

**MINUTES
REGULAR PENSION BOARD MEETING
CITY OF HOLLYWOOD EMPLOYEES' RETIREMENT FUND
TUESDAY, SEPTEMBER 16, 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; Barbara Armand; Jeffrey Greene; and George Keller (joined at 9:55a.m.) Also present: Executive Director Christine Bailey; Keith Reynolds of Segal Marco; Diane McNally and Leighann Parish of Segal Select Insurance; Karl Hutchinson of Principal Custody Solutions; and Ron Cohen of Lorium Law.

A. September 16, 2025 Regular Board Meeting Agenda

MOTION made by Trustee Greene, seconded by Trustee D. Keller to adopt the September 16, 2025 Regular Board Meeting Agenda. 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. August 26, 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 Greene, 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 Preliminary August 2025 Financial Reports and Investment Summaries. She also provided the Budget Variance Report as of August 31, 2025.

6. INVESTMENT (Keith Reynolds – Segal Marco)

A. July 2025 Flash Performance Report

Mr. Reynolds provided the Flash Performance Report for July 2025. He noted that the Fund's market value of assets as of July 31, 2025 increased to \$487.8 million. He also noted that the estimated return for the Fund was up 0.4% net of fees for the month of July 2025, and up 5.4% net of fees for the fiscal year to date.

The Board requested that the table labels be changed from white, that the Market Values be totaled by asset class on the Comparative Performance pages. The Board requested information on the status of capital calls for the various investments.

B. Private Equity Presentation – Thomas H. Lee Partners

Mr. Gregory White of Thomas H. Lee Partners (THL) provided background on the history and focus of THL. He presented the THL Fund X opportunity and outlined the investment strategy and expectations.

In response to questions, Mr. White noted that their ideal portfolio would be 14 to 18 company deals, that the size of Fund X would be \$6.2 billion, that they already have commitments of \$5.8 billion, and that they would continue to raise funds through the end

of the year. Mr. White advised that Fund X offered two fee structures, 150 basis points plus either profit participation after an 8% preferred return on a deal by deal basis or profit participation after all capital committed plus 5% has been returned.

Mr. Reynolds advised that the recommendation was for a \$10 million commitment to THL Fund X. He advised that in building the Private Equity Portfolio, the Board would be considering additional opportunities next year.

The Board requested additional detail on capital calls in the Flash Report.

C. Fee Update

Mr. Reynolds advised that he continued to review the fees and advised that a preliminary finding is that strong performance could account for the fees. Additionally, the fees might be listed with other cash flows that are not fees.

D. Work Plan

Mr. Reynolds reviewed the work plan.

E. Board Insurance Update

Ms. Diane McNally and Leighann Parrish represented Segal Select Insurance. Ms. McNally reviewed the Fiduciary Liability insurances. She advised that there were two options for the 2nd Excess Policy, a renewal with Chubb or a new Policy with RLI. She advised that Segal recommended renewing coverage with the incumbent carriers. Trustees were reminded that they were each required to pay \$75 for the waiver of recourse under these policies. Trustee G. Keller noted that for City employees, that cost was a legitimate reimbursable expense.

MOTION made by Trustee Strauss, seconded by Trustee Armand, to approve the Fiduciary Liability insurances with the incumbent carriers as recommended. In a roll call vote of the members present, all members voted in favor. **Motion** passed 7-0.

Ms. McNally reviewed the Cyber Liability insurance policy. The Board requested information on additional coverage through an excess policy.

MOTION made by Trustee D. Keller, seconded by Trustee Greene, to approve the Cyber Liability insurance with the incumbent carrier as presented. In a roll call vote of the members present, all members voted in favor. **Motion** passed 7-0.

Ms. McNally reviewed the Employment Practices Liability insurance policy. She provided the information for renewal with Encore/Hudson but recommended that the Board consider moving coverage to Travelers at a lower cost and additional benefits at both a \$10,000 and \$5,000 retention level. Ms. McNally advised that Travelers would offer an additional discount given the Board's other business with them.

MOTION made by Trustee D. Keller, seconded by Trustee Strauss, to go with Travelers at \$5,000. In a roll call vote of the members present, all members voted in favor. **Motion** passed 7-0.

Ms. Leighann Parrish reviewed the Public Officials Bond. The Board requested that Segal review the guarantee amount for the covered trustees and advise the Board if additional coverage was recommended.

MOTION made by Trustee G. Keller, seconded by Trustee D. Keller, to renew the Public Officials Bond with Travelers. In a roll call vote of the members present, all members voted in favor. **Motion** passed 7-0.

Ms. Parrish reviewed the Workplace Violence and Stalking Threat coverage. She advised that Segal supported a move to Hardon Specialty Insurance Company at the same or at a higher limit of liability. The Board discussed the coverage provided by the policy and requested that Segal review the policy for international travel. She noted that the coverage did not include working from home.

MOTION made by Trustee D. Keller, seconded by Trustee Armand, to go with Hadron at the \$4 million level. In a roll call vote of the members present, all members voted in favor. **Motion** passed 7-0.

Ms. Parrish reviewed the Commercial Line Insurances; the Commercial Package, Umbrella and Business Auto. She advised that Segal supported a renewal with Chubb

MOTION made by Trustee Greene, seconded by Trustee G. Keller, to renew the three Commercial insurance lines with Chubb. In a roll call vote of the members present, all members voted in favor. **Motion** passed 7-0.

The Board discussed coverage for business travel. The Board requested that Segal provide information on a business travel accident policy. Ms. Parrish reminded the Board that if travelling by rental car, it was no necessary to obtain liability insurance, but damage coverage should be considered.

7. LEGAL (Ron Cohen – Lorium Law)

A. Legal Update

Mr. Cohen advised that he continued to work with the City on the new proposed ordinance as well as the Segal contracts related to the new plans.

B. Executive Director Evaluation

Mr. Cohen advised that he had received all Trustee evaluation forms for the Executive Director. He advised that Ms. Bailey received ratings in all categories of 4 or 5 out of 5, receiving score totals of 56, 48, 57, 58, 60, 60, and 60 out of 60. The Board expressed their appreciation to Ms. Bailey for her service.

In response to a question, Ms. Bailey advised that the upcoming concerns included the setup of the new plans, the completion of the financial statement, the documentation of COHERF's operations, and upgrading the Fund's website. She advised that with an additional staff member, already approved by the Board, and if necessary, temporary services, there were sufficient resources to complete the challenges ahead.

The Board discussed updating the evaluation form and confirmed that addressing the concerns were the goals for FY2026.

MOTION made by Trustee Strauss, 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 G. Keller, to adjust the rate of pay of the Executive Director by a 4% COLA effective October 1, 2025. In a roll vote of the members present, all members voted in favor. **Motion** passed 7-0.

Trustee Shaw requested that the Board Attorney and the Executive Director work with the insurance carriers to look at policies for the new plans for the December Board meeting.

MOTION made by Trustee D. Keller, seconded by Trustee Greene, to have Ms. Bailey and Mr. Cohen look at insurance policies as requested. In a voice vote of the members present, all members voted in favor. **Motion** passed 7-0.

8. EXECUTIVE DIRECTOR'S REPORT

A. City Commission Communication

The Board received the City Commission Communication.

B. Personnel Consideration

Ms. Bailey advised that the 2025 evaluations of the Pension Office staff had been completed and noted the exceptional performance during the fiscal year. She reviewed their compensation, including the changes approved in May 2025 and the anticipated change in longevity awaiting the Commission's approval. She requested that the Board consider providing the staff with an increase in compensation of 2% effective October 1, 2025.

MOTION made by Trustee Armand, seconded by Trustee D. Keller, to approve a 2% cost of living adjustment for Veron Sibble and Yvonne Narayan effective October 1, 2025. In a roll call vote of the members present, all members voted in favor. **Motion** passed 7-0.

C. Proposed Ordinance PO-2025-09 Update

Ms. Bailey advised that the membership and the union approved the proposed ordinance changes, and she anticipated that the proposed ordinance would be submitted to the Commission for second reading on September 17, 2025. She discussed the next steps should the proposed ordinance pass at second reading. The Board requested a timeline of events to the start of the new plans.

Trustee D. Keller discussed the startup costs of the new plans and the development of an agreement between the City and the fund to reimburse any startup expenses. He also discussed the self-funding of the ongoing costs of the Defined Contribution (DC) and the DC component of the Hybrid plan.

D. Communications from the Executive Director

- Ms. Bailey advised that a member, Richard Lemack had requested a review of his eligibility for a 13th check. Ms. Bailey advised that she reviewed his records, including his retirement letter and confirmed that he did not meet the eligibility requirements. Namely he was not a member of the Fund on October 1, 2002.
- Ms. Bailey advised that more than three hundred and fifty active members and retirees have visited the Member Self Service Portal, visiting an average of 20 pages each.
- Ms. Bailey provided the DROP Participant List.

9. TRUSTEE REPORTS, QUESTIONS AND COMMENTS

Trustee G. Keller provided an update on the City's budgeting process and the sunseting of the Downtown and Beach CRA.

10. ADJOURNMENT

MOTION made by Trustee Armand, seconded by Trustee G. Keller, to adjourn the meeting. In a voice vote by the members present, **Motion** passed 7-0. The meeting adjourned at 12:50p.m.



Phyllis Shaw, Chair

10/24/2025

Date