

**MINUTES
REGULAR PENSION BOARD MEETING
CITY OF HOLLYWOOD EMPLOYEES' RETIREMENT FUND
TUESDAY, AUGUST 26, 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; April Allen (exited 11:00a.m.); Barbara Armand; Jeffrey Greene; and George Keller (joined at 9:35a.m.) Also present: Executive Director Christine Bailey; Keith Reynolds, Michael St. Germaine, and Felicia Ewell of Segal Marco; Karl Hutchinson of Principal Custody Solutions; and Ron Cohen of Lorium Law.

Trustee Shaw requested that Agenda Item 8c be moved up to before Item 6c.

A. August 26, 2025 Regular Board Meeting Agenda

MOTION made by Trustee Greene, seconded by Trustee D. Keller to adopt the August 26, 2025 Regular Board Meeting Agenda, as amended. In a voice vote of the members present, all members voted in favor. **Motion** passed 6-0.

3. PUBLIC COMMENTS

There were no public comments.

4. CONSENT AGENDA

- A. July 22, 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 Strauss, to approve Consent Agenda Items 4a through 4c. In a voice vote of the members present, all members voted in favor. **Motion** passed 6-0.

5. FINANCIAL

A. Financial Reports and Investment Summary

Ms. Bailey provided the Final March, April, and May 2025, and the Preliminary July 2025 Financial Reports and Investment Summaries. She also provided the Budget Variance Report as of July 31, 2025.

6. INVESTMENT (Keith Reynolds – Segal Marco)

The Investment Agenda Items were discussed out of order.

D. Private Equity Opportunity Discussion

Mr. St. Germaine reviewed the Fund's Private Equity allocation discussions regarding investing in fund of funds and direct investments. He presented an opportunity for a direct investment in Thomas H. Lee Partners (THL) Equity Index X Strategy. He reviewed their operations, strategy, investment process, performance and the terms of Fund X. He advised that the recommended investment was \$8 million.

In response to questions, Mr. St. Germaine advised that this investment would be a complement to the 50 South investment. He further stated that the allocation strategy would include a consideration of two additional investment next year of approximately \$12 million. Mr. Reynolds noted that the recommendation of THL was based on pecuniary factors. Mr. Reynolds provided an update on the timing of capital calls from 50 South and THL.

E. Work Plan

Mr. Reynolds reviewed the work plan. The Board discussed conducting an asset liability study, revisiting the implementation of the Private Equity and Emerging Manager allocations, and a presentation from THL.

8. EXECUTIVE DIRECTOR'S REPORT

C. Affiliated Housing Opportunity – The Tropic Presentation

Mr. John Kennedy, Leasing Consultant at the Tropic presented the opportunities available to COHERF Members and other City Employees. He provided information on their workforce housing opportunities and the various floor plans available. He noted that after discussions with Trustees and later with Affiliated, some 2- and 3-bedrooms would be offered as workforce housing to City employees.

Trustee Shaw requested that the staff reach out to the City regarding Mr. Kennedy's participation in the City's upcoming wellness fair.

6. INVESTMENT (Keith Reynolds – Segal Marco)

C. Affiliated Housing Impact Fund II Discussion

Mr. Reynolds reviewed the Affiliated Housing Impact Fund II investment opportunity. He confirmed that several of the investors in Fund I had made commitments to Fund II, with some doubling their commitments. He advised that Affiliated had agreed to reduce their fee if the Board increased its commitment to Fund II. Mr. Reynolds noted that the fee reduction was attractive but recommended that the Board keep the current pacing and invest \$5 million.

MOTION made by Trustee D. Keller, seconded by Trustee Strauss to reinvest \$5 million in Affiliated Housing Fund II. In a roll call vote of the members present, all members voted in favor. **Motion** passed 7-0.

F. Principal Custody Activity Review

Mr. Hutchinson advised the Board that Principal Custody Solutions had acquired Truist Retirement Trust and Custody. He stated that he expected a transition period for Truist clients by December 2025. He advised that this should not affect the services to the Fund and the Team working with the Fund was not anticipated to change. He advised that Principal intended to continue these types of acquisitions.

Mr. Hutchinson reviewed key statistical data on the activity of the Fund for the period January 1, 2025 through June 30, 2025. The Board requested a breakdown of the fees for Apogem Heritage Fund VI and Wellington Trust Company.

A. June 2025 Flash Performance Report

Mr. Reynolds provided the Flash Performance Report for June 2025. He noted that the Fund's market value of assets as of June 30, 2025 decreased to \$483.9 million. He also noted that the estimated return for the Fund was up 2.5% net of fees for the month of June 2025, and up 4.9% net of fees for the fiscal year to date.

B. SMID Cap Performance Review

Mr. Reynolds reviewed the long-term performance of EARNEST Partners and Loomis Sayles. He compared their 3-year and 5-year rolling average return against their benchmarks and advised that they outperformed their benchmarks 65% or more over time.

Mr. Reynolds advised that the Segal Client Conference would be held from March 12-15, 2026 in Phoenix, Arizona.

7. **LEGAL (Ron Cohen – Lorium Law)**

A. Legal Update

Mr. Cohen advised the Board that Florida Statute §215.4725 required public funds and public entities to not deal with companies that, based on the statute's definition, boycott Israel. He advised that he would forward the information to Segal for implementation.

Mr. Cohen advised that he continued to work with the City on the new proposed ordinance, most recently, as it related to health insurance. He noted that there were also tax consequences that needed to be addressed.

8. **EXECUTIVE DIRECTOR'S REPORT**

A. City Commission Communication

The Board received the City Commission Communication.

B. Audio/Visual Maintenance Agreement Renewal

Ms. Bailey provided a proposal from AVI-SPL, LLC to provide audio/visual support and maintenance to the Fund. She requested that the Board renew the agreement for a three-year term in the amount of \$4,587.84.

MOTION made by Trustee Greene, seconded by Trustee G. Keller to renew the AVI contract for 3 years. In a roll call vote of the members present, all members voted in favor. **Motion** passed 6-0. Trustee Allen exited the meeting.

D. Communications from the Executive Director

- Ms. Bailey advised that four 2025 Life Certificates remain outstanding.
- Ms. Bailey advised that the Employee Benefit Statements for Fiscal Year 2024 would be issued by the end of the week.
- Ms. Bailey advised that the membership voted in favor of Proposed Ordinance PO-2025-09 with 585 votes cast. She advised that 432 voted in favor of the proposed ordinance and 153 voted against it.

Ms. Bailey advised that the second reading for the proposed ordinance had been delayed and was expected in September. She advised that the effective date of the new proposed plan had been pushed back to February 2026.

The Board discussed the proposed ordinance and its implementation. Trustee D. Keller requested that the Board approve agreements with two arms of Segal, Segal Marco Advisors and Segal Group, Inc. He advised that the City would be paying the start-up expenses of the Defined Contribution Plan (DC) through an interlocal agreement (ILA) or Memorandum of Understanding (MOU) where reimbursement would be accommodated similar to the current arrangement where the City would pay certain COHERF expenses that were then reimbursed quarterly by COHERF.

MOTION made by Trustee Strauss, seconded by Trustee G. Keller, to go with the administrator's suggestion to use a reimbursement method for the new DC plans as described by Trustee D. Keller. In a roll call vote of the members present, all members voted in favor. **Motion** passed 6-0. Trustee Allen exited the meeting.

The Board discussed proposed agreements with Segal to provided investment and employee benefit services.

MOTION made by Trustee Greene, seconded by Trustee Barbara Armand, as amended, to enter into an agreement with Segal Marco Advisors for investment advice, communication, and solicitation services in connection with setting up a DC plan and the DC Component of the Hybrid Plan, and a separate agreement

with Segal Group, Inc. for other matters such as compliance and legal advice for the DC plan and the DC Component of the Hybrid Plan with a cap of \$60,000 each, including a \$5,000 contingency. In a roll call vote of the members present, all members voted in favor. **Motion** passed 6-0.

MOTION made by Trustee Armand, seconded by Trustee D. Keller, to extend the meeting. In a voice vote of the members present, all members voted in favor. **Motion** passed 6-0.

- Ms. Bailey provided the DROP Participant List.
- Ms. Bailey had advised that there was an issue with the capacity of the website which prevented any uploads. She advised that removing prior years information from the website should resolve the issue.
- Ms. Bailey advised that the City has requested the Fund's financial statement by March 1, 2026.

9. TRUSTEE REPORTS, QUESTIONS AND COMMENTS

Trustee Strauss noted that there were members and retirees that have not updated their beneficiary designation. The Board requested that retirees be reminded to review their beneficiaries in the life certification process. Mr. Strauss also asked how the proposed ordinance would affect the CPMS. Ms. Bailey noted that she expected the Hybrid Plan would be recorded in CPMS, with COHERF maintaining the DB component of the plan, and basic information of the DC component uploaded from the prospective recordkeeper, and the DC Plan, including the DC component to be maintained by the prospective recordkeeper.

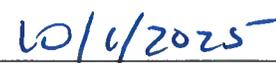
Trustee Strauss questioned the use of Room 205. Ms. Bailey advised that no decision had been made about the space.

Trustee G. Keller discussed the timing of the City' budget process.

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