FROM WHAT WAS REQUESTED IN YOUR APPLICATION. THIS QUOTE IS SUBJECT TO CHANGE BASED UPON A LOSS CONTROL INSPECTION AND ALSO SUBJECT TO ANY INTERVENING RATE CHANGES AND/OR APPROVAL BY ANY BOARD OR BUREAU NAMING JURISDICTION.



**Subjectivities:**

- Signed terrorism disclosure
- Signed and dated ACORD application

**LOCATIONS**

| <u>Location</u> | <u>Building</u> | <u>Address</u>  |
|-----------------|-----------------|---|
| 001             | 001             | 2600 Hollywood Blvd., 2nd Fl. Annex<br>Bldg.<br>Hollywood, FL 33020               |
| 002             | 001             | 2450 Hollywood Blvd.<br>Unit 202, 204, 205, 207, 209 & 210<br>Hollywood, FL 33020 |





**CRUM & FORSTER®**  
A FAIRFAX COMPANY

**SENECA**

**COMMERCIAL PROPERTY**

**Policy Level Coverages**

**Limit**

**Deductible Valuation**

Terrorism Coverages

Property Plus Enhancement Endorsement

**Additional Comments:**



**CRUM & FORSTER®**  
A FAIRFAX COMPANY

**SENECA**

**COMMERCIAL PROPERTY**

| <u>Loc</u>  | <u>Bldg</u> | <u>Coverage</u>   | <u>Limit</u> | <u>Perils</u>                   | <u>Coinsurance</u> | <u>Deductible</u> | <u>Valuation</u> |
|---|-------------|---|--------------|---------------------------------|--------------------|-------------------|------------------|
| 001   | 001         | Personal Property<br>of Insured<br>Not Including<br>Stock | \$20,400     | Special Form<br>Including Theft | 80%                | \$1,000           | RCV              |
| Exclusions:<br>Windstorm or Hail Exclusion applies to this location |             |   |              |                                 |                    |                   |                  |
| 002   | 001         | Personal Property<br>of Insured<br>Not Including<br>Stock | \$50,000     | Special Form<br>Including Theft | 80%                | \$1,000           | RCV              |
|   |             | Tenants<br>Improvements and<br>Betterments                | \$596,000    | Special Form<br>Including Theft | 80%                | \$1,000           | RCV              |
| Exclusions:<br>Windstorm or Hail Exclusion applies to this location |             |   |              |                                 |                    |                   |                  |



**CRUM & FORSTER**  
A FAIRFAX COMPANY

**SENECA**

**COMMERCIAL GENERAL LIABILITY**

| Coverage   | Limit       |
|--|-------------|
| General Aggregate (other than Products/Completed Operations) | \$2,000,000 |
| Products/Completed Operation - Annual Aggregate              | \$1,000,000 |
| Personal/Advertising Injury Limit                            | \$1,000,000 |
| Each Occurrence  | \$1,000,000 |
| Damage to Premises Rented to You Limit                       | \$100,000   |
| Medical Payments   | \$5,000     |

| Deductible                    | Deductible Amount |
|-------------------------------|-------------------|
| Premises/Operations           | N/A               |
| Products/Completed Operations | N/A               |

| General Liability Classification |      |            |  |               |
|----------------------------------|------|------------|--|---------------|
| Loc                              | Bldg | Class Code | Class Description  | Exposure      |
| 001                              | 001  | 49950      | Additional Insured - Landlord<br>TERRITORY: 002  |               |
|                                  |      | 61225      | Buildings or Premises-Office-Premises Occupied by employees of the Insured - Not-For-Profit Only<br>Products-completed operations are subject to the General Aggregate Limit<br>TERRITORY: 002 | 1,500<br>Area |
| 002                              | 001  | 61225      | Buildings or Premises-Office-Premises Occupied by employees of the Insured - Not-For-Profit Only<br>Products-completed operations are subject to the General Aggregate Limit<br>TERRITORY: 002 | 2,980<br>Area |



**CRUM & FORSTER®**  
A FAIRFAX COMPANY

**SENECA**

**COMMERCIAL GENERAL LIABILITY**

| <u>Policy Level Coverages</u>                           | <u>Limit</u> | <u>Aggregate Limit</u> | <u>Retro Date</u> | <u>Deductible</u> |
|---|--------------|------------------------|-------------------|-------------------|
| Terrorism Coverages                                     |              |                        |                   |                   |
| Fungi or Bacteria (Mold)<br>Coverage - Exclude Coverage |              |                        |                   |                   |
| General Liability Plus<br>Endorsement                   |              |                        |                   |                   |

**Additional Comments:**

|  |
|--|
|  |
|--|



**CRUM & FORSTER®**  
A FAIRFAX COMPANY

**SENECA**

**COMMERCIAL AUTO**

| Coverage                                 | Limit (CSL)        |
|--|--------------------|
| Hired and Non-Owned Automobile Liability | \$ 1,000,000 (CSL) |

**Additional Comments:**

**POLICYHOLDER DISCLOSURE  
NOTICE OF TERRORISM  
INSURANCE COVERAGE - FLORIDA**

You are hereby notified that under the Terrorism Risk Insurance Act, as amended, you have a right to purchase insurance coverage for losses resulting from acts of terrorism, *as defined in Section 102(1) of the Act*: The term "act of terrorism" means any act or acts that are certified by the Secretary of the Treasury—in consultation with the Secretary of Homeland Security and the Attorney General of the United States—to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

YOU SHOULD KNOW THAT WHERE COVERAGE IS PROVIDED BY THIS POLICY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM, SUCH LOSSES MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS, WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS AN EXCLUSION FOR NUCLEAR EVENTS. UNDER THE FORMULA, THE UNITED STATES GOVERNMENT GENERALLY REIMBURSES [85% through 2015; 84% beginning on January 1, 2016; 83% beginning on January 1, 2017; 82% beginning on January 1, 2018; 81% beginning on January 1, 2019 and 80% beginning on January 1, 2020] OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURANCE COMPANY PROVIDING THE COVERAGE. THE PREMIUM CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS THAT MAY BE COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A \$100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT AS WELL AS INSURERS' LIABILITY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM WHEN THE AMOUNT OF SUCH LOSSES IN ANY ONE CALENDAR YEAR EXCEEDS \$100 BILLION. IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEED \$100 BILLION, YOUR COVERAGE MAY BE REDUCED.

**Acceptance or Rejection of Terrorism Insurance Coverage**

|                          |  |
|--------------------------|--|
| <input type="checkbox"/> | I accept this offer of terrorism coverage and acknowledge that I have been notified that under the Terrorism Risk Insurance Act, as amended, any covered losses resulting from certified acts of terrorism under my policy, will be partially reimbursed by the United States. |
| <input type="checkbox"/> | I hereby elect to purchase terrorism coverage for a prospective premium of \$50.00   |
| <input type="checkbox"/> | I hereby decline to purchase terrorism coverage for certified acts of terrorism. I understand that I will have no coverage for losses resulting from certified acts of terrorism.  |

City of Hollywood Employees Retirement Fund

Named Insured

Policyholder/Applicant's Signature

SENECA INSURANCE COMPANY, INC.

Insurance Company

Print Name

08/17/2021

Date

Policy Number

**NOTE:** If you do not complete and return this form or advise us otherwise in writing of your terrorism election then, a rejection of terrorism coverage will be deemed to have been made.

# Seneca Insurance Company, Inc.

## Payment Plans (FL)

### Direct Bill Pay Plan Options

| <u>Payment Plan</u>     | <u>Code</u> | <u>Payment Terms</u>   | <u>Due Date</u>   | <u>Installment Charge</u>                                 | <u>Policy Min Premium</u> |
|-------------------------|-------------|--|---|---|---------------------------|
| Annual                  | H1          | 100% down  | 0   | -   |                           |
| Semi-Annual             | H2          | 50% down,<br>50% at day  | 0<br>158  | -<br>\$3  | \$1,000                   |
| Three Pay<br>(40/30/30) | H3          | 40% down,<br>30% at day,<br>30% at day   | 0<br>121<br>231   | -<br>\$3<br>\$3   | \$1,000                   |
| Four Pay                | H4          | 25% down,<br>25% at day,<br>25% at day,<br>25% at day  | 0<br>60<br>150<br>240                                   | -<br>\$3<br>\$3<br>\$3                                    | \$1,000                   |
| Nine Pay                | H9          | 20% down,<br>10% at day,<br>10% at day,<br>10% at day,<br>10% at day,<br>10% at day,<br>10% at day,<br>10% at day,<br>10% at day | 0<br>45<br>75<br>105<br>135<br>165<br>195<br>225<br>255 | -<br>\$3<br>\$3<br>\$3<br>\$3<br>\$3<br>\$3<br>\$3<br>\$3 | \$1,000                   |

\*To bind direct bill, confirmation of down payment received, copy of check, must be provided at the time of binding.

### Agency Bill Pay Plan Options

| <u>Payment Plan</u>     | <u>Code</u> | <u>Payment Terms</u>   | <u>Due Date</u>   | <u>Installment Charge</u>                                 | <u>Policy Min Premium</u> |
|-------------------------|-------------|--|---|---|---------------------------|
| Annual                  | 31          | 100% down  | 0   | -   |                           |
| Two Pay (Semi-Annual)   | 32          | 50% down,<br>50% at 6 Mos  | 0<br>180  | -<br>\$3  | \$2,000                   |
| Three Pay<br>(40/30/30) | 33          | 40% down,<br>30% at 3 Mos,<br>30% at 6 Mos   | 0<br>90<br>180  | -<br>\$3<br>\$3   | \$2,000                   |
| Four Pay<br>(Quarterly) | 34          | 25% down,<br>25% at 3 Mos,<br>25% at 6 Mos,<br>25% at 9 Mos  | 0<br>90<br>180<br>270                                   | -<br>\$3<br>\$3<br>\$3                                    | \$2,000                   |
| Nine Pay<br>(Monthly)   | 39          | 20% down,<br>10% at 2 Mos,<br>10% at 3 Mos,<br>10% at 4 Mos,<br>10% at 5 Mos,<br>10% at 6 Mos,<br>10% at 7 Mos,<br>10% at 8 Mos,<br>10% at 9 Mos | 0<br>60<br>90<br>120<br>150<br>180<br>210<br>240<br>270 | -<br>\$3<br>\$3<br>\$3<br>\$3<br>\$3<br>\$3<br>\$3<br>\$3 | \$3,000                   |

\*Due date does not include 45 day credit extension for account current billing.

\*If the balance of the unpaid installments is paid in full, no installment charge will apply to the pre-paid installments.



## SCHEDULE OF FORMS AND ENDORSEMENTS

|                                       |                                      |
|---------------------------------------|--------------------------------------|
| <b>POLICY NUMBER:</b><br>Q-0000488427 | <b>EFFECTIVE DATE:</b><br>09/27/2021 |
|---------------------------------------|--------------------------------------|

### NUMBER

### TITLE

#### COMMON

|                  |   |
|------------------|---|
| 17 270 (11-14)   | Commercial Multi Peril Quote  |
| 41-479 (01-15)   | Policyholder Disclosure Notice Of Terrorism Insurance Coverag - Florida                               |
| 03 070 (11-18)   | Payment Plans Florida   |
| IL DS 00 (09-08) | Common Policy Declarations  |
| 40-075 (10-20)   | Claims Notification   |
| IL 00 17 (11-98) | Common Policy Conditions  |
| IL 00 21 (09-08) | Nuclear Energy Liability Exclusion Endorsement (Broad Form)   |
| IL 01 75 (09-07) | Florida Changes - Legal Action Against Us   |
| IL 02 55 (03-16) | Florida Changes - Cancellation And Nonrenewal   |
| IL 09 35 (07-02) | Exclusion Of Certain Computer-Related Losses  |
| IL 09 52 (01-15) | Cap on Losses from Certified Acts of Terrorism  |
| IL 09 85 (12-20) | Disclosure Pursuant To Terrorism Risk Insurance Act   |
| IL P 001 (01-04) | U.S. Treasury Department's Office Of Foreign Assets Control ("OFAC") Advisory Notice To Policyholders |

#### PROPERTY

|                  |  |
|------------------|--|
| CP DS 00 (10-00) | Commercial Property Coverage Part Declarations |
| CP 00 10 (06-07) | Building And Personal Property Coverage Form   |
| CP 00 90 (07-88) | Commercial Property Conditions                 |
| CP 01 25 (02-12) | Florida Changes                                |
| CP 01 40 (07-06) | Exclusion Of Loss Due To Virus Or Bacteria     |
| CP 10 30 (06-07) | Causes of Loss - Special Form                  |
| CP 10 32 (08-08) | Water Exclusion Endorsement                    |
| CP 10 54 (06-07) | Windstorm or Hail Exclusion                    |
| 17-250 (05-10)   | Property Plus Enhancement Endorsement          |
| 17-296 (12-16)   | Sinkhole Loss Exclusion - Florida              |
| 17-297 (12-16)   | Important Notice                               |

#### GENERAL LIABILITY

|                  |  |
|------------------|--|
| CG DS 01 (10-01) | Commercial General Liability Declarations  |
| CG 00 01 (04-13) | Commercial General Liability Coverage Form   |
| CG 02 20 (03-12) | Florida Changes - Cancellation And Nonrenewal  |
| CG 20 11 (04-13) | Additional Insured - Managers Or Lessors Of Premises   |
| CG 20 23 (04-13) | Additional Insured - Executors, Administrators, Trustees Or Beneficiaries  |
| CG 21 06 (05-14) | Exclusion - Access Or Disclosure Of Confidential Or Personal Information And Data-Related Liability - With Limited Bodily Injury Exception |
| CG 21 44 (04-17) | Limitation Of Coverage To Designated Premises, Project Or Operation  |
| CG 21 47 (12-07) | Employment-Related Practices Exclusion   |
| CG 21 53 (01-96) | Exclusion - Designated Ongoing Operations  |
| CG 21 65 (12-04) | Total Pollution Exclusion With A Building Heating, Cooling And Dehumidifying Equipment Exception And A Hostile Fire Exception              |
| CG 21 67 (12-04) | Fungi or Bacteria Exclusion  |
| CG 21 70 (01-15) | Cap on Losses From Certified Acts of Terrorism   |
| 17-261 (03-14)   | General Liability Plus Endorsement   |
| 17-283 (07-15)   | Absolute Asbestos Exclusion  |
| 17-285 (07-15)   | Assault, Battery Or Assault And Battery Exclusion - Florida  |



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New York, NY 10105  
Ph: 212-437-1400  
www.rtspecialty.com

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## QUOTATION SUMMARY

August 17, 2021

Union Services Agency

119 Pere Marquette Suite 1A  
Lansing, MI 48912

FROM: Wyatt Mentzinger for John Fiscofer

Outlined below is a summary of the attached quotation obtained for the above noted Insured. The full quote terms, conditions, limitations and exclusions can be found on the attached quote. Please pay special attention to those items found on the quote, and note that in the event of any discrepancies between the information found on this summary and the quote itself, the quote supersedes our summary. As the broker with the direct relationship with the Insured, it is your responsibility to carefully review with the Insured all of the terms, conditions, limitations and exclusions in the quote, and to specifically reconcile with the Insured any differences between those quoted and those you requested. RT Specialty expressly disclaims any responsibility for any failure on your part to review or reconcile any such differences with the Insured.

**NAMED INSURED:** The City of Hollywood Employees Retirement Fund  
2500 Hollywood Blvd 2nd Floor Annex Building  
Hollywood, FL 33020

**PRIMARY RISK ADDRESS:** 2500 Hollywood Blvd 2nd Floor Annex Building  
Hollywood, FL 33020

**COVERAGE:** Commercial General Liability - Excess

**INSURER:** StarStone National Insurance Company - Admitted

**POLICY TERM:** 9/27/2021 - 9/27/2022

**ESTIMATED POLICY PREMIUM:** \$758.00

**OPTIONAL TRIA:** INCLUDED

**FEES:**

**TOTAL FEES:**

**ESTIMATED SURPLUS LINES TAX:**

**TOTAL TAXES:**

**TOTAL:** \$758.00

**AGENT COMMISSION:** 10%



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**SPECIAL CONDITIONS / OTHER COVERAGES:**

NO FLAT CANCELLATIONS  
ALL FEES ARE FULLY EARNED AT INCEPTION

For R-T Specialty to file the surplus lines taxes on your behalf, please complete the surplus lines tax document (per the applicable state requirements) and return with your request to bind. Due to state regulations, R-T Specialty requires tax documents to be completed within 24 to 48 hours of binding. Please be diligent in returning tax forms.

**HOME STATE FOR NON-ADMITTED RISKS**

Taxes and governmental fees are estimates and subject to change based upon current rates of the Home State and risk information available at the date of binding. The Home State of the Insured for a non-admitted risk shall be determined in accordance with the Nonadmitted and Reinsurance Act of 2010, 15. U.S.C §8201, etc. ("NRRA"). Some states require the producing broker to submit a written verification of the insured's Home State for our records. The applicable law (if any) of the Home State governing cancellation or non-renewal of non-admitted insurance, including whether any such laws apply to non-admitted risks, shall apply to this Policy.

**BINDING INSTRUCTIONS**

We will only bind coverage in writing after we receive a written request from you to bind coverage. If coverage is requested, the following items must be submitted:

There are subjectivities that:

- must be complied with or resolved before the contract becomes binding
- apply both before or after inception, compliance with which is a condition of all or part of the coverage; and
- apply after the formation of the contract as conditions of continued coverage.

Failure to provide or comply with these subjectivities might results in a refusal to bind or cancellation of coverage, at the insurer's option. Please note that this is a quote only, and the Insurer reserves the right to amend or withdraw the quote if new, corrected or updated information is received. You must notify us of any material change in the risk exposure occurring after submission of the application. If the Insurer binds the risk following your written request, the terms of the policy currently in use by the Insurer will supersede the quote.

Any amendments to coverage must be specifically requested in writing or by submitting a policy change request form and then approved by the Insurer. Coverage cannot be affected, amended, extended or altered through the issuance of certificates of insurance. Underlying Insurers must be rated A- VII or better by A.M. Best.

This quote summary, the quote, the fees quoted and our advice, is confidential. This quote summary and the quote constitutes the entire understanding and supersedes any and all agreements and communications respecting the insurance offered. If you need further information about the quote, our fee or the Insurer that is proposing to provide your insurance, please contact us.



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**PREMIUM FINANCE** (If not included in the quote document)

If the insured and the insurer agree to bind coverage and the premium will be financed, we will need the following information and, upon binding, please instruct the premium finance company to send documents to our attention. Premium Finance funds should always be paid to R-T Specialty, LLC:

|   |  |
|---|--|
| <b>Name of Premium Finance Company:</b> |  |
| <b>Premium Finance Account Number:</b>  |  |

**PRODUCER COMPENSATION:**

In order to place the insurance requested we may charge a reasonable fee for additional services that may include performing a risk analysis, comparing policies, processing submissions, communication expenses, inspections, working with underwriters on the coverage proposal, issuing policies or servicing the policy after issuance. Third-party inspection or other fees may be separately itemized upon request. If the insured recommends an inspection company, we will endeavor to determine if it is approved by the Insurer. To the extent the insured paid us a fee for services, we represent the insured in performing those services. Our fees are fully earned and nonrefundable, except when required by applicable law. Our fees are applied to new policies, renewal policies, endorsements and certificates. Fees applicable to each renewal, endorsement and certificate will be explained in the quotes. In the event that the premium is adjustable upwards, our fees are adjustable as well and will be collected against any additional premium. The fee charged by us does not obligate the insured to purchase the proposed insurance or the Insurer to bind the proposed insurance. Our fee is not imposed by state law or the Insurer. This fee authorization shall remain operative until terminated by written notice. Depending upon the Insurer involved with your placement, we may also receive a commission from the Insurer.

We may also have an agreement with the Insurer that we are proposing for this placement that may pay us future additional compensation. This compensation is in addition to any fees and/or commissions that we have agreed to accept for placing this insurance. This compensation could be based on formulas that consider the volume of business placed with the Insurer, the profitability of that business, how much of the business is retained for the Insurer's account each year, and potentially other factors. The agreements frequently consider total eligible premium from all clients placed during a calendar year and any incentive or contingent compensation is often received at a future date, including potentially after the end of the following calendar year. Because of variables in these agreements, we often have no accurate way at the time of placement to determine the amount of any additional compensation that might be attributable to any Insured's placement. The broker with the direct relationship with the Insured must comply with all applicable laws and regulations related to disclosure of compensation, including disclosure of potential incentive or contingent compensation and the criteria for receiving such compensation, and informing the Insured that it may request more information about producer or broker compensation that might be paid in connection with the Insured's placement. RSG affiliates may also earn investment income on accounts temporarily held as fiduciary funds, and compensation as a broker, underwriting manager, reinsurance intermediary, premium finance company, claims adjuster, consultant or service provider. If you need additional information about the compensation arrangements for services provided by Ryan Specialty Group, LLC (RSG) affiliates, please contact your RSG representative.

RT Specialty is a division of RSG Specialty, LLC, a Delaware limited liability company and a subsidiary of Ryan Specialty Group, LLC. In California: RSG Specialty Insurance Services, LLC (License # 0G97516).

Unless this quote is amended or withdrawn it is valid for 30 days from the date shown above, or the proposed effective date, whichever is earlier. This quote can be amended or withdrawn at any time prior to acceptance by the insured. If the quote included with this letter provides otherwise, or in any way conflicts with this letter, the terms of



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the quote shall govern and control.

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***Starstone National Insurance Company***

Harborside 5  
185 Hudson Street, Suite 2600  
Jersey City, NJ 07311  
(201) 743-7700 (main) (201) 743-7701 (fax)  
[www.starstone.com](http://www.starstone.com)  
Report claims to: [claims@starstone.com](mailto:claims@starstone.com)

08/17/2021

To: John Quinn  
RSG Specialty, LLC - New York, NY  
1345 Avenue of the Americas  
4th Floor  
New York, NY 10105

Re: City of Hollywood Employees Retirement Fund  
2600 Hollywood Boulevard 2nd Floor Annex Building  
Hollywood, FL 33020

We are pleased to offer the following proposal of insurance :

Company: StarStone National Insurance Company (Admitted, A.M. Best Rated A-XI)  
Coverage: Commercial Umbrella Insurance Policy

Forms: SSN UMB 0005 CW (03/16) COMMERCIAL UMBRELLA LIABILITY JACKET  
SSN UMB 0002 FL (03/16) COMMERCIAL UMBRELLA LIABILITY - DECLARATIONS -  
FLORIDA  
SSN UMB 0001 CW COMMERCIAL UMBRELLA LIABILITY INSURANCE POLICY  
(03/16)  
SSN UMB 0004 CW SCHEDULE OF ENDORSEMENTS  
(03/16)  
SSN UMB 0003 CW SCHEDULE OF UNDERLYING INSURANCE  
(03/16)



Additional endorsements:

|                         |  |
|-------------------------|--|
| SSN UMB 0032 FL (03/16) | CANCELLATION AND NONRENEWAL - FLORIDA CHANGES        |
| SSN UMB 0010 CW (03/16) | ABUSE OR MOLESTATION EXCLUSION                       |
| SSN UMB 0242 CW (03/16) | AUTO COVERAGE – EXCLUSION OF TERRORISM               |
| SSN UMB 0038 CW (03/16) | COMMUNICABLE DISEASES EXCLUSION                      |
| SSN UMB 0054 CW (03/16) | CROSS LIABILITY EXCLUSION – BROAD FORM               |
| SSN UMB 0065 CW (03/16) | DESIGNATED EXPOSURES EXCLUSION                       |
| SSN UMB 0077 CW (03/16) | DIRECTORS AND OFFICERS LIABILITY EXCLUSION           |
| SSN ML 0001 CW (08/17)  | POLICYHOLDER DISCLOSURE NOTICE OF TERRORISM          |
|                         | INSURANCE COVERAGE                                   |
| SSN ML 0002 CW (08/17)  | TERRORISM QUOTE PREMIUM DISCLOSURE                   |
| SSN UMB 0247 CW (08/17) | EXCLUSION OF OTHER ACTS OF TERRORISM COMMITTED       |
|                         | OUTSIDE THE UNITED STATES; CAP ON LOSSES FROM        |
|                         | CERTIFIED ACTS OF TERRORISM                          |
| SSN UMB 0248 CW (08/17) | EXCLUSION OF PUNITIVE DAMAGES RELATED TO A CERTIFIED |
|                         | ACT OF TERRORISM                                     |
| SSN UMB 0107 CW (03/16) | FUNGI OR BACTERIA EXCLUSION                          |
| SSN UMB 0120 CW (03/16) | LEAD CONTAMINATION EXCLUSION                         |
| SSN UMB 0166 CW (03/16) | POLLUTION EXCLUSION (HOSTILE FIRE)                   |
| SSN UMB 0217 CW (03/16) | SILICA EXCLUSION                                     |

Effective date: 09/27/2021

Expiration date: 09/27/2022

Retro date: N/A

Limits of Insurance

|             |   |
|-------------|---|
| \$1,000,000 | Each Occurrence                         |
| \$1,000,000 | Annual Aggregate                        |
| \$1,000,000 | Products/Completed Operations Aggregate |

Retained Limit: N/A

Self Insured Retention: \$10,000

In excess of:

General Liability

|             |   |
|-------------|---|
| \$1,000,000 | Each Occurrence                         |
| \$2,000,000 | Annual Aggregate                        |
| \$1,000,000 | Products/Completed Operations Aggregate |

Hired and Non-Owned Auto Liability

\$1,000,000 Combined single limit

TRIPRA Premium: \$8 TRIPRA cannot be rejected on this quote/binder

Total Premium: \$758 Payable within 30 days of binding coverage.  
Minimum earned: \$0

State Surcharge(if applicable): \$0

|   | Limit       | Premium | TRIPRA | UM/UIM | State Surcharge | Total Premium |
|---|-------------|---------|--------|--------|-----------------|---------------|
| * | \$1,000,000 | \$750   | \$8    | \$0    | \$0             | \$758         |
|   | \$2,000,000 | \$1,400 | \$14   | \$0    | \$0             | \$1,414       |
|   | \$3,000,000 | \$2,050 | \$21   | \$0    | \$0             | \$2,071       |
|   | \$4,000,000 | \$2,700 | \$27   | \$0    | \$0             | \$2,727       |
|   | \$5,000,000 | \$3,350 | \$34   | \$0    | \$0             | \$3,384       |

### Subjectivities

The following must be complied with:

This quote will remain valid for 30 days from the date of this quote or the effective date noted, whichever is earlier.

Signed ACORD 125 or ACORD 131 (or equivalent) must be retained for file.

All Underlying policies must be received within 60 days of binding and retained for file.

The Schedule of Endorsements is subject to change upon review of the underlying terms and conditions.

Note: you are granted authority to issue ACORD certificates of insurance. Certificates of insurance do not amend, extend, or modify any coverage afforded under the policy.

Thank you again for the opportunity to serve you.

Sincerely,

StarStone Online Underwriting Team

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COMMERCIAL UMBRELLA LIABILITY INSURANCE POLICY

CANCELLATION AND NONRENEWAL - FLORIDA CHANGES

The Policy is amended as follows:

- A. Paragraph 2. of **SECTION V – CONDITIONS**, condition **C. CANCELLATION** is deleted and replaced by the following:

**2. Cancellation Of Policies In Effect**

**a. For 90 Days Or Less**

If this Policy has been in effect for 90 days or less, we may cancel this Policy by mailing or delivering to the first **Named Insured** written notice of cancellation, accompanied by the reasons for cancellation, at least:

- (1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
- (2) 45 days before the effective date of cancellation if we cancel for any other reason, except we may cancel immediately if there has been:
  - (a) A material misstatement or misrepresentation; or
  - (b) A failure to comply with the underwriting requirements established by the insurer.

**b. For More Than 90 Days**

If this Policy has been in effect for more than 90 days, we may cancel this Policy only for one or more of the following reasons:

- (1) Nonpayment of premium;
- (2) The Policy was obtained by a material misstatement;
- (3) Failure to comply with underwriting requirements established by the insurer within 90 days of the effective date of coverage;
- (4) A substantial change in the risk covered by the Policy; or
- (5) The cancellation is for all insureds under such policies for a given class of insureds.

If we cancel this Policy for any of these reasons, we will mail or deliver to the first **Named Insured** written notice of cancellation, accompanied by the reasons for cancellation, at least:

- (a) 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
- (b) 45 days before the effective date of cancellation if we cancel for any of the other reasons stated in Paragraph 2.b.

- B. Paragraph 5. of **SECTION V – CONDITIONS**, condition **C. CANCELLATION** is deleted and replaced by the following:

5. If this Policy is cancelled, we will send the first **Named Insured** any premium refund due. If we cancel, the refund will be pro rata. If the first **Named Insured** cancels, the refund may be less than pro rata. If the return premium is not refunded with the notice of cancellation or when this Policy is returned to us, we will mail the refund within 15 working days after the date cancellation takes effect, unless this is an audit policy.

If this is an audit policy, then, subject to your full cooperation with us or our agent in securing the necessary data for audit, we will return any premium refund due within 90 days of the date cancellation takes effect. If our audit is not completed within this time limitation, then we shall accept your own audit, and any premium refund due shall be mailed within 10 working days of receipt of your audit.

The cancellation will be effective even if we have not made or offered a refund.

**C. SECTION V – CONDITIONS** is amended to include the following condition:

**WHEN WE DO NOT RENEW**

1. If we decide not to renew this Policy we will mail or deliver to the first **Named Insured** written notice of nonrenewal, accompanied by the reason for nonrenewal, at least 45 days prior to the expiration of this Policy.
2. Any notice of nonrenewal will be mailed or delivered to the first **Named Insured's** last mailing address known to us. If notice is mailed, proof of mailing will be sufficient proof of notice.

**ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS SHALL REMAIN THE SAME.**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**COMMERCIAL UMBRELLA LIABILITY INSURANCE POLICY**

**ABUSE OR MOLESTATION EXCLUSION**

The Policy is amended as follows:

**SECTION IV – EXCLUSIONS**, is amended to include the following exclusion:

This insurance does not apply to any liability, **damage**, loss, cost or expense arising out of:

1. The actual or threatened abuse or molestation by anyone of any person while in the care, custody or control of any **insured**; or
2. The negligent:
  - a. Employment;
  - b. Investigation;
  - c. Supervision;
  - d. Reporting to the proper authorities, or failure to so report; or
  - e. Retention;

of a person for whom any **insured** is or ever was legally responsible and whose conduct would be excluded by **1.** above.

**ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS SHALL REMAIN THE SAME.**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COMMERCIAL UMBRELLA LIABILITY INSURANCE POLICY

AUTO COVERAGE – EXCLUSION OF TERRORISM

The Policy is amended as follows:

Any endorsement addressing acts of terrorism (however defined) in any **underlying insurance** does not apply to this Commercial Umbrella Liability Insurance. The following provisions addressing acts of terrorism apply with respect to this Commercial Umbrella Liability Insurance:

A. The provisions of this endorsement:

1. Apply only to **bodily injury** or **property damage** arising out of the ownership, maintenance or use of any **auto** that is a covered auto under this Policy; and
2. Supersede the provisions of any other endorsement addressing terrorism attached to this Policy only with respect to **bodily injury** or **property damage** arising out of the ownership, maintenance or use of any **auto** that is a covered auto.

B. The following definitions are added and apply under this endorsement wherever the term terrorism, or the phrase any injury or damage, are printed in bold text:

1. **Terrorism** means activities against persons, organizations or property of any nature:
  - a. That involve the following or preparation for the following:
    - (1) Use or threat of force or violence; or
    - (2) Commission or threat of a dangerous act; or
    - (3) Commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and
  - b. When one or both of the following applies:
    - (1) The effect is to intimidate or coerce a government or the civilian population or any segment thereof, or to disrupt any segment of the economy; or
    - (2) It appears that the intent is to intimidate or coerce a government, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.
2. **Any injury or damage** means any injury or damage covered under any Policy or **underlying insurance** to which this endorsement is applicable, and includes but is not limited to **bodily injury**, **property damage**, **personal and advertising injury**, **injury** or **environmental damage** as may be defined in any applicable Policy or **underlying insurance**.

C. The following exclusion is added:

**EXCLUSION OF TERRORISM**

We will not pay for **any injury or damage** caused directly or indirectly by **terrorism**, including action in hindering or defending against an actual or expected incident of **terrorism**. **Any injury or damage** is excluded regardless of any other cause or event that contributes concurrently or in any sequence to such injury or damage. **But this exclusion applies only when one or more of the following are attributed to an incident of terrorism:**

1. The **terrorism** is carried out by means of the dispersal or application of radioactive material, or through the use of a nuclear weapon or device that involves or produces a nuclear reaction, nuclear radiation or radioactive contamination; or



2. Radioactive material is released, and it appears that one purpose of the **terrorism** was to release such material; or
3. The **terrorism** is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
4. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the **terrorism** was to release such materials; or
5. The total of insured damage to all types of property exceeds \$25,000,000. In determining whether the \$25,000,000 threshold is exceeded, we will include all insured damage sustained by property of all persons and entities affected by the **terrorism** and business interruption losses sustained by owners or occupants of the damaged property. For the purpose of this provision, insured damage means damage that is covered by any insurance plus damage that would be covered by any insurance but for the application of any terrorism exclusions; or
6. Fifty or more persons sustain death or serious physical injury. For the purposes of this provision, serious physical injury means:
  - a. Physical injury that involves a substantial risk of death; or
  - b. Protracted and obvious physical disfigurement; or
  - c. Protracted loss of or impairment of the function of a bodily member or organ.

Multiple incidents of "terrorism" which occur within a 72-hour period and appear to be carried out in concert or to have a related purpose or common leadership will be deemed to be one incident, for the purpose of determining whether the thresholds in Paragraph **C.5.** or **C.6.** are exceeded.

With respect to this Exclusion, Paragraphs **C.5.** and **C.6.** describe the threshold used to measure the magnitude of an incident of **terrorism** and the circumstances in which the threshold will apply, for the purpose of determining whether this Exclusion will apply to that incident. When the Exclusion applies to an incident of **terrorism**, there is no coverage under this Policy.

In the event of any incident of **terrorism** that is not subject to this Exclusion, coverage does not apply to **any injury or damage** that is otherwise excluded under this Policy.

**ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS SHALL REMAIN THE SAME.**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COMMERCIAL UMBRELLA LIABILITY INSURANCE POLICY

COMMUNICABLE DISEASES EXCLUSION

The Policy is amended as follows:

A. **SECTION IV – EXCLUSIONS**, is amended to include the following exclusion:

This insurance does not apply to any liability, **damage**, loss, cost or expense:

Arising out of, caused by or related to any **communicable disease**, including any supervision, instructions, recommendations, warnings or advice given or which should have been given in connection therewith.

B. **SECTION VI – DEFINITIONS**, is amended to include the following definition:

**Communicable disease** means a disease or infection that may be transmitted directly or indirectly from one individual to another.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS SHALL REMAIN THE SAME.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**COMMERCIAL UMBRELLA LIABILITY INSURANCE POLICY**

**CROSS LIABILITY EXCLUSION – BROAD FORM**

The Policy is amended as follows:

**SECTION IV – EXCLUSIONS**, is amended to include the following exclusion:

This insurance does not apply to any liability, **damage**, loss, cost or expense:

For any actual or alleged injury to:

1. Any business enterprise in which any **insured** owns an interest, is a partner, or which is a parent, affiliate, subsidiary or sister company of any **insured**;
2. Any business enterprise directly or indirectly controlled, operated or managed by a business enterprise described in 1.;
3. A present, former, future or prospective partner, officer, director, stockholder or employee of any **insured**;
4. Any **insured**; or
5. The spouse, child, parent or sibling of any of the above as a consequence of 1., 2., 3. or 4.

**ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS SHALL REMAIN THE SAME.**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**COMMERCIAL UMBRELLA LIABILITY INSURANCE POLICY**

**DESIGNATED EXPOSURES EXCLUSION**

The Policy is amended as follows:

**SECTION IV – EXCLUSIONS**, is amended to include the following exclusion:

This insurance does not apply to any liability, **damage**, loss, cost or expense arising out of exposures that are designated in the Schedule below:

**SCHEDULE**

**Designated Exposures:**

The loss of or alteration of any electronic data, electronic information, computer applications software, computer operations software or any other similar data, information or software in any computer hardware, computer system, computer network, or the **Internet**; or

Injury or damage to any computer hardware, computer system, computer network, or the **Internet** as a result of 1. above.

As used in this endorsement, **Internet** shall mean the worldwide public network of computers as it currently exists or may be manifested in the future, including the **Internet**, an intranet, an extranet or a virtual public network.

**ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS SHALL REMAIN THE SAME.**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**COMMERCIAL UMBRELLA LIABILITY INSURANCE POLICY**

**DIRECTORS AND OFFICERS LIABILITY EXCLUSION**

The Policy is amended as follows:

**A. SECTION IV – EXCLUSIONS**, is amended to include the following exclusion:

This insurance does not apply to any liability, **damage**, loss, cost or expense arising from any **wrongful act** of any director or officer of the **insured** in the discharge or performance of their duties as such.

**B. SECTION VI – DEFINITIONS**, is amended to include the following definition:

**Wrongful act** means any actual or alleged error or misstatement or misleading statement or act or omission or neglect or breach of duty by the directors or officers in the discharge of their duties, individually or collectively, or any matter claimed against them solely by reason of their being directors or officers of the company.

**ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS SHALL REMAIN THE SAME.**

**Named Insured:** City of Hollywood Employees Retirement Fund  
**Type of Policy:** Commercial Umbrella Insurance  
**Effective Date:** 09/27/2021  
**Insurance Company:** StarStone National Insurance Company

**POLICYHOLDER DISCLOSURE**  
**NOTICE OF TERRORISM**  
**INSURANCE COVERAGE**

Coverage for acts of terrorism is included in your policy. You are hereby notified that under the Terrorism Risk Insurance Act, as amended in 2015, the definition of terrorism has changed. As defined in Section 102(1) of the Act: The term "act of terrorism" means any act that is certified by the Secretary of the Treasury – in consultation with the Secretary of Homeland Security, and the Attorney General of the United States – to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion. Under your coverage, any losses resulting from certified acts of terrorism may be partially reimbursed by the United States Government under a formula established by the Terrorism Risk Insurance Act, as amended. However, your policy may contain other exclusions which might affect your coverage, such as an exclusion for nuclear events. Under the formula, the United States Government generally reimburses 83% through 2017; 82% beginning on January 1, 2018; 81% beginning on January 1, 2019 and 80% beginning on January 1, 2020, of the covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage. The Terrorism Risk Insurance Act, as amended, contains a \$100 billion cap that limits the United States Government reimbursement as well as insurers' liability for losses resulting from certified acts of terrorism when the amount of such losses exceeds \$100 billion in any one calendar year. If the aggregate insured losses for all insurers exceeds \$100 billion, your coverage may be reduced.

**TERRORISM INSURANCE COVERAGE PREMIUM**

Terrorism coverage as defined in the Terrorism Risk Insurance Act, as amended, is included under this policy for a premium of

| <b>Limits</b> | <b>TRIPRA Premium</b> |
|---------------|-----------------------|
| \$1,000,000   | \$8                   |
| \$2,000,000   | \$14                  |
| \$3,000,000   | \$21                  |
| \$4,000,000   | \$27                  |
| \$5,000,000   | \$34                  |

## DISCLOSURE PURSUANT TO TERRORISM RISK INSURANCE ACT

### SCHEDULE

|   |
|---|
| <b>SCHEDULE – PART I</b>  |
| <b>Terrorism Premium (Certified Acts) \$ 8</b><br>This premium is the total Certified Acts premium attributable to the following Coverage Part(s), Coverage Form(s) and/or Policy(s):<br>Commercial Umbrella Insurance Policy<br><br>Additional information, if any, concerning the terrorism premium:  |
| <b>SCHEDULE – PART II</b><br>Federal share of terrorism losses: 83%, Year: 2017<br>(Refer to Paragraph B of this endorsement.)<br><br>Federal share of terrorism losses: 82%, Year: 2018<br>(Refer to Paragraph B of this endorsement.)<br><br>Federal share of terrorism losses: 81%, Year: 2019<br>(Refer to Paragraph B of this endorsement.)<br><br>Federal share of terrorism losses: 80%, Year: 2020<br>(Refer to Paragraph B of this endorsement.) |
| Information required to complete this Schedule, if not shown above, will be shown in the Declarations.  |

#### A. Disclosure Of Premium

In accordance with the federal Terrorism Risk Insurance Act, we are required to provide you with a notice disclosing the portion of your premium, if any, attributable to coverage for terrorist acts certified under the Terrorism Risk Insurance Act. The portion of your premium attributable to such coverage is shown in the Schedule of this endorsement or in the policy Declarations.

#### B. Disclosure Of Federal Participation In Payment Of Terrorism Losses

The United States Government, Department of the Treasury, will pay a share of terrorism losses insured under the federal program. The federal share equals a percentage (as shown in Part II of the Schedule of this endorsement) of that portion of the amount of such insured losses that exceeds the applicable insurer retention. However, if aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a Calendar year, the Treasury shall not make any payment for any portion of the amount of such losses that exceeds \$100 billion.

#### C. Cap On Insurer Participation In Payment Of Terrorism Losses

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a Calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.



**ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS SHALL REMAIN THE SAME.**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COMMERCIAL UMBRELLA LIABILITY INSURANCE POLICY

**EXCLUSION OF OTHER ACTS OF TERRORISM COMMITTED OUTSIDE THE  
UNITED STATES; CAP ON LOSSES FROM CERTIFIED ACTS OF  
TERRORISM**

The Policy is amended as follows:

Any endorsement addressing acts of terrorism (however defined) in any **underlying insurance** does not apply to this Commercial Umbrella Liability Insurance. The following provisions addressing acts of terrorism apply with respect to this Commercial Umbrella Liability Insurance:

**SCHEDULE**

|  |           |
|--|-----------|
| <b>Certified Acts of Terrorism<br/>Retained Amount</b> | <b>\$</b> |
|--|-----------|

- A. Coverage provided by this Policy for damages arising out of a **certified act of terrorism** applies in excess of the Certified Acts of Terrorism Retained Amount described in Paragraph B. below.

- B. **SECTION II – LIMITS OF INSURANCE**, is amended to include the following:

The Certified Acts of Terrorism Retained amount refers to the amount stated in the SCHEDULE of this endorsement. This amount may consist of a self-insured retention, **underlying insurance** or a combination thereof.

The Certified Acts of Terrorism Retained Amount applies:

1. Only to **damages** arising out of a **certified act of terrorism** covered under this Policy; and
2. Separately to each **certified act of terrorism**.

We will pay those sums covered under this Policy only after your Certified Acts of Terrorism Retained amount has been exhausted by means of payments for judgments or settlements. Defense expenses shall not erode the Certified Acts of Terrorism Retained Amount.

- C. **SECTION IV – EXCLUSIONS**, is amended to include the following

exclusion: This insurance does not apply to any liability, **damage**, loss, cost or expense:

**TERRORISM**

For any **injury or damage** arising, directly or indirectly, out of an **other act of terrorism** that is committed outside of the United States (including its territories and possessions and Puerto Rico), but within the coverage territory. However, this exclusion applies only when one or more of the following are attributed to such act:

1. The total of insured damage to all types of property exceeds \$25,000,000 (valued in US dollars). In determining whether the \$25,000,000 threshold is exceeded, we will include all insured damage sustained by property of all persons and entities affected by the terrorism and business interruption losses sustained by owners or occupants of the damaged property. For the purpose of this provision, insured damage means damage that is covered by any insurance plus damage that would be covered by any insurance but for the application of any terrorism exclusions; or
2. Fifty or more persons sustain death or serious physical injury. For the purposes of this provision, serious physical injury means:
  - a. Physical injury that involves a substantial risk of death; or
  - b. Protracted and obvious physical disfigurement; or
  - c. Protracted loss of or impairment of the function of a bodily member or organ; or
3. The terrorism involves the use, release or escape of nuclear materials, or directly or indirectly results in nuclear reaction or radiation or radioactive contamination; or
4. The terrorism is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
5. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the terrorism was to release such materials.

With respect to this exclusion, Paragraphs 1. and 2. describe the thresholds used to measure the magnitude of an incident of an **other act of terrorism** and the circumstances in which the threshold will apply for the purpose of determining whether this exclusion will apply to that incident.

**D. SECTION VI – DEFINITIONS**, is amended to include the following definitions:

1. For the purposes of this endorsement, **any injury or damage** means any injury or damage covered under any Policy or **underlying insurance** to which this endorsement is applicable, and includes but is not limited to **bodily injury, property damage, personal and advertising injury**, injury or environmental damage as may be defined in any applicable Policy or **underlying insurance**.
2. **Certified act of terrorism** means an act that is certified by the Secretary of the Treasury, in consultation with the Secretary of Homeland Security and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act. The criteria contained in the Terrorism Risk Insurance Act for a **certified act of terrorism** include the following:
  - a. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act;
  - b. The act resulted in damage:
    - (1) Within the United States (including its territories and possessions and Puerto Rico); or
    - (2) Outside of the United States in the case of:
      - (a) An air carrier (as defined in Section 40102 of title 49, United States Code) or United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), regardless of where the loss occurs; or
      - (b) The premises of any United States mission; and
  - c. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or

affect the conduct of the United States Government by coercion.

3. **Other act of terrorism** means a violent act or an act that is dangerous to human life, property or infrastructure that is committed by an individual or individuals and that appears to be part of an effort to coerce a civilian population or to influence the policy or affect the conduct of any government by coercion, and the act is not a **certified act of terrorism**.

Multiple incidents of an **other act of terrorism** which occur within a seventy-two hour period and appear to be carried out in concert or to have a related purpose or common leadership shall be considered to be one incident.

- E. In the event of an **other act of terrorism** that is not subject to this exclusion, coverage does not apply to any liability, **damage**, loss, cost or expense that is otherwise excluded under this Policy.
- F. If aggregate insured losses attributable to terrorist acts certified under the federal Terrorism Risk Insurance Act exceed \$100 billion in a Calendar Year (January 1 through December 31) and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

**ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS SHALL REMAIN THE SAME.**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COMMERCIAL UMBRELLA LIABILITY INSURANCE POLICY

**EXCLUSION OF PUNITIVE DAMAGES RELATED TO A CERTIFIED ACT OF  
TERRORISM**

The Policy is amended as follows:

Any endorsement addressing acts of terrorism (however defined) in any **underlying insurance** does not apply to this Commercial Umbrella Liability Insurance. The following provisions addressing acts of terrorism apply with respect to this Commercial Umbrella Liability Insurance:

A. **SECTION IV – EXCLUSIONS**, is amended to include the following exclusion:

This insurance does not apply to any liability, **damage**, loss, cost or expense:

**TERRORISM PUNITIVE DAMAGES**

For damages arising, directly or indirectly, out of a **certified act of terrorism** that are awarded as punitive damages.

B. **SECTION VI – DEFINITIONS**, is amended to include the following definition:

**Certified act of terrorism** means an act that is certified by the Secretary of the Treasury, in consultation with the Secretary of Homeland Security and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act. The criteria contained in the Terrorism Risk Insurance Act for a **certified act of terrorism** include the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

**ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS SHALL REMAIN THE SAME.**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**COMMERCIAL UMBRELLA LIABILITY INSURANCE POLICY**

**FUNGI OR BACTERIA EXCLUSION**

The Policy is amended as follows:

**A. SECTION IV – EXCLUSIONS**, is amended to include the following exclusion:

This insurance does not apply to any liability, **damage**, loss, cost or expense:

1. Which would not have occurred, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, any **fungi** or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury or damage.
2. Arising out of the testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effect of, **fungi** or bacteria, by any **insured** or by any other person or entity.

This exclusion does not apply to any **fungi** or bacteria that are, are on, or are contained in, a food product intended for consumption.

**B. SECTION VI – DEFINITIONS**, is amended to include the following definition:

**Fungi** means any type or form of fungus, including mold or mildew and any mycotoxins, spores, scents or byproducts produced or released by fungi.

**ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS SHALL REMAIN THE SAME.**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**COMMERCIAL UMBRELLA LIABILITY INSURANCE POLICY**

**LEAD CONTAMINATION EXCLUSION**

The Policy is amended as follows:

**SECTION IV – EXCLUSIONS**, is amended to include the following exclusion:

This insurance does not apply to any liability, **damage**, loss, cost or expense:

Arising out of:

1. The manufacture, mining, use, sale, installation, handling, removal, distribution, application, inhalation, ingesting, existence or consumption of, or exposure to lead or any products containing lead;
2. Any request, demand or order that you or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of lead;
3. Any **claim** or **suit** by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of lead; or
4. The payment for the investigation or defense of any loss, injury or **damage** or any cost, fine or penalty, or for any expense or **claim** of **suit** related to 1., 2. or 3. above.

**ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS SHALL REMAIN THE SAME.**



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COMMERCIAL UMBRELLA LIABILITY INSURANCE POLICY

**POLLUTION EXCLUSION  
(HOSTILE FIRE)**

The Policy is amended as follows:

**SECTION IV – EXCLUSIONS, K. POLLUTION LIABILITY**, is deleted in its entirety and replaced with the following exclusion:

This insurance does not apply to any liability, **damage**, loss, cost or expense:

**K. POLLUTION LIABILITY**

1. Arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of **pollutants**:
  - a. At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any **insured**;
  - b. At or from any premises, site or location which is or was at any time used by or for any **insured** or others for the handling, storage, disposal, processing or treatment of waste;
  - c. Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for any **insured** or any person or organization for whom you may be legally responsible;
  - d. At or from any premises, site or location on which any **insured** or any contractors or subcontractors working directly or indirectly on any **insured's** behalf are performing operations:
    - 1) If the **pollutants** are brought on or to the premises, site or location in connection with such operations by such **insured**, contractor or subcontractor; or
    - 2) If the operations are the test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, **pollutants**;

Sub-paragraphs **1.a.** and **1.d.1)** do not apply to **bodily injury** or **property damage** arising out of heat, smoke or fumes from a hostile fire.

As used in this exclusion, a hostile fire means one which becomes uncontrollable or breaks out from where it was intended to be.

- e. For liability included within the **products-completed operations hazard**;
- f. that are, or that are contained in any property that is:

- 1) Being transported or towed by, or handled for movement into, onto or from, the covered **auto**;
  - 2) Otherwise in the course of transit by or on behalf of the **insured**; or
  - 3) Being stored, disposed of, related or processed in or upon the covered **auto**.
- g. Before the **pollutants** or any property in which the **pollutants** are contained are moved from the place where they are accepted by the **insured** for movement into or onto the covered **auto**; or
  - h. After the **pollutants** or any property in which the **pollutants** are contained are moved from the covered **auto** to the place where they are finally delivered, disposed of or abandoned by the **insured**.
2. Any loss, cost or expense arising out of any:
- a. Request, demand, order or statutory or regulatory requirement that any **insured** or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **pollutants**; or
  - b. **Claim** or **suit** by or on behalf of a governmental authority for **damages** because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of **pollutants**.

However, this paragraph K. 2. does not apply to liability for **damages** because of **property damage** that the **insured** would have had in the absence of such request, demand, order or statutory requirement, or such **claim** or **suit** by or on behalf of a governmental authority.

**ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS SHALL REMAIN THE SAME.**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**COMMERCIAL UMBRELLA LIABILITY INSURANCE POLICY**

**SILICA EXCLUSION**

The Policy is amended as follows:

**SECTION IV – EXCLUSIONS**, is amended to include the following exclusion:

This insurance does not apply to any liability, **damage**, loss, cost or expense:

1. Arising out of or in any way related to the actual, alleged or threatened discharge, dispersal, emission, release, escape, handling, contact with, exposure to or inhalation, ingestion or respiration of silica or products or substances containing silica or silicon dioxide in any form including, but not limited to, silica dust, sand or otherwise, or work involving the use of or handling of silica or silicon dioxide in any form, even if other causes are alleged to contribute to or aggravate such loss, **claim** or **occurrence**.
2. Arising from or related to:
  - a. Any supervision, instruction, recommendations, warnings or advice given or which should have been given in connection with the events described in Paragraph 1.;
  - b. Any obligation to indemnify, defend, share damages with or repay someone else who must pay damages because of events described in Paragraph 1.; and
  - c. Any fines or penalties imposed because of events described in Paragraph 1.

**ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS SHALL REMAIN THE SAME.**



City of Hollywood Employees Retirement Fund

# Workplace Violence and Assailant Coverage

**Policy No. US00099552SP20A**

August 18, 2021



333 West 34th Street  
New York, NY 10001-2402  
T 212.251.5000  
F 212.251.5490  
segalco.com  
CA License No. 0106323

## Memorandum

**To:** Phyllis Shaw  
Utilities Accounting Supervisor/Chair

**From:** Angie Begazo  
Insurance Broker

**Date:** August 18, 2021

**Re:** **Workplace Violence and Assailant Coverage**  
**City of Hollywood Employees Retirement Fund**  
**Policy No. US00099552SP20A**

Thank you for the opportunity to provide quotations for this year's renewal of Workplace Violence and Assailant Coverage. We recommend renewing coverage with the incumbent carrier, Indian Harbor Insurance Company, based on broad scope of coverage, competitive premium and continuity of coverage. For this renewal, we are providing higher limit options for the Trustees consideration, if higher limit option is required.

| Carrier       | Premium                                      | Limit of Liability | Response   |
|---------------|--|--------------------|--|
| Indian Harbor | \$3,807<br>+<br>\$190.35 Surplus Lines Taxes | \$2-million        | <b>INCUMBENT OPTIONS</b> - Key decision variables: based on broad scope of coverage, competitive premium and continuity of coverage. Non-Admitted status and subject to additional surplus lines taxes and fees. |
|               | \$4,548<br>+<br>\$227.40 Surplus Lines Taxes | \$3-million        |  |
|               | \$5,250<br>+<br>\$262.50 Surplus Lines Taxes | \$4-million        |  |
|               | \$5,874<br>+<br>\$293.70 Surplus Lines Taxes | \$5-million        |  |

Additional information is available in the attached sections. If you would like samples of any quoted policy forms or endorsements, please let us know and we will provide them to you.

Please provide binding instructions at your earliest convenience, but no later than September 30, 2021. Binding instructions received after this date may result in changes or withdrawal of the quoted terms. Please note that insurance coverage cannot be bound or changed via email, voicemail, text, or fax unless confirmed by a licensed broker.

If you have any questions, please contact our client team:

- **Broker:**

Angie Begazo, RPLU, AIS  
Insurance Broker  
212.251.5421  
[abegazo@segalco.com](mailto:abegazo@segalco.com)

- **Lead Regional Consultant:**

Matthew Jackson, RPLU, CIC  
Senior Vice President  
212.251.5387  
[mjackson@segalco.com](mailto:mjackson@segalco.com)

cc: Christine Bailey  
Brent Chudachek, Esq.  
Ron Cohen  
Veron Sibble  
Keith Reynolds  
Matt Jackson  
Diane McNally

# | Table of Contents

|  |   |
|--|---|
| Premium & Coverage Summary.....                  | 1 |
| Policy Analyses.....                             | 3 |
| Limits of Liability .....                        | 3 |
| Premium.....                                     | 3 |
| Scope of Coverage.....                           | 3 |
| Surplus Lines Disclosure .....                   | 4 |
| Carrier Subjectivities .....                     | 5 |
| Important Note.....                              | 5 |
| Supplemental Information .....                   | 6 |
| Notice of Claim or Circumstances.....            | 6 |
| Extended Reporting Period.....                   | 6 |
| Insured's Obligation to Notice the Insurer ..... | 6 |
| Services and Compensation .....                  | 6 |
| Proposal Advisory.....                           | 7 |



# Premium & Coverage Summary<sup>1</sup>

|   | Expiring Terms                         | Renewal Options                        |             |             |             |  |
|---|--|--|-------------|-------------|-------------|--|
| Description   | Indian Harbor Insurance Company        | Indian Harbor Insurance Company        |             |             |             |  |
| Policy Summary  |  |  |             |             |             |  |
| A.M. Best Rating <sup>2</sup>   | A+                                     | A+                                     |             |             |             |  |
| Admitted Status   | Non-Admitted                           | Non-Admitted                           |             |             |             |  |
| Policy Period   | 9/30/2020 – 10/1/2021                  | 10/1/2021 – 10/1/2022                  |             |             |             |  |
| Limits of Liability   | \$2-million                            | \$2-million                            | \$3-million | \$4-million | \$5-million |  |
| Premium   | \$3,536                                | \$3,807                                | \$4,548     | \$5,250     | \$5,874     |  |
| Surplus Lines Taxes/Fees  | \$176.80                               | \$190.35                               | \$227.40    | \$262.50    | \$293.70    |  |
| Policy Deductible   | \$0                                    | \$0                                    |             |             |             |  |
| Casualty/Body Deductible  | None                                   | None                                   |             |             |             |  |
| Coverages/Endorsements  |  |  |             |             |             |  |
| Act of Workplace Violence Expense Coverage  | ✓                                      | ✓                                      |             |             |             |  |
| Stalking Threat Expenses Per Event Coverage   | ✓                                      | ✓                                      |             |             |             |  |
| 3 <sup>rd</sup> Party Legal Liability per Insured Event Expenses Coverage                 | ✓                                      | ✓                                      |             |             |             |  |
| Amend Definition of Employee to include Trustee Endorsement                               | ✓                                      | ✓                                      |             |             |             |  |
| Business Interruption Expenses Per Insured Event Coverage                                 | ✓                                      | ✓                                      |             |             |             |  |
| Business Interruption Indemnity Period  | 120 Days                               | 120 Days                               |             |             |             |  |
| Business Interruption Waiting Period  | 6 Hours                                | 6 Hours                                |             |             |             |  |
| Cancellation – 10 day notice by carrier   | ✓                                      | ✓                                      |             |             |             |  |
| Consolidation-Merger – 90 day notice requirement due to change in revenue or assets > 25% | ✓                                      | ✓                                      |             |             |             |  |
| Crisis Management   | ✓                                      | ✓                                      |             |             |             |  |
| Death Benefit Coverage  | Included in Personal Accident Coverage | Included in Personal Accident Coverage |             |             |             |  |
| Off-Premises Endorsement for Name Insured's Employees Endorsement                         | ✓                                      | ✓                                      |             |             |             |  |

<sup>1</sup> These policy summaries are not an exhaustive list and are not legal interpretations of coverage. Insurance policies are legal contracts that counsel should review.

<sup>2</sup> Segal can recommend insurance carriers with an A.M. Best rating of "A" or better.

| Description   | Expiring Terms  | Renewal Options   |
|---|---|---|
|   | Indian Harbor Insurance Company   | Indian Harbor Insurance Company   |
| Duties in the event of Act of Workplace Violence and/or Stalking Threat | Notify the Proper Authorities and prompt written notice to the carrier and signed, sworn Statement of Loss within sixty (60) days | Notify the Proper Authorities and prompt written notice to the carrier and signed, sworn Statement of Loss within sixty (60) days |
| Event Protocols – (Form Specific)                                       | ✓   | ✓   |
| Funeral and Burial Coverage   | ✓   | ✓   |
| Other Insurance Clause  | Valid and Collectible   | Valid and Collectible   |
| Personal Accident Expenses Per Insured Person Coverage                  | ✓<br>\$50,000 Per Insured Person  | ✓<br>\$50,000 Per Insured Person  |
| Property Damage Endorsement   | x   | x   |
| Psychiatric Care  | ✓   | ✓   |
| Rehabilitation Expenses   | ✓   | ✓   |
| Reward Money for Post Event Investigation Tips                          | ✓   | ✓   |
| Service of Suit Endorsement   | ✓   | ✓   |
| State Amendatory Endorsement(s), as applicable                          | x   | x   |
| Temporary Security Measures Coverage                                    | ✓   | ✓   |
| Worldwide Coverage  | ✓   | ✓   |

# | Policy Analyses

## Limits of Liability

For this renewal, Indian Harbor has provided proposals at the same \$2-million as expiring as well as higher limit options of \$3-million, \$4-million and \$5-million for the Trustees' consideration.

## Premium

At the expiring limit, Indian Harbor quoted a premium increase of \$271 (7.7%). The premium remains competitive in the current market.

Please note, the Indian Harbor quotes are written on a Non-Admitted basis and subject to additional Surplus Lines Taxes and Fees.

## Scope of Coverage

For this renewal, Indian Harbor will provide the same broad scope of coverage as expiring which includes the following:

Workplace Violence and Assailant Coverage offers coverage to indemnify for specific expenses and business interruption coverages, including third party legal liability to address lawsuits that may result from a covered event and each policy should be reviewed as they provide specific types of coverages. The main coverages include victim expenses such as psychiatric care, medical or dental care, rehabilitation expenses, death benefit/disability coverages and funeral/burial expenses.

Expenses related to business income/business interruption, extra expense is included, in addition to public relations counsel, crisis consulting, employee counseling, and expenses associated with security measures.

For the renewal the following coverage is available for an additional premium:

Please note for renewal that XL has made one update to the policy form. Specifically:

- The definition of Premises has been updated to further clarify the intent of coverage.

### Old Definition:

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

### New Definition:

Premises means that portion of any real property which is occupied by the Named Insured in the conduct of the Named Insured's business. **Premises does not include the residences of Insured Persons.**

## Surplus Lines Disclosure

The quotes received from Indian Harbor Insurance Company are available only on an excess and surplus lines basis in most states. The premium would be subject to an excess and surplus lines tax, and a filing fee. Because this policy is available only on an excess and surplus lines basis, the insured has no recourse with the state's insurance department if there are any disputes with the carrier, or the carrier becomes insolvent.

# | Carrier Subjectivities

**This section summarizes the additional information the carrier will require in order to bind coverage.**

- Indian Harbor Insurance Company
  - Surplus Lines affidavits – TBD.

## **Important Note**

You, the Insured, represent and warrant that the information provided by you in connection with the application for insurance is complete and accurate through the later of the date that (i) coverage is bound or (ii) coverage becomes effective. You agree to immediately notify Segal, in writing, if any of the information included in the application changes between date the application for quotation/insurance coverage is submitted and the later of (i) the date of the quotation or the date coverage is bound or (ii) the effective date of coverage. You understand and acknowledge that the quoting insurance carriers may reserve the right to withdraw or amend any outstanding quotations based upon such changes and that Segal will not have any liability whatsoever for the decisions of any quoting insurance carriers based on any such changes.

# | Supplemental Information

While many insurance policies may follow a similar format, substantial differences exist between carriers. Segal recommends Insureds familiarize themselves with the policy's basic coverage features, especially those that require action on their part, and that counsel review all insurance policies.

## **Notice of Claim or Circumstances**

Please carefully review any claims reporting instructions. Failure to timely and properly report a claim may jeopardize coverage for the claim. In addition, you should retain copies of all insurance policies and coverage documents as well as claims reporting instructions after termination of the policies because in some cases you may need to report claims after termination of a policy.

**Disclosure in an application does not meet these terms and conditions. All regulatory audits or investigations should be treated as a claim and noticed to the insurance carrier as soon as the first written communication from a regulatory agency is received.**

Notice must be in accordance with the policy's terms and conditions and must be sent to a designated address. All electronic claim notifications to be processed by Segal must be sent to [claims@segalco.com](mailto:claims@segalco.com). Please copy me on any notification, but Segal is not responsible for the processing of any electronic claim notification if it is not addressed to [claims@segalco.com](mailto:claims@segalco.com).

## **Extended Reporting Period**

Should consideration be made to move coverage from one carrier to another, or there is a material change in terms and conditions, the Insured may also consider purchasing an Extended Reporting Period, commonly known as an "ERP" or "Tail Coverage." An ERP provides the Insured additional time to report claims or circumstances that occurred up to the date of the policy's expiration. This coverage is available for an additional premium and time period to be determined by the carrier. Some policies may also offer an automatic ERP for no additional premium. Please review your policy for specific terms and conditions.

## **Insured's Obligation to Notice the Insurer**

In addition to an obligation to notice the insurer of any claim or circumstance as soon as practicable, the policy will, or may, obligate the Insured to provide notice to the insurer in other instances.

## **Services and Compensation**

For more information about Segal and our services, visit us online at [segalco.com](http://segalco.com). Information about how we are compensated is available [here](#).

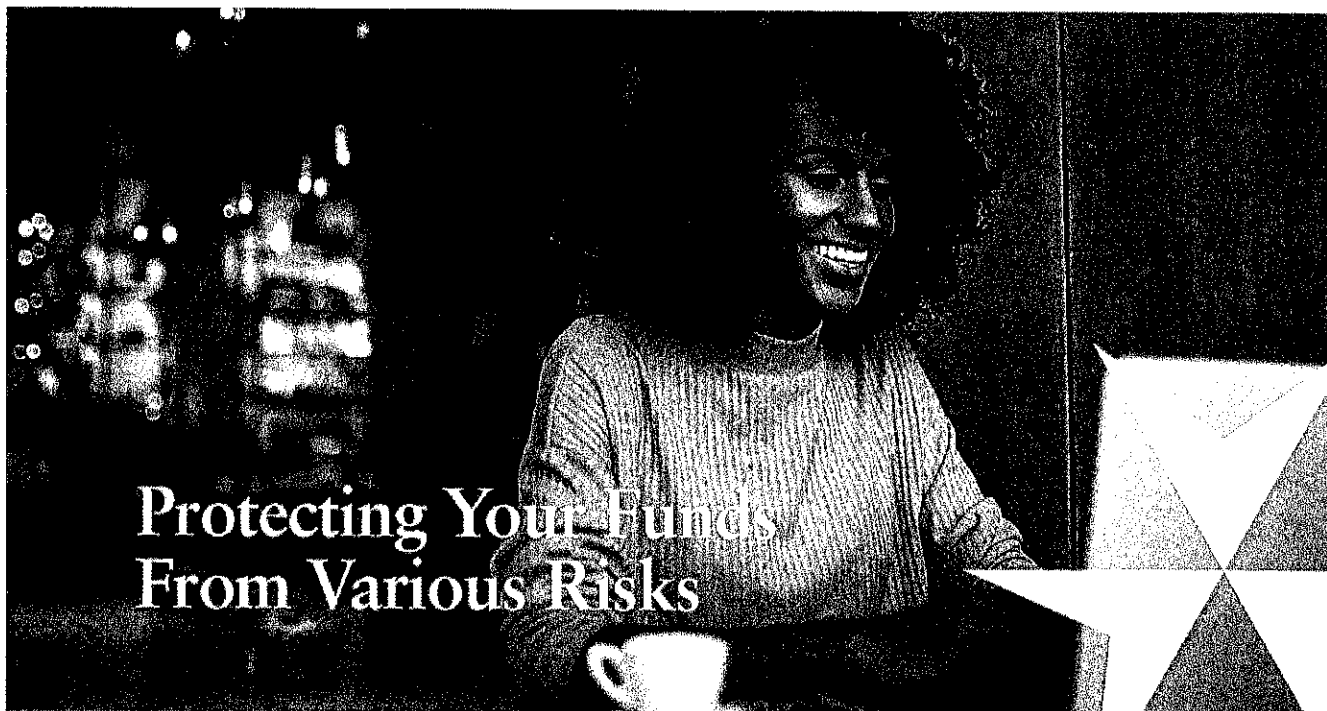
## Proposal Advisory

This quote memo is a summary of coverage forms, limits of insurance, endorsements and other terms and conditions of the carrier quotations. Please review quotes and policies with legal counsel for specific terms, conditions, limitations and exclusions that will govern in the event of a loss.

This quote memo does not amend, or otherwise affect, the provisions of coverage of any resulting insurance policy issued by any insurance company to you. It is your responsibility to check the policy or policies being purchased for accuracy.

This proposal is not a representation that coverage does or does not exist for any particular claim or loss under any policy. Coverage depends on the applicable provisions of the actual policy issued, the facts and circumstances involved in each claim or loss, and any applicable law.

In evaluating your exposures for loss, we have depended upon the information provided by you. If there are other areas that you think need to be evaluated prior to binding coverage, please bring these items to our attention as soon as possible.



## Protecting Your Funds From Various Risks

Benefits funds and their trustees have various risk exposures because of the many functions they perform. One of the mechanisms to help manage risk is the purchase of insurance protection that permits the transfer of fund and trustee risk to an insurance carrier.

### Core products for funds of all types



#### Fiduciary liability insurance

Protects Plans and trustees from allegations of breach of fiduciary duty and certain administrative errors



#### Fidelity bond

Protection from costs associated with employee dishonesty, theft and third party crime losses



#### Cyber liability insurance

Protects funds from costs associated with cyber risks



#### Employment practices liability insurance (EPLI)

Protection for allegations of employment wrongdoing



### Does the fund own property, host events, and conduct travel?



#### Property & casualty insurance

Protects and provides liability in case the fund is found legally responsible causing injuries or damages to others



#### Event cancellation insurance

Protects from unforeseen losses related to hosting events



#### Travel accident insurance

Protects for losses due to accidental death and dismemberment during business travel



## Does the fund provide service to others?



### Miscellaneous E&O insurance

Protects against allegations of errors and omissions



### Employed lawyers insurance

Protects a funds' in-house attorneys from legal advice allegations



### Medical professional insurance

Protects for allegations of wrongful practices and services



### Retiree representatives insurance

Errors and omissions protection designed for MPRA retiree representatives

## Does the fund manage training facilities?



### Educators liability insurance

Protects against claims alleging improper or insufficient training



### Directors and officers insurance

Protects for various operational exposures related to managing a training facility



### Media liability insurance

Protects against various personal injury allegations



### Student accident insurance

Responds to injury of students, volunteers or participants

## To learn more

about Segal's insurance brokerage services, visit our website at [www.segalco.com](http://www.segalco.com) or contact Diane McNally, Senior Vice President, Senior Consultant and Principal at 212.251.5146, [dmcnally@segalco.com](mailto:dmcnally@segalco.com).



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City of Hollywood Employees Retirement Fund

# Employment Practices Liability Insurance

**Policy No. SHP31210225**

August 18, 2021



333 West 34th Street  
New York, NY 10001-2402  
T 212.251.5000  
F 212.251.5490  
segalco.com  
CA License No. 0106323

## Memorandum

**To:** Phyllis Shaw  
Utilities Accounting Supervisor/Chair

**From:** Angie Begazo  
Insurance Broker

**Date:** August 18, 2021

**Re:** **Employment Practices Liability Insurance (EPLI)**  
**City of Hollywood Employees Retirement Fund**  
**Policy No. SHP31210225**

Thank you for the opportunity to provide quotations for this year's renewal of EPLI coverage. We recommend renewing coverage with the incumbent, Euclid/Hudson, based on the broad scope of coverage, competitive premium and continuity of coverage.

| Carrier       | Premium | Limit of Liability | Retention | Response  |
|---------------|---------|--------------------|-----------|---|
| Euclid/Hudson | \$4,395 | \$1-million        | \$10,000  | <b>INCUMBENT OPTIONS</b> Key decision variables: broad scope of coverage, competitive premium and continuity of coverage. |
|               | \$6,768 | \$2-million        |           |   |

Additional information is available in the attached sections. If you would like samples of any quoted policy forms or endorsements, please let us know and we will provide them to you.

Please provide binding instructions at your earliest convenience, but no later than September 30, 2021. Binding instructions received after this date may result in changes or withdrawal of the quoted terms. Please note that insurance coverage cannot be bound or changed via email, voicemail, text, or fax unless confirmed by a licensed broker.

If you have any questions, please contact our client team:

- **Broker:**

Angie Begazo, RPLU, AIS  
Insurance Broker  
212.251.5421  
[abegazo@segalco.com](mailto:abegazo@segalco.com)

- **Lead Regional Consultant:**

Matthew Jackson, RPLU, CCIC  
Senior Vice President  
212.251.5387  
[mjackson@segalco.com](mailto:mjackson@segalco.com)

cc: Christine Bailey  
Brent Chudachek, Esq.  
Ron Cohen  
Veron Sibble  
Keith Reynold  
Diane McNally

# | Table of Contents

|   |   |
|---|---|
| Premium & Coverage Summary.....                 | 1 |
| Policy Analyses.....                            | 2 |
| Scope of Coverage.....                          | 2 |
| Limit of Liability.....                         | 2 |
| Premium.....                                    | 2 |
| Continuity of Coverage.....                     | 2 |
| Subjectivities.....                             | 3 |
| Supplemental Information.....                   | 4 |
| Notice of Claim or Circumstances.....           | 4 |
| Extended Reporting Period.....                  | 4 |
| Insured's Obligation to Notice the Insurer..... | 4 |
| Services and Compensation.....                  | 4 |
| Proposal Advisory.....                          | 5 |

# Premium & Coverage Summary<sup>1</sup>

| Description  | Expiring Terms      | Renewal Options     |             |
|--|---------------------|---------------------|-------------|
|  | Euclid/Hudson       | Euclid/Hudson       |             |
| <b>Policy Summary</b>                              |                     |                     |             |
| Rating by A.M. Best <sup>2</sup>                   | A                   | A                   |             |
| Policy Period                                      | 9/27/2020-10/1/2021 | 10/1/2021-10/1/2022 |             |
| Limit of Liability                                 | \$1-million         | \$1-million         | \$2-million |
| Annual Premium                                     | \$4,028             | \$4,395             | \$6,768     |
| Retention  | \$10,000            | \$10,000            |             |
| <b>Coverages/Endorsements</b>                      |                     |                     |             |
| Amended Hammer/Settlement Clause                   | 80%/20%             | 80%/20%             |             |
| Back/Front Pay Coverage                            | ✓                   | ✓                   |             |
| Breach of Contract Exclusion                       | ✓                   | ✓                   |             |
| Definition of Claim includes for Injunctive Relief | ✓                   | ✓                   |             |
| Definition of Claim includes EEOC Charge           | ✓                   | ✓                   |             |
| Definition of Insured/Employee Includes Trustee    | ✓                   | ✓                   |             |
| Direct Bodily Injury Exclusion                     | ✓                   | ✓                   |             |
| Duty to Defend with Panel Counsel                  | ✓                   | ✓                   |             |
| Independent Contractor Coverage                    | ✓                   | ✓                   |             |
| Non-cancellable except for non-payment             | ✓                   | ✓                   |             |
| Pending & Prior Litigation Exclusion               | 9/27/2018           | 9/27/2018           |             |
| Professional Services Exclusion                    | ✓                   | ✓                   |             |
| Punitive Damages Most Favorable Venue              | ✓                   | ✓                   |             |
| Retaliation Coverage including ERISA & NLRA        | ✓                   | ✓                   |             |
| Severability Coverage                              | ✓                   | ✓                   |             |
| Spousal Coverage                                   | ✓                   | ✓                   |             |
| State Amendatory Endorsement(s)                    | ✓                   | ✓                   |             |
| Third Party Coverage                               | ✓                   | ✓                   |             |
| Violation of Employee Privacy Coverage             | \$100,000 sublimit  | \$100,000 sublimit  |             |
| Wage & Hour Defense Coverage                       | \$50,000 sublimit   | \$50,000 sublimit   |             |
| Workplace Violence Expenses                        | \$100,000 sublimit  | \$100,000 sublimit  |             |

<sup>1</sup> These policy summaries are not an exhaustive list and are not legal interpretations of coverage. Insurance policies are legal contracts that counsel should review.

<sup>2</sup> Segal can recommend insurance carriers with an A.M. Best rating of "A" or better.

# | Policy Analyses

## **Scope of Coverage**

For this renewal, Euclid/Hudson will continue to provide the same broad scope of coverage as expiring, including, but not limited to:

- Violation of Employee Privacy Coverage at \$100,000 sublimit with \$10,000 retention
- Workplace Violence Expenses Coverage at \$100,000 sublimit with \$10,000 retention
- Wage & Hour Defense Coverage at \$50,000 sublimit with \$10,000 retention

## **Limit of Liability**

Euclid/Hudson quoted limits of \$1-million as expiring as well as a higher limit option of \$2-million based on the current asset size and the number of employees of the Fund, which we can support.

## **Premium**

Euclid/Hudson quoted a premium increase of \$367 (9.1%). At the higher limit option, the carrier's rate per million improves.

## **Continuity of Coverage**

Continuity is a concept addressing the scope of coverage provided by a renewal policy from the incumbent carrier or a new policy from a new carrier. The policy in force when a claim is made will determine whether coverage is or is not provided. When renewing coverage with the incumbent or moving coverage to a new carrier, the insured should determine whether the renewal (or new) policy will provide at least the same scope of coverage as the expiring policy. In particular, a new carrier may wish to limit coverage in some fashion.

To maintain continuity, any additional policy exclusions, new Pending & Prior Litigation dates, and/or new Prior Acts dates should be reviewed.

# | Subjectivities

This section summarizes the additional information the carrier will require in order to bind coverage. All subjectivities must be reviewed by the carrier before coverage can be bound.

Euclid/Hudson

- No additional information is required at this time.

## Important Note

You, the Insured, represent and warrant that the information provided by you in connection with the application for insurance is complete and accurate through the later of the date that (i) coverage is bound or (ii) coverage becomes effective. You agree to immediately notify Segal, in writing, if any of the information included in the application changes between date the application for quotation/insurance coverage is submitted and the later of (i) the date of the quotation or the date coverage is bound or (ii) the effective date of coverage. You understand and acknowledge that the quoting insurance carriers may reserve the right to withdraw or amend any outstanding quotations based upon such changes and that Segal will not have any liability whatsoever for the decisions of any quoting insurance carriers based on any such changes.



# | Supplemental Information

While many insurance policies may follow a similar format, substantial differences exist between carriers. Segal recommends Insureds familiarize themselves with the policy's basic coverage features, especially those that require action on their part, and that counsel review all insurance policies.

## Notice of Claim or Circumstances

Please carefully review any claims reporting instructions. Failure to timely and properly report a claim may jeopardize coverage for the claim. In addition, you should retain copies of all insurance policies and coverage documents as well as claims reporting instructions after termination of the policies because in some cases you may need to report claims after termination of a policy.

**Disclosure in an application does not meet these terms and conditions. All regulatory audits or investigations should be treated as a claim and noticed to the insurance carrier as soon as the first written communication from a regulatory agency is received.**

Notice must be in accordance with the policy's terms and conditions and must be sent to a designated address. All electronic claim notifications to be processed by Segal must be sent to [claims@segalco.com](mailto:claims@segalco.com). Please copy me on any notification, but Segal is not responsible for the processing of any electronic claim notification if it is not addressed to [claims@segalco.com](mailto:claims@segalco.com).

## Extended Reporting Period

Should consideration be made to move coverage from one carrier to another, or there is a material change in terms and conditions, the Insured may also consider purchasing an Extended Reporting Period, commonly known as an "ERP" or "Tail Coverage." An ERP provides the Insured additional time to report claims or circumstances that occurred up to the date of the policy's expiration. This coverage is available for an additional premium and time period to be determined by the carrier. Some policies may also offer an automatic ERP for no additional premium. Please review your policy for specific terms and conditions.

## Insured's Obligation to Notice the Insurer

In addition to an obligation to notice the insurer of any claim or circumstance as soon as practicable, the policy will, or may, obligate the Insured to provide notice to the insurer in other instances.

## Services and Compensation

For more information about Segal and our services, visit us online at [segalco.com](http://segalco.com). Information about how we are compensated is available [here](#).

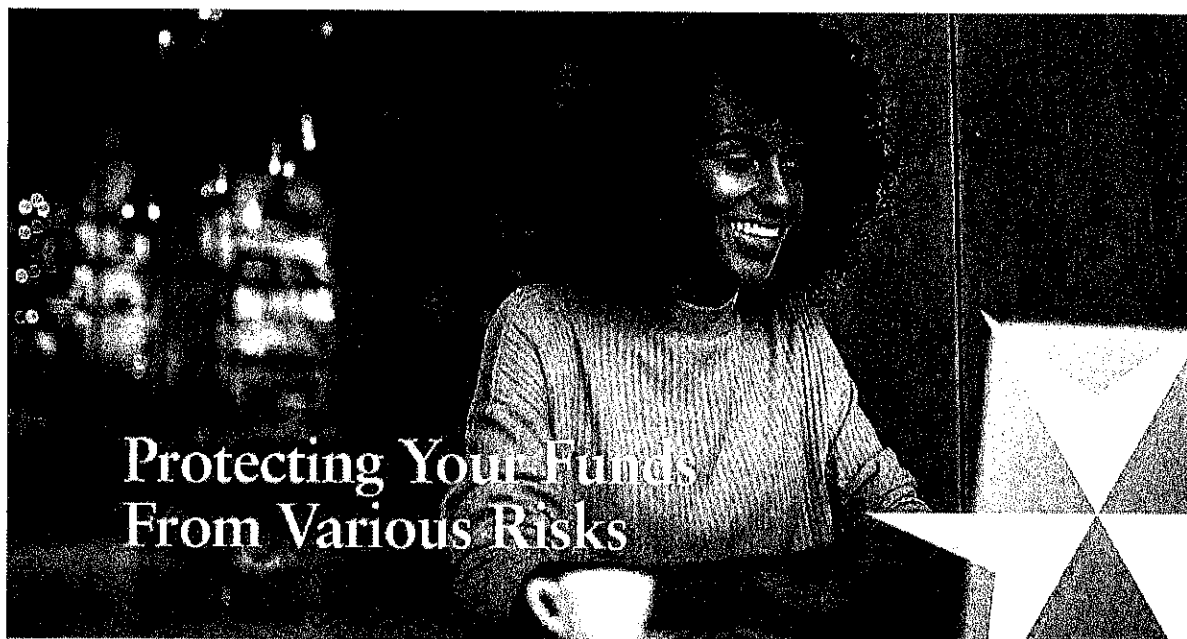
## Proposal Advisory

This quote memo is a summary of coverage forms, limits of insurance, endorsements and other terms and conditions of the carrier quotations. Please review quotes and policies with legal counsel for specific terms, conditions, limitations and exclusions that will govern in the event of a loss.

This quote memo does not amend, or otherwise affect, the provisions of coverage of any resulting insurance policy issued by any insurance company to you. It is your responsibility to check the policy or policies being purchased for accuracy.

This proposal is not a representation that coverage does or does not exist for any particular claim or loss under any policy. Coverage depends on the applicable provisions of the actual policy issued, the facts and circumstances involved in each claim or loss, and any applicable law.

In evaluating your exposures for loss, we have depended upon the information provided by you. If there are other areas that you think need to be evaluated prior to binding coverage, please bring these items to our attention as soon as possible.



## Protecting Your Funds From Various Risks

Benefits funds and their trustees have various risk exposures because of the many functions they perform. One of the mechanisms to help manage risk is the purchase of insurance protection that permits the transfer of fund and trustee risk to an insurance carrier.

### Core products for funds of all types



#### **Fiduciary liability insurance**

Protects Plans and trustees from allegations of breach of fiduciary duty and certain administrative errors



#### **Fidelity bond**

Protection from costs associated with employee dishonesty, theft and third party crime losses



#### **Cyber liability insurance**

Protects funds from costs associated with cyber risks



#### **Employment practices liability insurance (EPLI)**

Protection for allegations of employment wrongdoing



### Does the fund own property, host events, and conduct travel?

#### **Property & casualty insurance**

Protects and provides liability in case the fund is found legally responsible causing injuries or damages to others

#### **Event cancellation insurance**

Protects from unforeseen losses related to hosting events

#### **Travel accident insurance**

Protects for losses due to accidental death and dismemberment during business travel

### Does the fund provide service to others?



#### Miscellaneous E&O Insurance

Protects against allegations of errors and omissions



#### Employed lawyers insurance

Protects a funds' in-house attorneys from legal advice allegations



#### Medical professional insurance

Protects for allegations of wrongful practices and services



#### Retiree representatives insurance

Errors and omissions protection designed for MPRA retiree representatives

### Does the fund manage training facilities?



#### Educators liability insurance

Protects against claims alleging improper or insufficient training



#### Directors and officers insurance

Protects for various operational exposures related to managing a training facility



#### Media liability insurance

Protects against various personal injury allegations



#### Student accident insurance

Responds to injury of students, volunteers or participants

### To learn more

about Segal's insurance brokerage services, visit our website at [www.segalco.com](http://www.segalco.com) or contact Diane McNally, Senior Vice President, Senior Consultant and Principal at 212.251.5146, [dmcnally@segalco.com](mailto:dmcnally@segalco.com).

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City of Hollywood Employees Retirement Fund

# Fidelity Bond Coverage

**Policy No. SHC31210157**

August 18, 2021



333 West 34th Street  
New York, NY 10001-2402  
T 212.251.5000  
F 212.251.5490  
segalco.com  
CA License No. 0106323

## Memorandum

**To:** Phyllis Shaw  
Utilities Accounting Supervisor/Chair

**From:** Angie Begazo  
Insurance Broker

**Date:** August 18, 2021

**Re:** **Fidelity Bond Coverage**  
**City of Hollywood Employees Retirement Fund**  
**Policy No. SHC31210157**

Thank you for the opportunity to provide a quotation for this year's renewal of Fidelity Bond coverage. We recommend renewing coverage with the incumbent carrier, Euclid/Hudson, based on the broad scope of coverage including a broad definition of "Employee" that continues to automatically include employees, Trustees, and "any other natural person who handles Employee Benefit Plan assets whether or not required to be bonded " while in the service to any Insured Plan.

However, due to increased loss activity across the Fidelity Bond market, please note Euclid/Hudson has increased the per loss deductible on their policy and imposed new verification requirements on their Social Engineering Fraud coverage endorsements that we recommend be reviewed with Fund Counsel.

| Carrier       | Total<br>3-Year Premium                        | Limit of Liability | Response  |
|---------------|--|--------------------|---|
| Euclid/Hudson | \$15,213 prepaid in full<br>or<br>\$5,071/year | \$3-million        | <b>INCUMBENT OPTION</b> – Key Variables: based on the broad scope of coverage, competitive premium. |

Additional information is available in the attached sections. If you would like samples of any quoted policy forms or endorsements, please let us know and we will provide them to you.

Please provide binding instructions at your earliest convenience, but no later than September 24, 2021. Binding instructions received after this date may result in changes or withdrawal of the quoted terms. Please note that insurance coverage cannot be bound or changed via email, voicemail, text, or fax unless confirmed by a licensed broker.

If you have any questions, please contact our client team:

- **Broker:**

Angie Begazo, RPLU, AIS  
Insurance Broker  
212.251.5421  
[abegazo@segalco.com](mailto:abegazo@segalco.com)

- **Lead Regional Consultant:**

Matthew Jackson, RPLU, CCIC  
Senior Vice President  
212.251.5387  
[mjackson@segalco.com](mailto:mjackson@segalco.com)

cc: Christine Bailey  
Brent Chudachek, Esq.  
Ron Cohen  
Veron Sibble  
Keith Reynold  
Diane McNally

# | Table of Contents

|                                 |   |
|---------------------------------|---|
| Premium & Coverage Summary..... | 1 |
| Proposal Analyses .....         | 2 |
| Scope of Coverage.....          | 2 |
| Limit of Liability .....        | 2 |
| Premium .....                   | 2 |
| Carrier Subjectivities .....    | 3 |
| Supplemental Information .....  | 4 |
| Notice of Loss.....             | 4 |
| Services and Compensation ..... | 4 |
| Proposal Advisory.....          | 4 |



# Premium & Coverage Summary<sup>1</sup>

| Description                                   | Expiring Terms  | Renewal   |
|---|---|---|
|   | Euclid/Hudson   | Euclid/Hudson   |
| <b>Policy Summary</b>                         |   |   |
| • A.M. Best Rating <sup>2</sup>               | A   | A   |
| • Policy Period                               | 9/27/2018 – 9/27/2021   | 9/27/2021 – 10/1/2024   |
| • Limits of Liability                         | \$3-million   | \$3-million   |
| • Total Premium                               | \$14,529 Prepaid  | \$15,213 prepaid in full<br>or<br>\$5,071/year  |
| • Deductible                                  | \$10,000  | \$25,000  |
| <b>Coverages/Endorsements</b>                 |   |   |
| • Fraud & Dishonesty                          | ✓   | ✓   |
| • Outside Agents Coverage                     | ✓   | ✓   |
| • Social Engineering Fraud Coverage           | ✓<br>\$100,000 sublimit   | ✓<br>\$100,000 sublimit<br>Includes new verification<br>requirements                              |
| • Computer Fraud                              | ✓   | ✓   |
| • Forgery                                     | ✓   | ✓   |
| • Funds Transfer Fraud                        | ✓   | ✓   |
| • Money Orders and Counterfeit Currency Fraud | ✓   | ✓   |
| • Expense Coverage                            | ✓<br>\$10,000 sublimit  | ✓<br>\$10,000 sublimit  |
| • Duties in the event of Loss                 | As soon as possible, no later<br>than 90 days, signed statement,<br>proof of loss within 120 days | As soon as possible, no later<br>than 90 days, signed statement,<br>proof of loss within 120 days |
| • Extended Discovery Period                   | One year  | One year  |
| • Inflation Guard                             | ✓   | ✓   |
| • Loss Discovered                             | ✓   | ✓   |

<sup>1</sup> These policy summaries are not an exhaustive list and are not legal interpretations of coverage. Insurance policies are legal contracts that counsel should review.

<sup>2</sup> Segal can recommend insurance carriers with an A.M. Best rating of "A" or better.

# | Proposal Analyses

## **Scope of Coverage**

Euclid/Hudson's definition of "Employee" automatically includes employees, Trustees, and "any other natural person who handles Employee Benefit Plan assets" whether or not required to be bonded while in the service to any Insured Plan.

We support the continued purchase of coverages for Forgery, Computer Fraud, Funds Transfer Fraud and Money Orders and Counterfeit Currency losses. Please note that the retention has increased from \$10,000 to \$25,000 per loss deductible.

Euclid/Hudson will continue to provide a \$10,000 sublimit for Expense coverage for costs incurred to establish the existence and amount of covered loss. Coverage applies to all losses.

Lastly, Euclid/Hudson will also continue to provide Social Engineering Fraud coverage, subject to a \$100,000 sublimit. This covers losses resulting from an "Employee" (as defined in the policy) relying on fraudulent instructions to voluntarily part with money or securities given by someone purporting to be a Fund trustee, employee, or vendor. Additionally, please note that due to increased loss activity across the Fidelity Bond market, Euclid/Hudson has amended their Social Engineering Fraud coverage to include specific verification requirements that must be adhered to for coverage to apply. Please carefully review with Counsel.

## **Limit of Liability**

Euclid/Hudson quoted the same \$3-million per loss limit of liability as expiring.

Most bonds provide coverage on a "per loss" or "per occurrence" basis, which means that the bond's limits of liability apply anew to each unrelated loss discovered during the bond's term. If more than one Fund is covered on the same bond, the limit must equal at least the sum of each Fund's individual required limit.

## **Premium**

For this renewal, Euclid/Hudson quoted a three-year premium increase of \$684 (4.7%) from expiring and remains competitive in the current market for the scope of coverage being provided.

Please note that due to increased loss activity across the Fidelity Bond market, Euclid/Hudson has increased the per loss deductible from \$10,000 to \$25,000.

# | Carrier Subjectivities

**This section summarizes the additional information the carriers will require in order to bind coverage.**

➤ **Euclid/Hudson**

- There are no subjectivities at this time.

## **Important Note**

You, the Insured, represent and warrant that the information provided by you in connection with the application for insurance is complete and accurate through the later of the date that (i) coverage is bound or (ii) coverage becomes effective. You agree to immediately notify Segal, in writing, if any of the information included in the application changes between date the application for quotation/insurance coverage is submitted and the later of (i) the date of the quotation or the date coverage is bound or (ii) the effective date of coverage. You understand and acknowledge that the quoting insurance carriers may reserve the right to withdraw or amend any outstanding quotations based upon such changes and that Segal will not have any liability whatsoever for the decisions of any quoting insurance carriers based on any such changes.

# | Supplemental Information

While many insurance policies may follow a similar format, substantial differences exist between carriers. Segal recommends Insureds familiarize themselves with the policy's basic coverage features, especially those that require action on their part, and that counsel review all insurance policies.

In addition to the obligation to notice the insurer of any loss, per the terms and condition of the policy, the Insured may be obligated to provide notice to the insurer in other instances, as well. Of course, as your broker, we are always available for your questions.

## Notice of Loss

Please carefully review any loss reporting instructions. Failure to timely and properly report a loss may jeopardize coverage for the loss. In addition, you should retain copies of all insurance policies and coverage documents as well as loss reporting instructions after termination of the policies because in some cases you may need to report losses after termination of a policy.

All electronic loss notifications to be processed by Segal must be sent to [claims@segalco.com](mailto:claims@segalco.com). Please copy me on any notification, but Segal is not responsible for the processing of any electronic loss notification if it is not addressed to [claims@segalco.com](mailto:claims@segalco.com).

## Services and Compensation

For more information about Segal and our services, visit us online at [segalco.com](http://segalco.com). Information about how we are compensated is available [here](#).

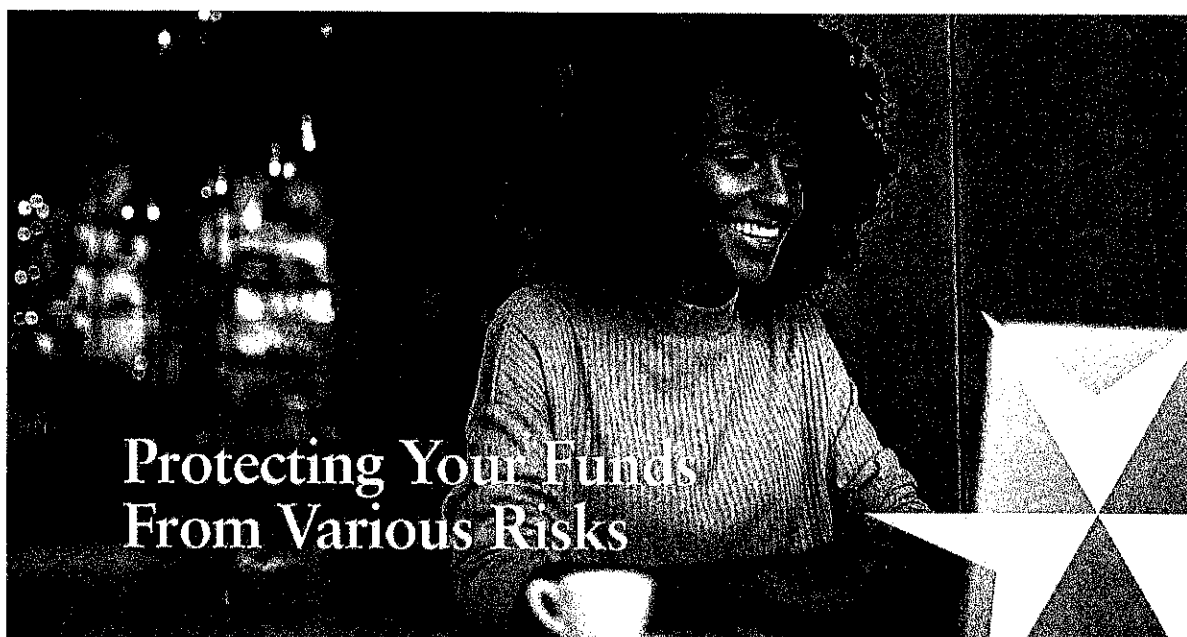
## Proposal Advisory

This quote memo is a summary of coverage forms, limits of insurance, endorsements and other terms and conditions of the carrier quotations. Please review quotes and policies with legal counsel for specific terms, conditions, limitations and exclusions that will govern in the event of a loss.

This quote memo does not amend, or otherwise affect, the provisions of coverage of any resulting insurance policy issued by any insurance company to you. It is your responsibility to check the policy or policies being purchased for accuracy.

This proposal is not a representation that coverage does or does not exist for any particular claim or loss under any policy. Coverage depends on the applicable provisions of the actual policy issued, the facts and circumstances involved in each claim or loss, and any applicable law.

In evaluating your exposures for loss, we have depended upon the information provided by you. If there are other areas that you think need to be evaluated prior to binding coverage, please bring these items to our attention as soon as possible.



Benefits funds and their trustees have various risk exposures because of the many functions they perform. One of the mechanisms to help manage risk is the purchase of insurance protection that permits the transfer of fund and trustee risk to an insurance carrier.

### Core products for funds of all types



#### **Fiduciary liability insurance**

Protects Plans and trustees from allegations of breach of fiduciary duty and certain administrative errors



#### **Fidelity bond**

Protection from costs associated with employee dishonesty, theft and third party crime losses



#### **Cyber liability insurance**

Protects funds from costs associated with cyber risks



#### **Employment practices liability insurance (EPLI)**

Protection for allegations of employment wrongdoing



### Does the fund own property, host events, and conduct travel?

#### **Property & casualty insurance**

Protects and provides liability in case the fund is found legally responsible causing injuries or damages to others

#### **Event cancellation insurance**

Protects from unforeseen losses related to hosting events

#### **Travel accident insurance**

Protects for losses due to accidental death and dismemberment during business travel

## Does the fund provide service to others?



### Miscellaneous E&O insurance

Protects against allegations of errors and omissions



### Employed lawyers insurance

Protects a funds' in-house attorneys from legal advice allegations



### Medical professional insurance

Protects for allegations of wrongful practices and services



### Retiree representatives insurance

Errors and omissions protection designed for MPRA retiree representatives

## Does the fund manage training facilities?



### Educators liability insurance

Protects against claims alleging improper or insufficient training



### Directors and officers insurance

Protects for various operational exposures related to managing a training facility



### Media liability insurance

Protects against various personal injury allegations



### Student accident insurance

Responds to injury of students, volunteers or participants

## To learn more

about Segal's insurance brokerage services, visit our website at [www.segalco.com](http://www.segalco.com) or contact Diane McNally, Senior Vice President, Senior Consultant and Principal at 212.251.5146, [dmcnally@segalco.com](mailto:dmcnally@segalco.com).

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Policy Number: SHP3121####-##  
Endorsement Number: ##  
Endorsement Effective Date: xx/xx/xxxx (12:01 a.m. local time)

---

### Payment Instruction Fraud Coverage Endorsement (with Sub-Limit)

In consideration of the premium charged it is agreed that the above-numbered policy is amended as follows:

1. The Crime Coverage Part Section IV. Definitions H. **Fraudulent Transfer Instructions** is amended by adding the following:

3. **Payment Instruction Fraud.**

2. The Crime Coverage Part Section IV. Definitions is amended by adding the following new definition:

**Payment Instruction Fraud** means the intentional misleading or deception of an **Employee** through social engineering, pretexting, phishing, spear phishing, spoofing or any other confidence trick communicated by email, text, instant message, telephone or other electronic means which results in the transfer of **Money** or **Securities**, provided that the **Insured** has complied with the following conditions prior to transferring such **Money** or **Securities**:

1. for any single transfer of **Money** or **Securities** in excess of \$25,000 on deposit in the **Insured's** own account, the **Insured** obtained authorization from at least two **Employees**, one of whom is a trustee or administrator of the **Insured**; or
  2. for any single transfer of **Money** or **Securities** in excess of \$25,000 on deposit in an individual's account maintained by the **Insured**,
    - a. the sender of the **Payment Instruction Fraud** confirmed with the **Employee** the identity of such individual with the password, personal identification number, token, or other security code of such individual;
    - b. the **Payment Instruction Fraud** instruction was received by an **Employee** specifically authorized by the **Insured** to receive and act upon such instructions;
    - c. the **Employee** verified such instructions via a call back to a predetermined telephone number set forth in the **Insured's** written agreement with such individual or other security procedure approved in writing by the Insurer for the purpose of detecting error in the transmission or the content of such instructions, and verifying that such instructions are that of such individual; and
    - d. the **Employee** preserved a contemporaneous record of the call back and the instruction which verifies use of the authorized password, personal identification number, token, or other security code of such.
3. Solely with respect to the coverage extended pursuant to this endorsement, payment for loss is subject to the following Limit of Insurance and Retention Amount:

Limit of Insurance: \$xx,xxx,xxx  
Retention Amount: \$xx,xxx,xxx

Such Limit of Insurance is part of, and not in addition to, the Limit of Insurance for the applicable Insuring Agreement stated in ITEM 6 of the Policy Declarations. In the event that more than one Retention Amounts apply, only the highest single Retention Amount shall apply.

Nothing contained herein shall vary, alter or extend the terms, conditions and limitations of the policy except as stated above.

This endorsement is part of the above-numbered policy and is effective as of the Endorsement Effective Date shown above. It is not binding unless signed by an authorized representative of the Insurer.

HUDSON INSURANCE COMPANY

A handwritten signature in black ink, appearing to read "Daniel Amonowitz", written over a horizontal line.

Authorized Representative



**Login**

- [FileHandler](#)
- [Hudson Risk Management Center](#)

**Hudson's Risk Management team is comprised of experienced healthcare risk managers and loss control specialists. We create a partnership with our clients while providing insights and recommendations that are intended to improve the safety and insurability of their businesses.**

The goal of Hudson Healthcare's Risk Management services is to create a partnership based on the principles of client-driven services, strong educational programs and quick access to our expertise.

Our team is comprised of specialists in the areas of healthcare as well as professional and general liability risk management.

### **Targeted Businesses**

We provide risk management services to a wide array of healthcare groups and professionals, including:

- Hospitals, from Critical Access Hospitals to Large Academic Centers
- Hospital Facilities, including Anti-Aging Clinics, Medical Spas, Weight Loss Clinics, Surgery Centers, Urgent Care, Diagnostic Imaging and Labs
- Physician Office Practices, from Single Practitioners to Multi-Specialty Group Practices
- Ambulatory / Outpatient Clinics and Services
- Healthcare Systems, including University-Affiliated, Not-for-Profit and For-Profit Health Systems

### **Client-Driven Services**

Our risk management services will be provided at the request of, and in partnership with, our insured. Hudson Healthcare has expert personnel in the areas of healthcare professional and general liability risk management who provide professional resources that assist and augment your internal programs.

Together with our insured, Hudson Healthcare will determine the types and quantity of services which are achievable within the policy year. Our service offerings include:

### **Risk Identification**

**On Site Risk Management Consultations**  
**Telephone and Internet Support**

### **Educational Programs**

Our educational programs include:

**Peer-to-Peer Education**

**Staff Training**

**On-line Continuing Medical Education (CME) Courses**

**Resources and Written Materials**

The Hudson Risk Management Center

# **AGENDA ITEM 6.A.**

## **LEGAL**

### **ATTENDANCE AND TELEPHONE PARTICIPATION POLICY**

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

**ATTENDANCE AND TELEPHONE PARTICIPATION POLICY**

**Adopted March 22, 2018**

**PURPOSE:**

To establish a policy governing attendance at Board meetings, and telephonic participation in meetings by Board Members.

**BACKGROUND:**

This policy sets forth the Board's attendance policy and procedures to be followed when a Board Member is unable to attend a meeting of the Board. Specifically, this policy addresses excused and unexcused absences from meetings, as well as participation in meetings by telephone or other electronic means (hereinafter, "telephonically") in compliance with Florida's Government-in-the-Sunshine Law (Chapter 286, Florida Statutes).

The proper administration of the Fund requires consistent attendance and participation by Board Members at meetings of the Board of Trustees. Excessive unexcused absences and tardiness have a negative effect on the administration of the Fund. Therefore, when a Board Member is unable to appear at a meeting in person due to extraordinary circumstances, it is beneficial to the Fund and its members to provide for participation by other means. Section 286.011(1), Florida Statutes, Florida's Government-in-the-Sunshine Law, provides:

All meetings of any board or commission of any state agency or authority or of any agency or authority of any county, municipal corporation, or political subdivision, except as otherwise provided in the Constitution, including meetings with or attended by any person elected to such board or commission, but who has not yet taken office, at which official acts are to be taken are declared to be public meetings open to the public at all times, and no resolution, rule, or formal action shall be considered binding except as taken or made at such meeting. The board or commission must provide reasonable notice of all such meetings.

The State Attorney General has interpreted the above statute as allowing the participation of a board member in a public board meeting by telephone in extraordinary circumstances. Whether a member's reason for absence constitutes such a circumstance is a determination that must be made in the good judgment of the board. (AGO 2003-41). The Attorney General has opined that Under Florida law, a quorum of the board must be physically present at any meeting of the Board. According to the Attorney General, However, as long as a quorum of the board is physically present at the meeting site, the Board may use electronic media technology to allow a Board Member who is unable to attend the meeting in person to participate by phone or other electronic means.

## **POLICY:**

### **Attendance**

1. Section 37.25 of the Hollywood City Code provides that a board member who has four consecutive absences (excused or unexcused) or misses more than 50% of the regularly scheduled meetings during any twelve month period shall be automatically removed from the board.
2. It is the policy of the Board of Trustees that attendance at all regularly scheduled Board meetings is mandatory for Board Members. However, it is understood that absences, tardiness, or early departure from a meeting, due to employment obligations, illness or other extraordinary circumstances are at times unavoidable. If a Board Member is unable to attend a meeting, will be late for a meeting, or will be unable to remain at a meeting until its scheduled adjournment, the Member should inform the Chair or Executive Director as soon as possible. Absence or tardiness will be considered excused if the absence or tardiness was due to unavoidable employment obligations, illness or other extraordinary circumstances, as determined by the Board.
3. The individual circumstances of a Board member who has four (4) or more unexcused absences during any twelve (12) month period will be reviewed by the Board to determine whether the Member is able to fulfill his or her fiduciary duty as a Trustee. If it is determined by the Board that a Board Member is unable to fulfill his or her fiduciary duty, the Board may take any action permitted under law, including but not limited to requesting the Member's resignation. If a vacancy occurs, a successor will be appointed or elected in accordance with section 33.025 (R) of the Plan, if replacement is required.
4. A Board Member will be considered tardy for a regularly scheduled meeting if the member arrives at the meeting more than thirty (30) minutes after the meeting has commenced. Leaving a regularly scheduled meeting more than thirty (30) minutes prior to the scheduled adjournment will be considered an early departure, for which a valid excuse is also required. Two unexcused instances of tardiness or early departure during any twelve (12) month period will constitute one (1) unexcused absence.

### **Telephone Participation**

A Board Member may participate in a meeting of the Board telephonically, or by similar electronic means when extraordinary circumstances prevent the member from attending the meeting in person. In providing for such participation the following conditions shall apply.

A. The decision to permit a Board Member to participate telephonically shall be made by the Board Members who are physically present at the beginning of the meeting, based on a determination that the member is prevented from attending the meeting in person by extraordinary circumstances. A Board Member who will not be able to attend a Board meeting or a portion of a meeting in person must submit a request to participate telephonically at least five (5) days before the meeting. The request should be sent via email to the Executive Director or his/her designee. In the event an absence is unforeseen, a request to participate telephonically must be submitted at the earliest opportunity before the meeting.

B. When permission to participate telephonically has been granted, the Executive Director shall ensure that all requirements of the Sunshine Law are satisfied by providing access.

to the meeting sufficient for the public to clearly hear all Board Members participating in the meeting and for all Board Members to clearly hear all public comment. Compliance with the requirements of section 286.011, Florida Statutes, requires the use of such devices as a speaker telephone that would allow the absent member to participate in discussions, to be heard by the other Board Members and the public, and to hear discussion taking place during the meeting.

C. Board Members participating telephonically do not count towards a quorum. A quorum of the Board must be physically present at any public meeting.

D. Except as otherwise provided herein, a Board Member who is participating telephonically may vote on matters before the Board, so long as the circumstances do not prevent him or her from making an informed decision in the best interest of the Fund.

E. A Board Member may participate telephonically in a Board meeting no more than two (2) times during any twelve-month period. At the Board's discretion, exceptions to this limit may be granted based on the circumstances of the absence.

F. A Board Member may not participate telephonically in any hearing during which witness testimony or documentary evidence is presented to the Board. This prohibition includes any participation by the Board Member; not merely an abstention from voting. If a Board Member is telephonically participating in a meeting of the Board, the call will be terminated or temporarily disconnected during any portion of the meeting in which a hearing requiring the consideration of witness testimony or documentary evidence is being conducted. The Board Member may rejoin the meeting after such hearing has been concluded.

G. A Board Member may not participate telephonically in an attorney-client session held pursuant to section 286.011(8), Florida Statutes. If a Board Member is participating in a meeting of the Board telephonically, the call will be terminated or temporarily disconnected during the attorney-client session. The Board attorney or Chair shall announce in the public meeting that the Board Member appearing telephonically will not be included in the non-public portion of the meeting. Unless otherwise prohibited, the absent Board Member may rejoin the regular meeting after the attorney-client session has been concluded.

H. Any telephonic participation that is disruptive to a meeting may be discontinued at the discretion of the Chair. Examples of such disruption include, but are not limited to background noise, interference which makes it difficult to understand the Board member's communications, an inability to maintain a connection, or any other circumstance which takes up meeting time or delays or interferes with the progress of the meeting.

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

**ATTENDANCE AND TELEPHONE PARTICIPATION POLICY**

**Adopted March 22, 2018**

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to the meeting sufficient for the public to clearly hear all Board Members participating in the meeting and for all Board Members to clearly hear all public comment. Compliance with the requirements of section 286.011, Florida Statutes, requires the use of such devices as a speaker telephone that would allow the absent member to participate in discussions, to be heard by the other Board Members and the public, and to hear discussion taking place during the meeting.

C. Board Members participating telephonically do not count towards a quorum. A quorum of the Board must be physically present at any public meeting.

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# **AGENDA ITEM 6.B.**

## **LEGAL**

### **LEGAL UPDATES**

**(NO BACKUP FOR THIS SECTION)**

# **AGENDA ITEM 6.C.**

## **LEGAL**

### **AFFILIATED HOUSING IMPACT FUND**

**(NO BACKUP FOR THIS SECTION)**

# **AGENDA ITEM 6.D.**

## **LEGAL**

**VIRGINIA TISDALE-FERGUSON V. THE BOARD OF  
TRUSTEES OF THE CITY OF HOLLYWOOD EMPLOYEES'  
RETIREMENT FUND, AND BLANCHE T. PRESSLEY, A/K/A/  
BLANCHE TISDALE**

VIRGINIA TISDALE-FERGUSON,  
Individually and as  
Personal Representative of the  
Estate of JOHN L. TISDALE

Petitioner/Plaintiff

V.

THE BOARD OF TRUSTEES OF THE  
CITY OF HOLLYWOOD EMPLOYEES'  
RETIREMENT FUND, AND BLANCHE T.  
PRESSLEY, a/k/a BLANCHE TISDALE,

Respondents/Defendants

---

DIANA WATEROUS CENTORINO, ESQ.  
Diana Waterous Centorino, P.A.  
1230 S.E. 4<sup>TH</sup> Avenue  
Fort Lauderdale, Florida, 33316  
(954) 462-7760



**FORM 1.997. CIVIL COVER SHEET**

The civil cover sheet and the information contained in it neither replace nor supplement the filing and service of pleadings or other documents as required by law. This form must be filed by the plaintiff or petitioner with the Clerk of Court for the purpose of reporting uniform data pursuant to section 25.075, Florida Statutes. (See instructions for completion.)

---

**I. CASE STYLE**

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

Virginia Tisdale Ferguson  
Plaintiff

Case # CACE21013485  
Judge JOHN BOWMAN

vs.

Bd of TTEES Hollywood EES Retirement Fund  
Defendant

---

**II. AMOUNT OF CLAIM**

Please indicate the estimated amount of the claim, rounded to the nearest dollar. The estimated amount of the claim is requested for data collection and clerical processing purposes only. The amount of the claim shall not be used for any other purpose.

- ☐ \$8,000 or less
- ☐ \$8,001 - \$30,000
- ☐ \$30,001 - \$50,000
- ☐ \$50,001 - \$75,000
- ☐ \$75,001 - \$100,000
- ☐ over \$100,000.00

**III. TYPE OF CASE** (If the case fits more than one type of case, select the most definitive category.) If the most descriptive label is a subcategory (is indented under a broader category), place an x on both the main category and subcategory lines.

## **CIRCUIT CIVIL**

- ☐ Condominium
- ☒ Contracts and indebtedness
- ☐ Eminent domain
- ☐ Auto negligence
- ☐ Negligence—other
  - ☐ Business governance
  - ☐ Business torts
  - ☐ Environmental/Toxic tort
  - ☐ Third party indemnification
  - ☐ Construction defect
  - ☐ Mass tort
  - ☐ Negligent security
  - ☐ Nursing home negligence
  - ☐ Premises liability—commercial
  - ☐ Premises liability—residential
- ☐ Products liability
- ☐ Real Property/Mortgage foreclosure
  - ☐ Commercial foreclosure
  - ☐ Homestead residential foreclosure
  - ☐ Non-homestead residential foreclosure
  - ☐ Other real property actions
- ☐ Professional malpractice
  - ☐ Malpractice—business
  - ☐ Malpractice—medical
  - ☐ Malpractice—other professional
- ☐ Other
  - ☐ Antitrust/Trade regulation
  - ☐ Business transactions
  - ☐ Constitutional challenge—statute or ordinance
  - ☐ Constitutional challenge—proposed amendment
  - ☐ Corporate trusts
  - ☐ Discrimination—employment or other
  - ☐ Insurance claims
  - ☐ Intellectual property
  - ☐ Libel/Slander
  - ☐ Shareholder derivative action
  - ☐ Securities litigation
  - ☐ Trade secrets
  - ☐ Trust litigation

## **COUNTY CIVIL**

- ☐ Small Claims up to \$8,000
- ☐ Civil
- ☐ Real property/Mortgage foreclosure



- ☐ Replevins  
☐ Evictions  
    ☐ Residential Evictions  
    ☐ Non-residential Evictions  
☐ Other civil (non-monetary)

**COMPLEX BUSINESS COURT**

This action is appropriate for assignment to Complex Business Court as delineated and mandated by the Administrative Order. Yes ☐ No ☒

**IV. REMEDIES SOUGHT (check all that apply):**

- ☐ Monetary;  
☒ Nonmonetary declaratory or injunctive relief;  
☐ Punitive

**V. NUMBER OF CAUSES OF ACTION: [ ]**  
(Specify)

Three

**VI. IS THIS CASE A CLASS ACTION LAWSUIT?**

- ☐ yes  
☒ no

**VII. HAS NOTICE OF ANY KNOWN RELATED CASE BEEN FILED?**

- ☒ no  
☐ yes If "yes," list all related cases by name, case number, and court.

**VIII. IS JURY TRIAL DEMANDED IN COMPLAINT?**

- ☒ yes  
☐ no

I CERTIFY that the information I have provided in this cover sheet is accurate to the best of my knowledge and belief, and that I have read and will comply with the requirements of Florida Rule of Judicial Administration 2.425.

Signature: s/ Diana W. Centorino  
Attorney or party

Fla. Bar # 611778  
(Bar # if attorney)

Diana W. Centorino  
(type or print name)

07/02/2021  
Date

Petition For Writ  
Of Certiorari

IN THE CIRCUIT COURT OF THE 17<sup>TH</sup> JUDICIAL CIRCUIT  
IN AND FOR BROWARD COUNTY, FLORIDA

Case No.  
CASE 21013485

VIRGINIA TISDALE-FERGUSON,  
Individually and as  
PERSONAL REPRESENTATIVE  
of the Estate of JOHN L. TISDALE,  
Petitioner/Plaintiff

V.

THE BOARD OF TRUSTEES OF THE  
CITY OF HOLLYWOOD EMPLOYEES'  
RETIREMENT FUND, and BLANCHE T.  
PRESSLEY, a/k/a BLANCHE TISDALE,

Respondents/Defendants

---

---

Rule 9.100 PETITION FOR WRIT OF CERTIORARI/ PETITION TO REVIEW  
QUASI-JUDICIAL ACTION OF BOARD / AND COMPLAINT FOR  
DECLARATORY JUDGMENT AND INJUNCTIVE RELIEF

---

DIANA WATEROUS CENTORINO, P.A.  
1230 S.E. 4TH AVENUE  
Fort Lauderdale, FL, 33316  
(954) 462-7760  
(954) 462-7761 (fax)

/s/Diana Waterous Centorino, Esq.  
Fla. Bar No. 611778  
DWC@dianawaterouscentorino.com

## TABLE OF CONTENTS

|  |    |
|--|----|
| TABLE OF CITATIONS.....  | ii |
| RULE 9.100 PETITION FOR WRIT OF CERTIORARI.....                                      | 1  |
| COUNT I: PETITION FOR WRIT OF CERTIORARI<br>STATEMENT OF THE FACTS AND THE CASE..... | 4  |
| STANDARD OF REVIEW AND LEGAL ARGUMENT.....   | 20 |
| COUNT II: COMPLAINT FOR DECLARTORY RELIEF.....                                       | 24 |
| COUNT III: COMPLAINT FOR INJUNCTIVE RELIEF.....                                      | 26 |
| DEMAND FOR A JURY TRIAL.....   | 28 |
| CERTIFICATE OF COMPLIANCE WITH FONT REQUIREMENTS....                                 | 29 |
| APPENDIX   |    |

## TABLE OF CITATIONS

### CASES

|  |       |
|--|-------|
| <u>City of Deerfield Beach v. Valliant</u> , 419 So. 2d 624 (Fla.1982) .....   | 2, 21 |
| <u>Broward County v. G.B.V.International</u> , 787 So.2d 838 (Fla.2001).....   | 4     |
| <u>Evergreen the Tree Treasurers of Charlotte County, Inc. v. Charlotte County Bd. of<br/>County Comm'rs</u> , 810 So. 2d 526 (Fla.2d DCA 2002)..... | 4     |
| <u>Walgreen Co. v. Polk County</u> , 524 So.2d 1119(Fla 2 <sup>nd</sup> DCA 1988).....   | 21    |
| <u>Gulf &amp; Eastern Development Corp. v. City of Fort Lauderdale</u> , 354 So.2d 57<br>(Fla.1978) .....  | 22    |

IN THE CIRCUIT COURT OF THE 17<sup>TH</sup> JUDICIAL CIRCUIT  
IN AND FOR BROWARD COUNTY, FLORIDA

Case No.

VIRGINIA TISDALE-FERGUSON,  
Individually and as  
PERSONAL REPRESENTATIVE  
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PRESSLEY, a/k/a BLANCHE TISDALE,

Respondents/Defendants

---

---

**RULE 9.100 PETITION FOR WRIT OF CERTIORARI AND COMPLAINT  
FOR DECLARATORY JUDGMENT AND INJUNCTIVE RELIEF**

---

Petitioner, VIRGINIA TISDALE-FERGUSON, INDIVIDUALLY AND AS  
PERSONAL REPRESENTATIVE OF THE ESTATE OF JOHN L. TISDALE,  
("FERGUSON" or "Petitioner"), by and through undersigned counsel, hereby files  
her Petition for Writ of Certiorari against Respondents, THE BOARD OF  
TRUSTEES OF THE CITY OF HOLLYWOOD EMPLOYEES' RETIREMENT

FUND ("Respondent Board"), and BLANCHE T. PRESSLEY, a/k/a BLANCHE TISDALE, ("Respondent PRESSLEY"), and alleges as follows:

1. Petitioner seeks, through the Court's appellate review jurisdiction, a Writ of Certiorari pursuant to Rule 1.630, Fla. R. Civ. P. and Rule 9.100 (c) (2), Fla. R. App.P., challenging the RESPONDENT BOARD'S Order In Re: Benefits to be Paid as a Result of the Death of JOHN TISDALE (the "Order") (See Appendix - Tab 1, Pgs. 1-4) on the grounds that it: (1) was entered in violation of Petitioner's due process rights, (2) is not supported by competent substantial evidence; and (3) is a departure from the essential requirements of law. *See City of Deerfield Beach v. Valliant*, 419 So. 2d 624, 626 (Fla. 1982) setting forth the standard of review application to petitions for writ of certiorari.
2. FERGUSON is the daughter of JOHN L. TISDALE ("TISDALE") who retired in 1975 from the City of Hollywood, Florida with a disability retirement/pension benefits from the City of Hollywood Employees' Retirement Fund.
3. FERGUSON is one of two claimants of TISDALE's retirement benefits.
4. FERGUSON has substantial interests at issue in this litigation, those interests being: the enforcement of her constitutional procedural due process rights to a full quasi-judicial hearing on the determination regarding to whom TISDALE's

pension benefits were to be paid, and the honoring of TISDALE's intent to have his benefits paid at his death to his daughter, FERGUSON. The Board's findings of facts, conclusions of law and decision issued in its Order of June 10, 2021 do not comply with the law and are not supported by the evidence. The decision deprived FERGUSON and should be set aside. These interests are sufficient to confer FERGUSON standing in this case.

5. The RESPONDENT BOARD is a Florida Municipal Board located in Hollywood, Broward County, Florida.

6. Respondent PRESSLEY is one of two claimants to TISDALE's retirement benefits. Respondent PRESSLEY resides in Kingstree, South Carolina. She has submitted herself to the jurisdiction of this court by being a claimant in this matter.

7. Venue is proper in this Court pursuant to Florida Statutes Section 47.011.

8. Copies of the record proceedings relied upon by the Petitioner in support of this Petition for Writ of Certiorari, are set forth in the Appendix to Petition for Writ of Certiorari and incorporated herein by reference. References to the Appendix take the format "A-Tab x", where x is the number of the referenced document.

9. This Court has jurisdiction over this Certiorari Petition pursuant to Article V, Section (5b) of the Florida Constitution and Florida Statutes 112.66 as the



Respondent Board's issuance of the Order In Re: Benefits to be Paid as a Result of the Death of JOHN TISDALE was a quasi-judicial proceeding. As a rule, local agency or board action that is not otherwise subject to review under the Administrative Procedure Act is reviewable by certiorari only if it is quasi-judicial, not legislative. *Broward County v. G.B.V. International*, 787 So. 2d.838 (Fla. 2001).

10. Upon this Court's determination that this Petition states a prima facie basis for relief, this Court should issue an order to show cause directing the Board to demonstrate why a Writ of Certiorari should not be issued. *Evergreen the Tree Treasurers of Charlotte County, Inc. v. Charlotte County Bd. of County Commissioners*, 810 So. 2d. 526, 530 (Fla. 2d DCA 2002).
11. This Petition for a Writ of Certiorari was timely filed.

#### COUNT I: PETITION FOR WRIT OF CERTIORARI

##### Statement of the Facts and the Case

12. TISDALE was an employee of the City of Hollywood, Florida. In the course of his employment there was a terrible accident which caused TISDALE to go totally blind in 1975. He was blind the rest of his life.
13. Petitioner FERGUSON is the daughter and only child of JOHN L. TISDALE. TISDALE and FERGUSON'S mother (CARRIE MAE

TISDALE) were married and never divorced. They were married to each other when TISDALE'S said wife, CARRIE MAE TISDALE died in September 2020. TISDALE died the following month.

14. When TISDALE became blind in 1975, TISDALE'S mother was still alive, and she cared for him.
15. TISDALE'S mother lived in South Carolina, so he moved there and lived next door to her for the rest of her life.
16. TISDALE'S mother kept away women trying to take advantage of the blind TISDALE and his financial settlement from the City of Hollywood.
17. At approximately the time TISDALE'S mother passed away, the Respondent, BLANCHE T. PRESSLEY, a/k/a BLANCHE TISDALE ("Respondent PRESSLEY") began to try to take over TISDALE'S finances, even though TISDALE remained married to FERGUSON'S mother, Carrie Mae TISDALE.
18. FERGUSON (TISDALE'S only child) had a job in Miami-Dade County, Florida and was not able to move to South Carolina to live with her father, but she was in contact with him, and they had a close and loving relationship.

19. TISDALE'S Last Will and Testament, a copy of which is in the Appendix (See A-Tab 2, Pgs. 1-6), gives, devises, and bequeaths all of his assets, to his daughter, Petitioner FERGUSON.
20. TISDALE'S said LAST Will and Testament, which nominated FERGUSON to be the Personal Representative of his Estate, has been approved by the South Carolina Court and been admitted to probate and FERGUSON has been appointed by the South Carolina Court to serve as Personal Representative of TISDALE'S Estate. Judge Betty F. Matthews of the Probate Court Williamsburg County, South Carolina on May 27, 2021 entered the Order (See Appendix -Tab 3 Pgs. 1-4).
21. Prior to his death, TISDALE executed a Durable Power of Attorney, (see Appendix A-Tab 4 Pgs. 1-14). In September 2020, prior to TISDALE'S death, FERGUSON furnished the RESPONDENT BOARD a copy of the Durable Power of Attorney, along with a change of address form, changing the address to where the benefits were to be paid. The said Power of Attorney appoints Petitioner FERGUSON to be TISDALE'S Attorney-in-Fact and Agent.
22. RESPONDENT PRESSLEY came to this matter with unclean hands. She falsely advised the Respondent Board that she was TISDALE'S widow and that she had a Power of Attorney from TISDALE. The Power of Attorney

appointing Respondent PRESSLEY was never submitted to the Board and there is no evidence of its existence.

23. Further, despite her claiming to the Board that she was TISDALE'S widow, Respondent PRESSLEY was never legally married to TISDALE. See Order of South Carolina Probate Court revoking the prior appointment of Respondent PRESSLEY as Personal Representative of TISDALE'S estate and referring to her purported marriage as a "bigamist marriage." (See Appendix -Tab 3, P 4).

24. After the accident which blinded TISDALE, several Designation of Beneficiary forms were submitted to the Board on behalf of TISDALE.

25. The first "Re-Designation of Beneficiary for a Disability Retiree with a Normal Option to a Joint and Survivor Option", was signed on July 25, 2001. (See Appendix -Tab 5, Pg 1). There was no commencement date on the July 25, 2001 form, and it was superseded by subsequent filings.

26. The second "Designation of Beneficiary" form was dated August 15, 2001 (See Appendix A Tab 6, Pg. 1). It named: "BLANCHE G. T. PRESSLEY (RESPONDENT PRESSLEY); MAUDE TISDALE (TISDALE'S mother); and LIZZIE MAE TISDALE (TISDALE'S sister) to be the beneficiary upon TISDALE'S death. The latter two are now both deceased.

27. The August 15, 2001 Designation form (A-Tab 6, Pg. 1) is void because the Notary Public changed, re-wrote and altered the terms of the form. In the middle of the form are the initials "FF", for Freddie Faison, the South Carolina Notary Public. Changing the terms of a document by a Notary Public is a prohibited act in South Carolina, where it was done, and the form was signed. (See Appendix - Tab 6, Pg. 1-and Appendix - Tab 7, Pg. 1).
28. TISDALE was blind. There was no verification that the material alterations to the said August 15, 2001 form were done before it was signed, or even in TISDALE'S presence, or that he knew what he was signing and that it had been changed.
29. The August 15, 2001 form was void based on both Florida and South Carolina law.
30. Subsequently, another "Designation of Beneficiary" form, this one dated 12/4/2012 was filed. The "original version" of the 12/4/ 2012 Designation of Beneficiary Form, (See Appendix - Tab 8, Pg. 1), set forth Petitioner FERGUSON (90%) as the Primary Beneficiary and RESPONDENT PRESSLEY (10%) as Contingent Beneficiary.
31. There is also an "altered version" of the 12/4/2012 Designation of Beneficiary Form, which was in the Board's file, and which is void. (See Appendix - Tab 9, Pg. 1).

32. A side-by-side Comparison of the "original version" of the 12/4/12 form and the altered version (Tabs 8 + 9) show that Tab 9 is an altered version of Tab 8, which was the original version of the 12/4/12 form.
33. An employee of the RESPONDENT BOARD wrote changes on the original version of the 12/ 4/12 form, purportedly based on a telephone call to the Respondent Board's office.
34. TISDALE was in South Carolina when the original 12/4/12 form was altered in Hollywood, Florida by an employee, "PC" (Phyllis Castronovo) of the Respondent Board.
35. The names as they appeared on the original version of the 12/4/2012 form (Tab 8) as to who was to be the primary beneficiary and who was to be the contingent beneficiary were reversed on the altered version of the form (Tab 9). And the 10% to BLANCHE E. TISDALE (Respondent PRESSLEY), as indicated on the original version of the 12/4/2012 form, was changed from 10% to 100% by the Board's employee, and the 90% to FERGUSON was changed to 100% by the Board's employee. None of these material alterations were made in TISDALE'S presence, and he did not re-sign the form. The form was doctored by the Board's employee, never sent back to TISDALE to review, confirm that was what he wanted, and/or re-sign. So,

the altered version of the 12/4/2012 form (Tab 9), with its significant crossing out and changing of terms, is void/invalid.

36. As stated above, RESPONDENT PRESSLEY, claiming to be TISDALE'S widow, which was untrue, told the Respondent Board that she had a Power of Attorney from TISDALE naming her TISDALE'S attorney-in-fact.
37. The Respondent Board did not distribute the September 2020 pension payment, apparently expecting to receive the Power of Attorney from Respondent PRESSLEY.
38. As noted above, Respondent PRESSLEY never furnished the Board with a Power of Attorney, but Petitioner FERGUSON did provide the BOARD Power of Attorney appointing her. Nevertheless, the Board did not disburse the September 2020 payment, despite having received the Power of Attorney from FERGUSON, who was TISDALE'S Attorney-in-Fact.
39. When TISDALE died on October 6, 2020, the Board received competing claims for his benefits from both PETITIONER FERGUSON and RESPONDENT PRESSLEY.
40. Although FERGUSON was grieving for the loss of both of her parents who had passed away about a month apart, FERGUSON submitted documents to the RESPONDENT BOARD.

41. The TISDALE matter was initially on the Respondent Board's agenda for its meeting on December 8, 2020, but was rolled over to its January 19, 2021 meeting when FERGUSON realized there were competing claims, and retained the undersigned attorney, and requested the continuance.
42. On January 5, 2021, FERGUSON'S undersigned attorney personally went to the Respondent Board's office in Hollywood, Florida to look through the Respondent Board's file on TISDALE to be sure all documents had been provided to Petitioner FERGUSON and her undersigned attorney. The undersigned spoke with an employee of the Board, who came to the locked door, and through it, instructed the undersigned to contact the Board's attorney for all documentation the Board had regarding the TISDALE matter. The undersigned followed the employee's instructions and was informed that everything had already been provided.
43. On March 9, 2021, Petitioner FERGUSON furnished her own Affidavit, and the Affidavit of TINA M. BROWN (TISDALE'S NIECE), a list of Exhibits with Annotations and the marked exhibits to the Respondent Board. (See Appendix - Tab 10, Pgs. 1-42) FERGUSON also reserved time for her own testimony.
44. In the said March 9, 2021 packet submitted, FERGUSON responded to all the documents which had been produced by the Board.



45. The TISDALE matter was rolled over to the Board's meeting on April 27, 2021, to be held as a WebEx virtual meeting (not "in person" or on "zoom").
46. Although Respondent PRESSLEY was purportedly being represented by Attorney William M. O'Bryan, Jr. from South Carolina, Mr. O'Bryan was not a member of the Florida Bar. Mr. O'Bryan never contacted the undersigned, but he contacted the Board's attorney the day before the April meeting and requested a continuance stating that Respondent PRESSLEY was to have eye surgery on the day of the hearing and could not be present. The Board denied RESPONDENT PRESSLEY's request for a continuance.
47. Respondent PRESSLEY did not appear at the April 27, 2021 meeting (See Appendix -Tab 11, Transcript). No one appeared on behalf of Respondent PRESSLEY, and no documents were submitted by her or on her behalf to support her claim to the TISDALE pension benefits. Because Respondent PRESSLEY did not appear at the April meeting, FERGUSON had no way to question, examine her as to the circumstances of the preparation and signing of the various Designation of Beneficiary forms, her undue influence on TISDALE, and misappropriation of funds.
48. FERGUSON planned to testify at the April 27, 2021 meeting. However, she was unable to access WEBEX from her home. FERGUSON was driving to the undersigned's office to appear, but the TISDALE matter came up at the

meeting earlier than FERGUSON was able to get to the undersigned's office. The undersigned asked for a delay in the matter until FERGUSON arrived, telling the Board FERGUSON was on the Turnpike, but the Board denied the request, and proceeded, with FERGUSON unable to be present, unable to testify at the hearing.

49. The Board's Executive Director recommended at the April 27, 2021 meeting that the September 2020 payment be made to TISDALE's estate.

50. The Board's Executive Director further recommended that other than the September 2020 payment, all remaining payments be paid to RESPONDENT PRESSLEY.

51. The Board's Executive Director confirmed that on the altered version of the 12/4/2012 Designation of Beneficiary form (See Appendix - Tab 9), there was some handwriting and some crossing out. As noted above, there was a handwritten notation that contained the initials "PC." The BOARD'S Executive Director confirmed that the initials "PC" were those of Phyllis Castronovo, who formerly performed administrative services for the BOARD. One handwritten notation included the words "pursuant to a phone conversation with" and then the handwriting appears to be "Ms. TISDALE" (Respondent PRESSLEY). The Executive Director reported that she had spoken with PHYLLIS CASTRONOVO who confirmed that the

handwritten notation was hers but could not confirm any of the circumstances concerning the filling out of that form, or the crossing out and other handwritten notations.

52. A copy of the original version of the 12/4/2012 Designation of Beneficiary Form, which listed Petitioner FERGUSON as primary beneficiary and Respondent PRESSLEY as contingent beneficiary, had been provided to the Board's attorney by FERGUSON.

53. FERGUSON, herself, had mailed the original version to the Respondent Board from South Carolina when she was on a visit with her father there in December 2012. (See Appendix - Tab 8).

54. The Respondent Board took the position that the original version of the 12/4/2012, form (Tab 8) was not in the Board's files at the time of TISDALE'S death. However, that is incorrect. The original form, as provided by FERGUSON to the Board's attorney (Appendix - Tab 8), was in the Board's file, but had been obliterated by Board Employee "PC" transforming the document into the altered version (Appendix - Tab 9).

55. The original version of the 12/4/2012 form named FERGUSON as primary beneficiary at 90% and Respondent PRESSLEY as contingent beneficiary at 10%. (See Appendix - Tab 8).

56. The original version showed TISDALE'S intent that his only child, FERGUSON, be the primary beneficiary.
57. On the original version of the 12/4/2012 form, the designations together totaled 100%.
58. The Board's Executive Director said there is not a calculation for a 90% to 10% selection, ignoring the intent of TISDALE in who his primary beneficiary was to be.
59. The said Executive Director of the Respondent Board stated at the April 27, 2021 meeting that if the Respondent Board disregarded all of the Designation of Beneficiary forms, TISDALE'S benefits would revert to the "normal" form of benefit, meaning the benefit payments would stop at his death.
60. The Respondent Board's Executive Director instructed the Board that the choices for the Board were to pay the Survivor benefit to Respondent PRESSLEY or make no payment to any beneficiary. She stated that the Board does not have any forms designating any other beneficiary. The said Executive Director disregarded the material changes made to the original version of the 12/4/2012 Designation of Beneficiary form by an employee of the Respondent Board. A review of the said form shows the changes made in the same handwriting as that of the said Board's employee ("PC").

61. Additionally, the Board's Executive Director said that TISDALE'S benefit payment had always been calculated with RESPONDENT PRESSLEY as the beneficiary, and therefore the benefit should be paid to RESPONDENT PRESSLEY.
62. If the RESPONDENT BOARD mistakenly, either intentionally or unintentionally, calculated the amount of monthly benefits based upon RESPONDENT PRESSLEY'S age (now 78), rather than the much younger age of PETITIONER FERGUSON (now 58), (TISDALE'S daughter), that miscalculation should not be the basis for determining to whom TISDALE'S benefits should be paid at his death.
63. If the Respondent Board or its Executive Director is faced with a loss of funds due to wrongly calculating the amount of monthly benefits based on the age of the older woman rather than the younger woman, then that is a problem the Respondent Board needs to resolve, but not at the expense of FERGUSON'S valid claim and the intent of TISDALE.
64. The Respondent Board's agents or employees should have reviewed the documents in the TISDALE file from time to time to determine if they were valid or not, and if they were acceptable, especially from a blind former employee. The Board, its' agents or employees should have contacted

TISDALE to have his intent verified and the documents corrected or clarified, but they did not.

65. The benefits should be calculated properly for PETITIONER FERGUSON in accordance with TISDALE'S intent, or paid to TISDALE's estate.

66. After the April 2021 meeting, the undersigned requested documents that the Executive Director had stated at the end of the meeting that she had, but which the undersigned did not believe had been produced prior to the meeting.

67. On May 4, 2021 the undersigned sent a letter to the Board's attorney requesting the documents which the Board's Executive Director stated were in the Board's file but had not been produced. (See Appendix, Tab 12).

68. On May 11, 2021, copies of certain additional requested documents were sent to the undersigned by the Board's attorney via email. In the second paragraph of the email, he stated he expected the Board will reach its final decision in this matter...at the next meeting on May 25, 2021, the TISDALE matter would be heard. No other Formal Notice of the meeting was received (See Appendix Tab 13).

69. At the time the May 11, 2021 email was sent, the undersigned did not have access to the internet, as she was driving a cargo van in northern Vermont.

The undersigned's legal assistant did not see the second paragraph or recognize it to be a Formal Notice of Hearing.

70. As a follow-up to his said email, the RESPONDENT BOARD'S attorney on May 21, 2021, called the office of the undersigned and spoke with the assistant to the undersigned.
71. The assistant to the undersigned sent an email to the RESPONDENT BOARD'S attorney, indicating that the undersigned would be returning to the office on May 24, 2021, the day before the meeting, and that the undersigned would not have enough time to properly review the documents sent by the Board's attorney or sufficient opportunity to review the documents with her client, FERGUSON, prior to the May 25, 2021, meeting. (See Appendix - Tab 14).
72. On May 24, 2021, when the undersigned returned to the office, she sent a letter to the Respondent BOARD'S Executive Director and to the Respondent BOARD'S attorney. (See Appendix - Tab 15, Pgs. 1-3). Once again, the undersigned requested that the matter be postponed to the June 2021 agenda.
73. Later on May 24, 2021, when the undersigned was able to contact FERGUSON, the undersigned learned that FERGUSON was on her way to South Carolina, driving there for a hearing on the Petition for Administration

regarding TISDALE's estate, the admission of his Last Will and Testament to Probate, the revocation of the Order appointing Respondent PRESSLEY as Personal Representative, and the appointment of FERGUSON as Personal Representative of TISDALE's estate. FERGUSON could not appear at the Respondent Board's meeting on May 25, 2021. The undersigned sent a letter (see Appendix - Tab 16, Pgs. 1-2) again requesting a postponement.

74. The Board denied Petitioner Ferguson's request for a postponement, and proceeded with its meeting on May 25, 2021, despite the undersigned again verbally requesting a postponement to confer with FERGUSON, and to allow FERGUSON to testify at the meeting. The Board denied FERGUSON'S request for a postponement, even though they were aware of the necessity of her attendance at the South Carolina Probate hearing.

75. The Board's May 25, 2021 meeting was conducted on WebEx, but proper invitation instructions were not provided by the Board to the undersigned until 25 minutes into the hearing, at 9:25 a.m.

76. FERGUSON, by and through the undersigned, once again requested that the TISDALE benefits be paid to FERGUSON, or in the alternative, to TISDALE's estate.

77. Nevertheless, the Board voted to pay the benefits to Respondent PRESSLEY, (See Appendix Tab 17 Transcript).



78. The South Carolina Probate Judge at the hearing on May 27, 2021, found:

(a). that JOHN LEWIS TISDALE ("TISDALE") married CARRIE MAE NESMIT TISDALE on September 15, 1961. The judge determined no divorce decree had been issued regarding that marriage, and that the purported marriage of JOHN LEWIS TISDALE and BLANCHE T. PRESSLEY was a bigamist marriage and therefore is void. There is no evidence that following the death of CARRIE MAE NESMIT TISDALE, TISDALE and PRESSLEY were lawfully married.

(b). The prior appointment of RESPONDENT PRESSLEY as Personal Representative of the Estate of JOHN LEWIS TISDALE was revoked as of May 27, 2021.

(c). VIRGINIA FERGUSON-TISDALE (Petitioner) was appointed the Personal Representative of the Estate of JOHN LEWIS TISDALE effective May 27, 2001.

(d). And, that TISDALE's Will dated December 23, 2019, bequeathing, and devising his assets to FERGUSON, is TISDALE'S Last Will and Testament. (See Appendix, Tab 2 and Tab 3).

#### STANDARD OF REVIEW AND LEGAL ARGUMENT

79. This type of hearing /determination by a municipal board is quasi-judicial, not legislative, and is reviewable by petition for Writ of Certiorari.

80. The standard of review at the Circuit Court's analysis of Certiorari claims is three-fold:

- (a) Was procedural due process afforded;
- (b) Was there competent substantial evidence to support the decision; and
- (c) Did the action below meet the essential requirements of law.

*Deerfield Beach v. Valliant*, 419 So. 2d 624 (Fla. 1982).

81. First, procedural due process was not afforded. FERGUSON was effectively denied the right to participate in the quasi-judicial hearing prior to the Respondent Board's decision. FERGUSON was denied the right to present sworn testimony to the Board to personally explain the completion and execution of the various of Designation and Beneficiary forms. Quasi-judicial hearings require that all affected parties are "given a fair opportunity to be heard in accord with the basic requirements of due process". *Walgreen Co. v. Polk County*, 524 So. 2d 1119 (Fla 2<sup>nd</sup> DCA 1988). Procedural due process in Florida requires additional safeguards in quasi-judicial hearings including the ability to present evidence, cross-examine witnesses, and be

informed of all facts on which the commission or committee acts. *Gulf Eastern Development Corp. V. City of Fort Lauderdale*, 354 So. 2d 57 (Fla. 1978).

82. FERGUSON was not able to testify at either of the meetings at which the TISDALE matter was determined.

83. Second, the record does not constitute competent substantial evidence to support the issuance of the Order. The Board knowingly and erroneously relied upon the statements of the Board's Executive Director, rather than looking to the documents and intent of the decedent, TISDALE.

RESPONDENT PRESSLEY did not appear, personally or through counsel, and never filed any documentation to be considered. The decision of the Board was based on a cost-savings approach, determining that the amount of benefits had been determined erroneously based on the life expectancy of the older RESPONDENT PRESSLEY, rather than the younger PETITIONER FERGUSON. Therefore, were the Board to make a determination for the younger PETITIONER FERGUSON, it would cost the Board more money from the Retirement Fund than if it made a determination for the older RESPONDENT PRESSLEY.

84. The Board's determination that the original version of the 12/4/2012 Designation of Beneficiary form was not in the Board's file was not accurate. The said form had been in the Board's file, and then modified/altereD/ doctored/ obliterated by an employee of the Board, turning the original version (Tab 8) into the altered version (Tab 9).

85. Finally, the Board's Order to pay TISDALE'S pension benefits to RESPONDENT PRESSLEY, based on invalid, doctored, void documents failed to observe the essential requirements of law.

86. The RESPONDENT BOARD is required to review benefit payments to ensure competent and substantial evidence exists to support the decision of the Board. Here, no evidence was propounded by Respondent PRESSLEY, no affidavits filed, and she failed to appear.

WHEREFORE PETITIONER FERGUSON respectfully requests this court:

- (1) exercise jurisdiction over the parties to the subject matter of these proceedings;
- (2) determine that this Petition for Writ of Certiorari demonstrates a preliminary basis for relief;
- (3) issue an Order to Show Cause directed to the Board requiring that it respond to this Petition;

(4) issue a Writ of Certiorari quashing the Board's June 10, 2021 Order after receiving the Board's Response hereto and conducting a hearing;

(5) declare that the Board's issuance of the Order violated Petitioner's due process rights, is not supported by substantial competent evidence and departed from the essential requirements of the law;

(6) award PETITIONER FERGUSON her reasonable Attorneys' fees and costs incurred in connection herewith; and

(7) enter an Order for such other and further relief as this Court deems just and proper.

## COUNT II

### COMPLAINT FOR DECLARATORY RELIEF

87. Plaintiff readopts and realleges paragraphs 12-78, as if set forth and incorporated herein and further states, by virtue of the disputes between the parties, a justifiable issue has arisen creating a bona fide, actual controversy that invokes the declaratory powers of this Court, pursuant to Chapter 86, Florida Statutes.

88. Plaintiff has no adequate remedy at law, and there is an actual practical and present need for a declaratory judgment.

89. Pursuant to Chapter 86 of the Florida Statutes, this Court has jurisdiction to declare rights or other equitable or legal relations between these parties.

90. Plaintiff requests that this Court afford relief to the Plaintiff from the Board's Order.

91. The controversy is founded upon ascertainable facts, as set forth herein.

92. The rights of the Plaintiff are dependent upon the application of Florida Constitutional and statutory law and the code of the city and By-laws of the Board to the facts (See Appendix - Tab 18 Pgs. 1-18). The Board, by its actions, has asserted an adverse interest in the subject matter.

93. Plaintiff seeks a declaration regarding the validity of the Board's Order (Appendix - Tab 1). No other legal remedy is available to Plaintiff in resolution of this matter.

WHEREFORE Plaintiff requests that the Court enter Judgment declaring that:

a). THE BOARD OF TRUSTEES OF THE CITY OF HOLLYWOOD EMPLOYEES' RETIREMENT FUND acted contrary to the requirements of the law;

b). Set aside and vacate its Order of June 10, 2021;

c). Award attorneys' fees and costs of this action to Plaintiff; and

d). Grant Plaintiff such other and further relief as the Court may deem just, proper, and necessary.

### COUNT III

#### COMPLAINT FOR INJUNCTIVE RELIEF

94. Plaintiff readopts and re-alleges paragraphs 12-78, as if set forth and incorporated herein.
95. Assuming that the court finds in favor of the Plaintiff in Count II, Plaintiff respectively requests that this Court grant an injunction enjoining the Board from further processing and tendering of Tisdale's pension benefits, other than to FERGUSON.
96. This is a Count for permanent injunctive relief seeking to enjoin the implementation of the Board's June 10, 2021 Order.
97. Unless restrained, the Board will issue pension benefit checks to Defendant BLANCHE PRESSLEY, a/k/a BLANCHE TISDALE.
98. Immediate loss and damage will result to the Plaintiff FERGUSON by the action of the Board, which is in conflict with Plaintiff FERGUSON's rights.
99. The basis for Plaintiff's challenge is premised upon the facts that the Board's Order:
- a). Will adversely impact the interests of the Plaintiff;

b). is inconsistent with the intent of the Employee/ TISDALE regarding his primary beneficiary;

c). Harm Plaintiff to such an extent that Plaintiff is seeking a declaration and permanent injunction against the tendering of the TISDALE benefits to Defendant Pressley and declaring that the benefits should be tendered to FERGUSON, or alternatively, to TISDALE'S estate.

100. The public interest is clearly served when a Municipal Board is required to follow its own laws and regulations.

101. All conditions precedent to the maintenance of this action have been satisfied by the Plaintiff or have been waived by conduct of the Board.

WHEREFORE Plaintiff respectfully requests that the Court:

(1). Issue an injunction against the issuance of any checks, money orders, or other payments to Defendant BLANCHE PRESSLEY, a/k/a BLANCHE TISDALE;

(2). Award attorney's fees and costs of this action to the Plaintiff FERGUSON; and

(3). Grant Plaintiff FERGUSON such other and further relief as it may deem just, proper, and necessary.



DEMAND FOR A JURY TRIAL

Plaintiff demands a trial by jury on all issues so triable.

Respectfully submitted,

Diana Waterous Centorino, P.A.

1230 S.E. 4<sup>th</sup> Avenue

Ft. Lauderdale, FL 33316

954-462-7760

954-462-7761(fax)

/s/ Diana Waterous Centorino, Esq.

Fla. Bar No. 611778

DWC@dianawaterouscentorino.com

CERTIFICATE OF COMPLIANCE WITH FONT REQUIREMENTS

The undersigned hereby certifies that this Petition was prepared utilizing a 14-point Times New Roman font in compliance with the requirements of Fla. R. App P. 9.210(a)(2).

Diana Waterous Centorino, P.A.  
1230 S.E. 4<sup>th</sup> Avenue

Ft. Lauderdale, FL 33316

954-462-7760

954-462-7761(fax)

/s/ Diana Waterous Centorino, Esq.

Fla. Bar No. 611778

DWC@dianawaterouscentorino.com

Notice Of Absence

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

Case No.: CACE-21-013485

Division: JUDGE AW, APPEALS

VIRGINIA TISDALE-FERGUSON,

Individually and as  
Personal Representative of the  
Estate of JOHN L. TISDALE

Petitioner/Plaintiff

V.

THE BOARD OF TRUSTEES OF THE  
CITY OF HOLLYWOOD EMPLOYEES'  
RETIREMENT FUND, AND BLANCHE T.  
PRESSLEY, a/k/a BLANCHE TISDALE,

Respondents/Defendants

NOTICE OF ABSENCE FROM JURISDICTION AND/OR  
UNAVAILABILITY

TO: ALL PARTIES TO THIS CAUSE AND ALL OTHERS TO WHOM IT  
MAY CONCERN ARE CALLED UPON TO TAKE NOTICE THAT:

The undersigned counsel, DIANA WATEROUS CENTORINO,  
ESQUIRE will be absent from the above jurisdiction and unavailable on the  
following dates:

July 12, 2021 – August 13, 2021

and respectfully requests that no Hearings, Depositions, or Trials be scheduled  
during this time; no Motions, Notices to Produce, Interrogatories and other pleadings  
be filed which require a timely response during this period of time.

The filing and service of this Notice shall constitute an application and request  
for continuance, extension of time and/or protective order as appropriately required  
for the above reasons.

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true and correct copy of the foregoing was furnished this 9th day of July, 2021 via the e-filing portal to: Clerk of Court, 201 S.E. 6<sup>th</sup> Avenue, Fort Lauderdale, FL, 33301.

/s/ Diana Waterous Centorino

DIANA WATEROUS CENTORINO,  
ESQUIRE

Diana Waterous Centorino, P.A.

1230 S.E. 4<sup>th</sup> Avenue

Fort Lauderdale, Florida 33304

(954) 462-7760

Florida Bar Number 611778

DWC@dianawaterouscentorino.com

# **AGENDA ITEM 6.E.**

## **LEGAL**

**REQUEST FOR EXECUTIVE SESSION**

**TO DISCUSS PENDING LITIGATION**

**(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, 2<sup>ND</sup> Floor, Room 20 • Hollywood, FL 33020  
(954) 921-3333 • (954) 921-3332 Fax • [www.hollywoodpension.com](http://www.hollywoodpension.com)

### CITY COMMISSION COMMUNICATION

August 2021

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

### BOARD OF TRUSTEES

Phyllis Shaw – Chair  
Robert Strauss – Secretary

Christopher Cassidy  
Melissa Cruz

Charles Howell  
George Keller

Four Trustees attended the July 27, 2021 Meeting of the Board of Trustees. Trustees Cassidy and Keller were absent and excused.

### ITEMS OF INTEREST TO THE CITY COMMISSION

- The estimated value of the Fund's assets available for investments on May 31, 2021 was updated to \$425.2 million, up 0.5% net of fees for the month and up 17.9% for the fiscal year to date.
- The Funded Ratio (the value of the actuarial assets divided by the actuarial accrued liability) is 63.3% as of October 1, 2020, up from 60.3% as of October 1, 2019.
- The Board retained Marcum LLP to conduct the audit of the Fiscal Year 2021 Financial Statements.
- The Board approved survivor benefit payments for the beneficiaries of a deceased member.

### MEETING SCHEDULE 2021

| <u>Dates</u>       | <u>Time</u>    | <u>Location</u> |
|--------------------|----------------|-----------------|
| September 28, 2021 | 9:00am-12:00pm | TBD             |
| November 16, 2021  | 9:00am-12:00pm | TBD             |
| December 14, 2021  | 9:00am-12:00pm | TBD             |

Please Take Careful Note: Meetings of the Board of Trustees, as well as, the time and location of these meetings may be adjusted prior to the meeting.

Please be advised that the next Regular Meeting of the Board of Trustees will be held on Tuesday, September 28, 2021 at 9:00am. This meeting is expected to be held virtually.



**AGENDA ITEM 7.B.**  
**EXECUTIVE DIRECTOR'S REPORT**  
**PENSION OFFICE RELOCATION**  
**(UNDER SEPARATE COVER)**

# **AGENDA ITEM 7.C.**

## **EXECUTIVE DIRECTOR'S REPORT**

### **RULES FOR SUPPLEMENTAL PENSION DISTRIBUTIONS**

**CITY OF HOLLYWOOD  
EMPLOYEES' RETIREMENT FUND**

**BOARD OF TRUSTEES**

**RULES FOR SUPPLEMENTAL PENSION DISTRIBUTIONS  
(13<sup>TH</sup> CHECKS)**

**As proposed August 24, 2021**

City of Hollywood Code of Ordinances Section §33.025 (K) established a supplemental pension distribution program effective October 1, 2002. The current ordinance reads:

*(K) Supplemental pension distribution.*

*(1) Effective October 1, 2002, a supplemental pension distribution program shall be established in accordance with this subsection. For the purpose of this division, an eligible person is any member who is employed by the city on October 1, 2002 and any member who is receiving benefits from the plan on that date, or the spouse of such member if the member is deceased and the spouse is receiving benefits from the plan. A supplemental pension distribution shall be paid to each eligible person other than a DROP participant who receives retirement benefits from the plan, for each plan year beginning October 1, 2002 through September 30, 2005 in which the net market rate of return on fund assets exceeds the assumed rate of investment return plus 2%. For plan years beginning October 1, 2005 and thereafter, a supplemental pension distribution shall be paid to each eligible person other than a DROP participant who receives retirement benefits from the plan, as follows:*

*(a) For the plan year beginning October 1, 2005, a supplemental pension distribution shall be paid if the net market rate of return on fund assets exceeds the assumed rate of investment return plus 3%.*

*(b) For the plan year beginning October 1, 2006, a supplemental pension distribution shall be paid if the net market rate of return on fund assets exceeds the assumed rate of investment return plus 4%.*

*(c) For plan years beginning October 1, 2007 and thereafter, a supplemental pension distribution shall be paid if the net market rate of return on fund assets exceeds the assumed rate of investment return plus 4.5%.*

*(2) For the purpose of this division, **NET MARKET RATE OF RETURN** means the rate of return on a market value basis net of investment related expenses for each year ending September 30. The total amount of the supplemental pension distribution for a particular fiscal year shall be equal to the actuarial present value of future retirement benefits with respect to eligible retirees multiplied by the excess (not to exceed 2%) of the net market rate of return, over the assumed rate of investment return plus 2%, for the years beginning October 1, 2002 and*

*ending on or before September 30, 2005. For plan years beginning October 1, 2005 and thereafter, the total amount of the supplemental pension distribution for a particular fiscal year shall be equal to the actuarial present value of future retirement benefits with respect to eligible retirees multiplied by the excess (not to exceed 2%) of the net market rate of return, over the assumed rate of investment return plus:*

- (a) Three percent for the plan year beginning October 1, 2005;*
- (b) Four percent for the plan year beginning October 1, 2006; and*
- (c) Four and one-half percent for plan years beginning October 1, 2007 and thereafter.*

*(3) For those years in which a supplemental pension distribution is payable, the amount of the supplemental pension distribution paid to each eligible person shall be determined as follows:*

*(a) First, the total amount of the supplemental pension distribution for a particular year shall be divided by the total years of credited service attributable to all eligible persons who are receiving retirement benefits from the plan (not to exceed 25 years for each eligible person).*

*(b) Then, the amount obtained in division (3)(a), above, shall be multiplied by the years of credited service attributable to each eligible person (not to exceed 25 years) to produce the amount of the supplemental pension distribution payable to each eligible person.*

*(4) The supplemental pension distribution shall not be paid to any member who is participating in the DROP, for as long as the member participates in the DROP. For the purpose of this division, credited service includes only those periods in which the member contributed a percentage of his/her compensation to the Fund. The Board may adopt rules to implement this division.*

#### **Administrative Rules to Implement the Supplemental Pension Distribution:**

1. The supplemental check will be paid to those members who meet the eligibility requirements as of the first day of the fiscal year to which the check applies. For example, for the fiscal year ending September 30, 2021, a member will receive a check if they were eligible on October 1, 2020.

If an eligible member dies after the first day of the fiscal year to which the check applies, and the member does not have a surviving spouse who is eligible to receive benefits from the plan, no supplemental pension distribution shall be paid on behalf of such member. For example, for the fiscal year ending September 30, 2021, if a member dies on or before September 30, 2021 and does not have a surviving spouse who is eligible to receive benefits from the plan, no supplemental will not be paid.

If an eligible member dies after the fiscal year to which the check applies, and the member does not have a surviving spouse who is eligible to receive benefits from the plan, a supplemental distribution pension distribution shall be paid on behalf

of such member. For example, for the fiscal year ending September 30, 2021, if a member dies on or after October 1, 2021 and does not have a surviving spouse who is eligible to receive benefits from the plan, a supplemental will be paid on behalf of the deceased member to the beneficiary on file, and if there is no beneficiary on file, the benefit will be paid to the deceased member's estate.

2. If an eligible member has an outstanding balance on a service buyback, then the service that is being purchased will be prorated in a ratio of the amount paid to the total amount of the buyback to determine the portion that is considered contributory vs. non-contributory. For example, if a member is buying 10 years and has paid \$6,000 on a total purchase amount of \$15,000, then the portion of the service that is considered to be contributory will be  $10 \times \$6,000 / \$15,000 = 4$  years. The remaining years will be considered to be non-contributory. This calculation will be performed each year until the buyback is paid in full.
3. If a member names his/her spouse as the beneficiary at the time of retirement but divorces him/her prior to death, the ex-spouse will not be entitled to the 13<sup>th</sup> check.
4. An ex-spouse who is receiving a proportional share of a member's benefit under a Qualified Domestic Relations Order (QDRO) shall not share in the 13<sup>th</sup> check.
5. Police officers and firefighters, who transferred to from the General Fund prior to July 15, 2009 and who are receiving benefits from the plan due to previous general employee service time, will have their 13<sup>th</sup> check calculated on the portion of their service earned in this plan.
6. According to the Internal Revenue Code (IRC), payments that are part of a series of substantially equal payments that are payable over the life of a member are not eligible for rollover into another tax-deferred account. Regulations also state that a supplemental payment will be treated as part of a series of substantially equal payments, rather than as an independent payment, if: 1) the supplement is a benefit increase, 2) is determined in a consistent manner for all similarly situated annuitants, 3) is paid to annuitants who are otherwise receiving substantially equal payments and 4) the aggregate supplement is less than the greater of \$750 or 10% of the annualized annuity payment. To the extent that the supplemental payments fall within these guidelines, then they will not be considered eligible for rollover.
7. Although not required by law, income tax will be withheld from the supplemental checks at the federal tax rate of income tax withholding on the gross payment unless a member specifically requests an exemption or the gross payment is less than \$200.

LAW OFFICE OF  
**GARY B. LEUCHTMAN, PLLC**

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921 NORTH PALAFOX STREET • PENSACOLA, FL 32501 • 850-316-8179 • GBL@LEUCHTMANLAW.COM

July 30, 2021

**Transmitted via electronic mail**

Christine Bailey  
Executive Director  
City of Hollywood Employees' Retirement Fund

RE: Coordination of Benefits-Supplemental Pension Distribution ("SPD")

Dear Christine:

You recently requested our opinion concerning SPD and coordination of benefits. Specifically, you inquired on the following issues: (i) whether individuals who were inactive and vested on October 1, 2002 are eligible for SPD; (ii) whether police officers and firefighters who transferred from the General Fund are eligible for SPD under the coordination of benefits provision of the City Code; and (iii) assuming there is no spousal beneficiary, are the beneficiaries or estates of deceased retirees entitled to a deceased retirees SPD and, if so, what would be the date of death threshold.

In connection with rendering our opinions, we have reviewed all relevant Florida law (including, but not limited to, the relevant portions of the City Code, Rules for Supplemental Distributions (13<sup>th</sup> checks) adopted September 30, 2004, Opinion of City Attorney dated February 13, 2020, relevant portions of ordinances numbered 0 – 2003 – 07, 0-2007-25, 0-2010-30 and 0-2014-02 and 13th Check Application Form. We have also assumed with your permission and consent that all affected police officers and firefighters transferred out of the General Plan prior to 2009.

Based upon the foregoing, it is our opinion (and we believe a court of competent jurisdiction would most likely conclude) that based upon the facts articulated in your requests the following:


- (i) Individuals who were inactive and vested on October 1, 2002 but are currently in pay status under the General Plan are eligible for SPD. The administrative rule adopted by the Board clearly suggests this result and it seems illogical and discriminatory to suggest a contrary result was intended.
- (ii) Police officers and firefighters who transferred from the General Plan prior to July 15, 2009 are entitled to SPD. The administrative rule clearly dictates this result and was adopted by the Board on September 30, 2004. The recent City Attorney's

opinion is correct for police officers and firefighters who transfer after July 15, 2009 but such opinion fails to consider the administrative rule predates enactment of the applicable coordination of benefit language in the City Code relied upon by the City Attorney in his opinion and in our opinion created a vested benefit. The administrative rule specifically provides "police officers and firefighters receiving benefits from the plan due to previous general employee service time will have their 13<sup>th</sup> check calculated on the portion of their service earned in this plan." This specific provision would be of more importance and significance than sections (b) and (c) of section 33.029 of the City Code which was first adopted on July 9<sup>th</sup>, 2010 by virtue of adoption of Ordinance 0-2020-30 with respect to police officers and firefighters who transferred out of the General Plan prior to 2009. There is a well-established general rule that you may not reduce vested pension benefits and to the extent that section 33.029 of the City Code attempts to do so it is in our opinion ineffective and unenforceable.

- (iii) If an eligible member dies after the first day of the fiscal year but prior to the conclusion of the fiscal year to which the 13<sup>th</sup> check applies and the member does not have a surviving spouse who is eligible to receive benefits from the plan, there is no eligibility for SPD; however, if the eligible member dies after the conclusion of the fiscal year to which the check applies but prior to the payment of the same, the SPD is a vested benefit and the same should be paid as provided in a beneficiary designation on file with the plan or, if none, in a manner consistent with the 13<sup>th</sup> Check Application Form.

We trust that the foregoing adequately addresses your inquiries; nevertheless, please feel free to contact us if you have additional questions or concerns or if you would like us to place on paper a more complete and thorough analysis, we utilized in reaching our opinions that are set forth above.

Yours Very Truly,



Gary B. Leuchtman  
For the Firm

## ***RULES FOR SUPPLEMENTAL DISTRIBUTIONS (13<sup>TH</sup> CHECKS)***

***As approved by the Pension Board on September 30 , 2004***

### ***Charter Provision for the Supplemental Pension Distribution:***

Effective October 1, 2002, a supplemental pension distribution program shall be established in accordance with this subsection. For the purpose of this subsection, an eligible person is any member who is employed by the city on October 1, 2002 and any member who is receiving benefits from the plan on that date, or the spouse of such member if the member is deceased and the spouse is receiving benefits from the plan. A supplemental pension distribution shall be paid to each eligible person other than a DROP participant who receives retirement benefits from the plan, for each plan year beginning on and after October 1, 2002 in which the net market rate of return on fund assets exceeds the assumed rate of investment return plus two percent. For the purpose of this subsection, "net market rate of return" means the rate of return on a market value basis net of investment related expenses for each year ending September 30. The total amount of the supplemental pension distribution for a particular fiscal year shall be equal to the actuarial present value of future retirement benefits with respect to eligible retirees multiplied by the excess (not to exceed two percent) of the net market rate of return, over the assumed rate of investment return plus two percent, for the year ending September 30. The total amount of the supplemental pension distribution for a particular year shall be allocated among all eligible persons who are receiving retirement benefits from the plan, based on the years of credited service of the member upon whose service the person's benefit is based, up to a maximum of 25 years. The supplemental pension distribution shall not be paid to any member who is participating in the DROP, for as long as the member participates in the DROP. For the purpose of this subsection, credited service includes only those periods in which the member contributed seven percent of compensation to the fund. The board may adopt rules to implement this subsection.

### ***Administrative Rules to Implement the Supplemental Pension Distribution:***

- The supplemental check will be paid to those members who meet the eligibility requirements as of the first day of the fiscal year to which the check applies. For example, for the fiscal year ending September 30, 2003, a member will receive a check if they were eligible on October 1, 2002. If an eligible member dies after the first day of the fiscal year to which the check applies, and the member does not have a surviving spouse who is eligible to receive benefits from the plan, no supplemental distribution pension distribution shall be paid on behalf of such member.
- If an eligible member has an outstanding balance on a service buyback, then the service that is being purchased will be prorated in a ratio of the amount paid to the total amount of the buyback to determine the portion that is considered contributory vs. non-contributory. For example, if a member is buying 10 years and has paid



## Rules for Supplemental Distribution - Page 2

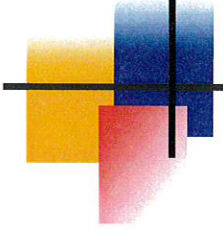
\$6,000 on a total purchase amount of \$15,000, then the portion of the service that is considered to be contributory will be  $10 \times \$6,000 / \$15,000 = 4$  years. The remaining years will be considered to be non-contributory. This calculation will be performed each year until the buyback is paid in full.

- If a member names his/her spouse as the beneficiary at the time of retirement but divorces him/her prior to death, the ex-spouse will not be entitled to the 13<sup>th</sup> check.
- An ex-spouse who is receiving a proportional share of a member's benefit under a Qualified Domestic Relations Order (QDRO) shall not share in the 13<sup>th</sup> check.
- Police officers and firefighters who are receiving benefits from the plan due to previous general employee service time will have their 13<sup>th</sup> check calculated on the portion of their service earned in this plan.
- According to the Internal Revenue Code (IRC), payments that are part of a series of substantially equal payments that are payable over the life of a member are not eligible for rollover into another tax-deferred account. Regulations also state that a supplemental payment will be treated as part of a series of substantially equal payments, rather than as an independent payment, if: 1) the supplement is a benefit increase, 2) is determined in a consistent manner for all similarly situated annuitants, 3) is paid to annuitants who are otherwise receiving substantially equal payments and 4) the aggregate supplement is less than the greater of \$750 or 10% of the annualized annuity payment. To the extent that the supplemental payments fall within these guidelines, then they will not be considered eligible for rollover.
- Although not required by law, income tax will be withheld from the supplemental checks at a rate of 20% of the gross payment unless a member specifically requests an exemption or the gross payment is less than \$200.

# **AGENDA ITEM 7.D.**

## **EXECUTIVE DIRECTOR'S REPORT**

**COMMUNICATION FROM THE EXECUTIVE DIRECTOR**



## Communications – August 24, 2021

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- 2021 Life Certificates
- Supplemental Pension Distribution 2012
  - 31 remaining distributions totalling \$179,324.79
- Fiscal Year 2021 Financial Auditor
- DMS Police and Firefighters' Pension Conference
- Summary Plan Description
- CPMS
- DROP Participant List
- Planned Retirement Participant List

## Christine Bailey

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**From:** Florida Retirement System <donotreply@info.frs.fl.gov>  
**Sent:** Wednesday, July 28, 2021 1:33 PM  
**To:** Christine Bailey  
**Subject:** [EXT]50th Annual Police Officers' & Firefighters' Pension Trustee Conference November 3-5, 2021, - Orlando Florida

**TO:** Board of Trustee Members and Other Interested Parties  
**FROM:** Florida Department of Management Services (DMS)  
Division of Retirement  
Municipal Police Officers' and Firefighters' Pension Office  
**SUBJECT:** 50<sup>th</sup> Annual Police Officers' & Firefighters' Pension Conference  
Nov. 3 - 5, 2021 - Orlando, Florida

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The 50<sup>th</sup> Annual Police Officers' & Firefighters' Pension Conference, sponsored by DMS' Division of Retirement, is scheduled for Nov. 3 through 5, 2021. As part of our commitment to public service, we are pleased to offer this program to assist you as members, trustees, administrators, and agency representatives stay current on issues and legislation that may affect Chapters 175 and 185 Municipal Police Officers' and Firefighters' retirement plans.

**There is no registration fee to attend.** The conference will be held at the Renaissance Orlando Airport Hotel located at 5445 Forbes Place, Orlando, FL 32812. Please reserve your hotel room now by clicking [here](#). It is essential to use this link or state that you are attending the Police Officers' and Firefighters' Pension Conference when booking your hotel room. This rate includes the use of the facility and supports the continued operation of the conference.

The itinerary is as follows:

### **Wednesday, Nov. 3, 2021**

This program is designed specifically for new trustees, those interested in becoming trustees, or those who want a basic understanding of the operation of Chapter 175 and 185 Pension Plan. We will offer an overview of how the pension plan works and will include lectures from a plan attorney, actuary, and the Division of Retirement on the trustees' responsibilities. In addition, participants will be encouraged to ask questions and participate in group discussions focusing on the fundamentals of pension fund management. All new trustees are encouraged to join this program.

### **Thursday, Nov. 4, 2021 and Friday, Nov. 5, 2021**

This program is designed for both new and seasoned trustees. We will feature presentations on legal, actuarial, investment, administrative, and government in the sunshine issues and an update on any legislative changes. In addition, there will be an

opportunity for questions and answers after each speaker to provide you with a chance to address concerns specific to your plan.

Conference materials will be available for free download on our website on Oct. 29, 2021. Please keep in mind that this conference may possibly be used towards continuing education hours for professional certification.

**Please remember, we are only able to continue providing these cost-effective conferences for our plans based on satisfactory attendance.** To continue providing essential educational opportunities to plan participants and board members, we are encouraging you to consider our programs when making your training plans.

Please register for this free conference today using the Eventbrite website by clicking [here](#).

I look forward to seeing you very soon!

Sincerely,

Stephen Bardin  
Bureau of Local Retirement Systems  
Municipal Police Officers' and Firefighters' Pension Office

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CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

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# **CITY OF HOLLYWOOD EMPLOYEES' RETIREMENT FUND COMPREHENSIVE PENSION MANAGEMENT SYSTEM**

## **PROJECT CHARTER JULY 2021**

### **Project Name**

Comprehensive Pension Management System (CPMS)

### **Vision Statement**

The project seeks to realize (and migrate legacy data to) a fully functional, integrated comprehensive pension management system (hereafter referred to as CPMS). On delivery, CPMS will be turnkey and self-sustaining to the extent possible. CPMS will support Fund staff in the delivery of services and activities, significantly improve the efficiency and effectiveness of the Fund's customer service and business processes, and provide Fund members with online self-service capabilities.

### **Project Objectives**

The Fund seeks to accomplish the following objectives with the successful completion of this project:

- Single integrated system encompassing all major business processes
- Automate and streamline major Fund current business processes utilizing best practices and state of the art technology for:
  - Reduced reliance on paper processing
  - Speedier transaction processing time
  - Enhanced overall business functionality and flexibility
- Discontinuation of existing ad hoc legacy systems, spreadsheets, and manual processes; elimination of conflicting data
- Single member database, table driven, with up-to-date, real-time data/information
- Flexible reporting capabilities for Fund stakeholders, including staff, Trustees, members and retirees, the Actuary, and State regulators
- Flexible inquiry and query capabilities
- An enhanced member online experience, including real-time account information and self-service functionality
- Full new system documentation
- Strengthened controls, audit trails, edit checks and edit routines
- Disaster recovery and business continuity planning.

## **Project Influences**

- Antiquated legacy systems with little integration and insufficient functionality
- Heavy utilization of spreadsheets and paper-based manual processes
- Disparate data sources and data integrity issues
- Lack of member online functionality
- Evolving legal/regulatory requirements.

## **Critical Success Factors**

- Project advocacy, support, and leadership by Fund Trustees and management
- Selection by the Fund of an experienced, qualified system vendor
- Identifying and ensuring that all of the needs of stakeholders are thoroughly defined, documented, and understood by system vendor
- Effective project planning and project/risk management
- Sufficient documentation of Fund business requirements
- Clear understanding by system vendor of Fund objectives, priorities, and requirements
- Effective and timely business process reengineering around the new system
- Timely and thorough Fund staff involvement in system design, data conversion, testing, training, and cutover
- Project support and resources as needed from the City of Hollywood for data conversion, payroll files, interfaces, IT security, and overall technical support
- Following the City of Hollywood's IT architecture and standards throughout this project and post implementation.

## **Potential Project Constraints**

- Fund staffing resources to meet the client's project obligations
- Potential data issues/limitations which could necessitate additional cleansing work and/or workarounds
- Uncertainty regarding adequacy of the Fund's existing payroll feed from the City and Broward Sheriff's Office to meet the new system's requirements
- Defining requirements for forms, letters, queries, and reports
- City resources/involvement for data conversion, payroll, cyber/hosting, etc.

## **Project Scope**

### **CPMS - In Scope**

Fund operations and business functions for member-related financial transactions and record keeping, including:

- Member enrollment
- Member contribution processing via employer agencies' payroll feeds
- Member accounting and account maintenance
- Member service and salary recordkeeping
- Beneficiary recordkeeping
- Credited service
- Refunds
- Other member transactions
- Service and disability retirement estimates/calculations
- Death benefit calculations
- Member document management
- COHERF forms
- Member letters/correspondence
- Inquiry and reporting including member statements, valuation extract, etc.
- Member website/portal with online capabilities.

### **CPMS - Out of Scope**

- General accounting – Pension Office Staff
- Personnel management – City Human Resources Department
- Investment management – Segal
- Administrative document and records management – Pension Office Staff

## **Project Methodology and Timeframe**

### **Timeframe**

- PTG's proposed CPMS development/implementation timeframe is 12 months, assuming startup on 7/1/21 and project completion/go-live by 6/30/22.



## Methodology

Basis as per PTG proposal:

| Phase   | Deliverables   |
|---|--|
| I. Requirements Validation  | <ul style="list-style-type: none"> <li>- Requirements Validation</li> <li>- Logical Design</li> </ul>  |
| II. Create Software<br>Implementation Specifications<br>and Physical Systems Design | <ul style="list-style-type: none"> <li>- Implementation Specifications and Architecture Design</li> <li>- Physical Database Design</li> </ul>  |
| III. Implementation Planning  | <ul style="list-style-type: none"> <li>- Project Plans – all key phases, including data conversion plan and testing plan</li> </ul>  |
| IV. System Implementation:  |  |
| <i>Database Preparation</i>   | <ul style="list-style-type: none"> <li>- Fully designed database, including all required data elements, interfaces, tables, update protocol, edit routines, etc. DDL or similar</li> </ul>   |
| <i>Software Development/Adaptation</i>  | <ul style="list-style-type: none"> <li>- Fully configured and modified-as-necessary COTS</li> <li>- Source code listing and demonstrated object code</li> </ul>  |
| <i>"Proof of Concept" Module</i>  | <ul style="list-style-type: none"> <li>- Module Test Results</li> <li>- Open Issues Log; Issue Resolution Documentation</li> </ul>   |
| <i>Data Conversion*</i>   | <ul style="list-style-type: none"> <li>- Fully populated CPMS database (post-conversion from existing databases/sources)</li> <li>- Listings/reports of converted data from populated tables; error/exception documentation</li> </ul> |
| <i>System Testing</i>   | <ul style="list-style-type: none"> <li>- Test results</li> <li>- Open Issues Log; Issue Resolution Documentation</li> </ul>  |
| <i>User Acceptance Testing</i>  | <ul style="list-style-type: none"> <li>- UAT Test Results</li> <li>- Open Issues Log; Issue Resolution Documentation</li> </ul>  |
| <i>Training</i>   | <ul style="list-style-type: none"> <li>- User Training Materials</li> <li>- System Reference Documentation/Manuals for users, system operators, and administrators</li> </ul>  |
| <i>"Model Office"</i>   | <ul style="list-style-type: none"> <li>- Business Processes Document</li> </ul>  |
| <i>Cutover and Go-live</i>  | <ul style="list-style-type: none"> <li>- Cutover from legacy systems to CPMS production</li> <li>- Full Integration with External and Internal Interfaces</li> </ul>   |
| V. Post-Implementation  | <ul style="list-style-type: none"> <li>- Post-implementation support terms, SLAs, etc.</li> </ul>  |

\* Data conversion approach envisions staging of legacy data to be converted in a single data warehouse for all necessary cleansing, augmentation, reconciliation, and validation prior to conversion; data warehouse to sunset after successful CPMS go-live.

## **Project Organization Structure**

### Project Steering Committee

- Board of Trustees

### Project and Functional Lead

- Christine Bailey, Executive Director

### Client Subject Matter Experts

- Christine Bailey, Executive Director
- COHERF staff: Veron Sibble, Yvonne Narayan
- Wells Fargo: TBD
- Actuary: Jeffery and Trisha Amrose
- City HR/Payroll: Tammie Hechler, Tami Thornton, April Allen
- Legal: Ron Cohen, Board Attorney
- City IT: Raheem Secharan, IT Director, or his designee and Leonid Faynerman, Senior Systems Analyst

### System Vendor

#### Pension Technology Group (PTG)

- John Reidy, President
- Alyce Smith, Project Coordinator, day-to-day project manager
- Other PTG team members: names, roles TBD

### Project Manager

- GTJZ Consulting

### Project Leadership Team

- Christine Bailey, Executive Director
- PTG President and/or Project Coordinator
- GTJZ Consulting
- City IT Director and/or designee

## Project Stakeholders

- Trustees
- Members and retirees
- COHERF staff
- Board Actuary
- Board Attorney
- City Commission
- City Management
- City of Hollywood/HR/Payroll/IT/Finance/Legal
- Wells Fargo, Fund Custodian

## **Pre-Project Phases**

- CPMS RFP development
- Solicitation of vendor proposals
- Vendor evaluation, including demonstrations and presentations to Trustees
- Vendor selection and contracting
- Project management RFQ and proposals
- PM evaluation and presentations to Trustees
- PM selection and contracting
- Project preparation and mobilization

## **Other Project Considerations**

- Cyber security – PTG
- Project cost contingency (rule of thumb up to 20-25% per Project Management Institute) – COHERF/PM
- Scope creep – COHERF/PTG/PM
- ADA compliance of PTG system (note to check recent ADA interpretations) – PTG
- System compliance/upgrade due to federal, State, and local rule changes – PTG
- Risk management/mitigation – PM
- Hosting – PTG
- Data continuity/recovery – PTG
- System downtime allowances/penalties – PTG
- Vendor SLAs/expectations re hosting, administration, backups, etc. – COHERF/PTG

# CITY OF HOLLYWOOD EMPLOYEES' RETIREMENT FUND

## DROP

### August 2021 Regular Pension Board Meeting

|    | Name             |           | DROP Start Date   | DROP end Date      | Payroll Reports Received |
|----|------------------|-----------|-------------------|--------------------|--------------------------|
| 1  | Witherspoon      | Jonathan  | November 1, 2016  | October 31, 2021   | Yes                      |
| 2  | Clarke           | Janet     | January 1, 2017   | December 31, 2021  | Yes                      |
| 3  | Aide             | Anglade   | February 1, 2017  | January 31, 2022   | Yes                      |
| 4  | Holmes           | Clarence  | April 1, 2017     | March 31, 2022     | Yes                      |
| 5  | Powell           | Marie     | June 1, 2017      | May 31, 2022       | Yes                      |
| 6  | Babich           | James     | June 1, 2017      | May 31, 2022       | Yes                      |
| 7  | Epstein          | Jeff      | July 1, 2017      | June 30, 2022      | Yes                      |
| 8  | Samuels          | Brenda    | July 1, 2017      | June 30, 2022      | Yes                      |
| 9  | Ducker           | Elizabeth | August 1, 2017    | July 31, 2022      | Yes                      |
| 10 | McLarty          | Horace    | August 1, 2017    | July 31, 2022      | Yes                      |
| 11 | Victory          | Glenroy   | June 1, 2018      | October 29, 2021   | Yes                      |
| 12 | Ballica          | Lucille   | September 1, 2018 | August 31, 2023    | Yes                      |
| 13 | Listhrop         | Anselm    | September 1, 2018 | August 31, 2023    | Yes                      |
| 14 | Moss             | John      | October 1, 2018   | September 30, 2023 | Yes                      |
| 15 | Ferrante         | Joseph    | February 1, 2019  | January 31, 2024   | Yes                      |
| 16 | Lancaster        | Lawrence  | April 1, 2019     | March 31, 2024     | Yes                      |
| 17 | Baculi           | Narciso   | August 1, 2019    | July 31, 2024      | Yes                      |
| 18 | Grandinetti      | Donna     | August 1, 2019    | July 31, 2024      | Yes                      |
| 19 | Linares          | Teresa    | August 1, 2019    | July 31, 2024      | Yes                      |
| 20 | Lopez            | Angel     | August 1, 2019    | July 31, 2024      | Yes                      |
| 21 | Mincy            | Donald    | August 1, 2019    | July 31, 2024      | Yes                      |
| 22 | Montalvan        | Mario     | August 1, 2019    | July 31, 2024      | Yes                      |
| 23 | Myrvil           | Jean      | August 1, 2019    | July 31, 2024      | Yes                      |
| 24 | Wallace          | Telford   | August 1, 2019    | July 31, 2024      | Yes                      |
| 25 | Thornton         | Tamara    | September 1, 2019 | August 31, 2024    | Yes                      |
| 26 | Reese            | Debra-Ann | October 1, 2019   | September 30, 2024 | Yes                      |
| 27 | Doklean          | Dana      | November 1, 2019  | October 31, 2024   | Yes                      |
| 28 | D'Arpino Vazquez | Linda     | January 1, 2020   | December 31, 2024  | Yes                      |
| 29 | Erickson         | Barry     | January 1, 2020   | December 31, 2024  | Yes                      |
| 30 | Foard            | Timothy   | January 1, 2020   | December 31, 2024  | Yes                      |
| 31 | Keller           | George    | January 1, 2020   | December 31, 2024  | Yes                      |
| 32 | Nelson           | Barbara   | January 1, 2020   | December 31, 2024  | Yes                      |
| 33 | Saint Remy       | Jean      | January 1, 2020   | December 31, 2024  | Yes                      |
| 34 | Williams         | Horace    | January 1, 2020   | December 31, 2024  | Yes                      |
| 35 | Zaske            | Michael   | January 1, 2020   | December 31, 2024  | Yes                      |

# CITY OF HOLLYWOOD EMPLOYEES' RETIREMENT FUND

## DROP

### August 2021 Regular Pension Board Meeting

|    | Name             |             | DROP Start Date   | DROP end Date      | Payroll Reports Received |
|----|------------------|-------------|-------------------|--------------------|--------------------------|
| 36 | Cassidy          | Christopher | March 1, 2020     | February 28, 2025  | Yes                      |
| 37 | Knauer           | Keith       | March 1, 2020     | February 28, 2025  | Yes                      |
| 38 | Hogarth          | Delroy      | July 1, 2020      | June 30, 2025      | Yes                      |
| 39 | Seidl            | Luanne      | July 1, 2020      | June 30, 2025      | Yes                      |
| 40 | Lopez            | Sergio      | August 1, 2020    | July 31, 2025      | Yes                      |
| 41 | Manimala         | Jacob       | August 1, 2020    | July 31, 2025      | Yes                      |
| 42 | Stanley          | Angela      | August 1, 2020    | July 31, 2025      | Yes                      |
| 43 | Avitable         | Doreen      | September 1, 2020 | August 31, 2025    | Yes                      |
| 44 | Bailey           | Lorna       | October 1, 2020   | September 30, 2025 | Yes                      |
| 45 | Bently           | Michael     | October 1, 2020   | September 30, 2025 | Yes                      |
| 46 | Peace            | Rosana      | October 1, 2020   | September 30, 2025 | Yes                      |
| 47 | Perrin           | Edward      | October 1, 2020   | September 30, 2025 | Yes                      |
| 48 | Hitchcock        | Kathleen    | November 1, 2020  | October 31, 2025   | Yes                      |
| 49 | Kalil-Cobos      | Yvonne      | December 1, 2020  | November 30, 2025  | Yes                      |
| 50 | Thorne           | Brian       | January 1, 2021   | December 31, 2025  | Yes                      |
| 51 | Wilson           | Henry       | January 1, 2021   | December 31, 2025  | Yes                      |
| 52 | Carter           | Michelle    | March 1, 2021     | February 28, 2026  | Yes                      |
| 53 | Jacobsen         | Jennifer    | March 1, 2021     | February 28, 2026  | Yes                      |
| 54 | Johns            | Mary        | April 1, 2021     | March 31, 2026     | Yes                      |
| 55 | Bennett          | Lisa        | April 1, 2021     | March 31, 2026     | Yes                      |
| 56 | Maldonado-Juriga | Yolanda     | June 1, 2021      | May 31, 2026       | Yes                      |
| 57 | Castillo         | Jamie       | June 1, 2021      | May 31, 2026       | Yes                      |
| 58 | Gronvold         | John        | July 1, 2021      | June 30, 2026      |                          |
| 59 | Tozzi            | Donna       | August 1, 2021    | July 31, 2026      |                          |
| 60 | Yost             | Leo         | September 1, 2021 | August 31, 2026    |                          |

# CITY OF HOLLYWOOD EMPLOYEES' RETIREMENT FUND

## Planned Retirement

### August 2021 Regular Pension Board Meeting

|   | Name     |        | Start Date        | Last Date Of Employment No<br>Later Than: |
|---|----------|--------|-------------------|---|
| 1 | Huffaker | Daniel | June 1, 2017      | May 31, 2022                              |
| 2 | Perez    | Gilda  | August 16, 2019   | August 15, 2024                           |
| 3 | Azueta   | Gail   | February 16, 2020 | February 15, 2025                         |

# **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)**