

**MINUTES
REGULAR PENSION BOARD MEETING
CITY OF HOLLYWOOD EMPLOYEES' RETIREMENT FUND
TUESDAY, JULY 22, 2025 AT 9:00AM**

1. CALL TO ORDER

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

2. ROLL CALL AND PLEDGE OF ALLEGIANCE

Board Members present: Chair Phyllis Shaw, Vice Chair David Keller; Secretary Robert Strauss (joined electronically at 9:15a.m.); April Allen; Barbara Armand; Jeffrey Greene (joined at 10:50a.m.); and George Keller (joined at 9:15a.m.) Also present: Executive Director Christine Bailey; Keith Reynolds and Felicia Ewell of Segal Marco; Karl Hutchinson of Principal Custody Solutions; and Ron Cohen of Lorium Law.

MOTION made by Trustee D. Keller, seconded by Trustee Armand, to approve the electronic participation of Robert Strauss and Jeffrey Greene, if necessary. In a voice vote of the members present, all members voted in favor. Motion passed 4-0.

A. July 22, 2025 Regular Board Meeting Agenda

MOTION made by Trustee D. Keller, seconded by Trustee Allen to adopt the July 22, 2025 Regular Board Meeting Agenda. In a voice vote of the members present, all members voted in favor. **Motion** passed 4-0.

3. PUBLIC COMMENTS

There were no public comments.

4. CONSENT AGENDA

- A. June 17, 2025 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 D. Keller, seconded by Trustee Armand, to approve Consent Agenda Items 4a through 4c. In a voice vote of the members present, all members voted in favor. **Motion** passed 4-0.

5. FINANCIAL

A. Financial Reports and Investment Summary

Ms. Bailey provided the Preliminary June 2025 Financial Reports and Investment Summaries. She also provided the Budget Variance Report as of June 30, 2025.

6. INVESTMENT (Keith Reynolds – Segal Marco)

A. May 2025 Flash Performance Report

Mr. Reynolds provided the Flash Performance Report for May 2025. He noted that the Fund's market value of assets as of May 31, 2025 increased to \$485.8 million. He also noted that the estimated return for the Fund was up 2.5% net of fees for the month of May 2025, and up 2.3% 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, 2025. He noted that the assets available for investments were \$481.5 million and performance was up 0.4% net of fees for the quarter. He noted that the Fund outperformed its peers across in the quarter and in the fiscal year to date.

C. Affiliated Housing Impact Fund II Discussion

Mr. Reynolds reviewed the Segal Investment Opinion Report on Affiliated Development and the Affiliated Housing Impact Fund II opportunity. He advised that Segal would recommend maintaining the investment level of \$5 million and invest in Fund II. He advised that the management fees were 2% of commitments per annum.

The Board discussed the investment, and requested that Segal obtain additional information, including the possibility of obtaining benefits specific to COHERF members. Mr. Reynolds noted that the next close would be in 2026.

D. Portfolio Review – EARNEST Partners

Mr. Jeffrey Jackson and Mr. Richard Burgess presented a review of the financial markets and the investment performance of the SMID Cap Value Fund. The Board discussed the impact of the financial markets and stock selection on performance. Mr. Burgess noted that a lot of the underperformance was not based on fundamentals but on speculation in the market. Mr. Jackson noted that over time the portfolio has outperformed while additionally, providing protection on the downside. He noted that the investment was being managed by the same team and with the same strategy as when they were hired.

In response to a question, Mr. Jackson noted that the market fluctuations were not the new normal as similar events had occurred in the past. He noted that the market would over time return to the fundamental that generate genuine returns.

The Board requested that Segal provide a rolling 5-year performance report for EARNEST Partner and agree to monitor the investment and review the results after five years or earlier, if it were deemed necessary.

E. Work Plan

Ms. Ewell reviewed the work plan. The Board discussed the overall asset allocation and the implementation of the Private Equity and Emerging Manager allocations.

7. **LEGAL (Ron Cohen – Lorium Law)**

A. Legal Update

Mr. Cohen advised that the 50 South Capital documents were completed, and he anticipated that the Fund would receive the fully executed documents next week. He advised that the PTG Statement of Work for the implementation of the new DROP rules was complete.

Mr. Cohen reviewed the updated draft of the new proposed ordinance for second reading. He noted that there were a few additional changes to the tax language that needed to be added. Trustee D. Keller advised that the additional language would be added. It was noted that the language changes from first to second reading did not materially affect the substance of the proposed ordinance. Mr. Cohen discussed the implementation of the ordinance if passed, including the separation of the plans.

Trustee D. Keller advised that the City had concluded negotiation with AFSCME. He recommended that the Board appoint a selection committee and nominated Trustee Allen, Trustee Strauss and/or Trustee Armand, and Ms. Bailey. He advised that he would be available to assist the committee in their selection.

Mr. Reynolds provided an update on the solicitation for a deferred compensation plan provider and recordkeeper. He discussed establishing a new plan, including the plan documents, design, and investment array. He also discussed the separation of costs between the plans.

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

MOTION made by Trustee D. Keller, seconded by Trustee Greene to nominate Trustee Armand, Trustee Allen, and Ms. Bailey for the Defined Contribution Plan Recordkeeper Selection/Evaluation Committee, with Trustee Greene acting as an Alternate. In a voice vote of the members present, all members voted in favor. **Motion** passed 7-0.

Trustee D. Keller advised that information on the proposed ordinance had been mailed out to retirees with their ballots and had been posted on the City's and Fund's websites. The Board discussed the benefits of the proposed ordinance providing additional retirement benefit plan choices to employees and its anticipated impact on recruitment.

Trustee D. Keller acknowledged the participation and contribution of Ron Cohen, Christine Bailey and the Pension Staff, Barbara Armand and the team from AFSCME, Keith Reynolds, and George Keller. Trustees thanked Trustee D. Keller for leading the effort.

8. EXECUTIVE DIRECTOR'S REPORT

A. City Commission Communication

The Board received the City Commission Communication.

B. Proposed Ordinance PO-2025-09

Ms. Bailey advised that election date for the proposed ordinance would be held on August 12, 2025, with early voting from August 4th through August 8th. She advised that notifications were emailed to active members on July 17th, and that notification and ballots were mailed to retirees on July 18th.

C. Communications from the Executive Director

- Ms. Bailey advised that the Department of Management Services Police and Fire Pension Trustees' Conference would be held from September 9th through September 11th in Daytona Beach Shores.
- Ms. Bailey provided the DROP Participant List.

9. TRUSTEE REPORTS, QUESTIONS AND COMMENTS

Trustee G. Keller acknowledged receipt of the request from additional employer contribution. He noted that additional cost was minimal. Trustee Strauss acknowledge the supplemental pension distribution was received by the retirees. He noted that the proposed ordinance would be a positive for employees.

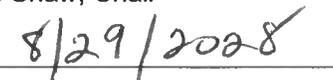
Trustee Shaw acknowledged the benefits of the Retirement Fund and the value of the 13th check to the retirees who received them. She encouraged Trustees to attend the educational conferences, especially the FPPTA Fall Trustee School. Trustee Shaw also noted the success of the Open House including the walk though by two City Commissioners. She advised the Board that the Trustee Leadership Council would be studying the Hollywood Pension Funds as its pilot project case study in April 2026.

Trustee Allen congratulated Trustee Shaw on her certification on the Trustee Leadership Council and thanked her for her leadership at the Pension Fund FPPTA. She thanked her for her mentorship.

10. ADJOURNMENT

MOTION made by Trustee Greene, seconded by Trustee D. Keller, to adjourn the meeting. In a voice vote by the members present, **Motion** passed 7-0. The meeting adjourned at 12:57p.m.


Phyllis Shaw, Chair


Date