

**MINUTES
REGULAR PENSION BOARD MEETING
CITY OF HOLLYWOOD EMPLOYEES' RETIREMENT FUND
TUESDAY, JUNE 23, 2026 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 (electronically); April Allen; Barbara Armand; Jeffrey Greene; and George Keller. Also present: Executive Director Christine Bailey; Felicia Ewell, Francios Otieno, and Michael St. Germain of Segal Marco; and Ron Cohen of Lorium Law.

June 23, 2026 Regular Board Meeting Agenda

MOTION made by Trustee D. Keller, seconded by Trustee Allen to adopt the June 23, 2026 Regular Board Meeting Agenda. In a voice vote of the members present, all members voted in favor. **Motion** passed 7-0.

3. PUBLIC COMMENTS

There were no public comments.

4. CONSENT AGENDA

- A. May 19, 2026 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 7-0.

5. FINANCIAL

- A. Hybrid Plan Actuarial Valuation Report as of April 1, 2026
Mr. Jeffrey Amrose and Trisha Amrose of Gabriel Roeder, Smith and Company (GRS) reviewed the Hybrid Plan (Defined Benefit Component) Actuarial Valuation Report as of April 1, 2026. He discussed the establishment of the Plan and the Actuarially Determined Employer Contributions For Fiscal Years 2026 and 2027. He advised that the Actuarially Determined Employer Contribution for FY2026 would be \$17,277 if paid by September 30, 2026. He also advised that the Actuarially Determined Employer Contribution for FY2027 would be \$197,189 if paid on October 1, 2026, and \$203,733 if paid biweekly during the fiscal year.

Mr. Amrose reviewed the Actuarial Assumptions and Methods. He noted that as the Plan was new there were no assets and no actuarial experiences. He stated that the Normal Cost were \$16,733 and \$190,555 for FY2026 and FY2027, respectively.

MOTION made by Trustee Greene, seconded by Trustee D. Keller, to accept the Hybrid Plan (Defined Benefit Plan Component) Actuarial Valuation Report as of April 1, 2026, as presented. In a roll call vote of the members present, all members voted in favor. **Motion** passed 7-0.

Mr. Cohen reminded the Board of the State's requirement to make an annual declaration regarding expected rate of return.

MOTION made by Trustee D. Keller, seconded by Trustee Armand, to set the Actuarially Assumed Rate of Return at 6.5% for the current year, for each of the next several years,

and for the long term thereafter. In a voice vote of the members present, all members voted in favor. **Motion** passed 7-0.

B. Proposed Administrative Budgets for the Hybrid and Defined Contribution Plans for Fiscal Year 2026 and Fiscal Year 2027

Ms. Bailey presented the Proposed Budgets for the Hybrid and Defined Contribution Plans for Fiscal Year 2026 and Fiscal Year 2027. She advised that the City would continue to support the Plans in FY2027 until they became self-sustaining. She advised that the proposed administrative budgets for the Hybrid and Defined Contribution Plans for FY2026 were \$286,795 and \$110,578, respectively. She also advised that the proposed administrative budgets for the Hybrid and Defined Contribution Plans for FY2027 were \$209,450 and \$85,650, respectively.

Ms. Bailey advised that she would work with the City to amend the current Memorandum of Understanding regarding the Plans' expenses for both fiscal years.

MOTION made by Trustee Greene, seconded by Trustee Armand, to amend and approve the Proposed Administrative Budgets for Fiscal Year 2026 and Fiscal Year 2027 as presented. In a roll call vote of the members present, all members voted in favor. **Motion** passed 7-0.

C. Financial Reports and Investment Summary

Ms. Bailey provided the Preliminary May 2026 Financial Report and Investment Summaries. She also provided the Budget Variance Report as of May 31, 2026.

6. **INVESTMENT (Felicia Ewell – Segal Marco)**

A. April 2026 Flash Performance Report

Ms. Ewell provided the Flash Performance Report for April 2026. She noted that the Fund's market value of assets as of April 30, 2026 increased to \$539.5 million. She also noted that the estimated return for the Fund was up 4.9% net of fees for the month of April 2026, and up 6.6% net of fees for the fiscal year to date.

Mr. Otieno noted that the AG Direct Lending Fund had been distributed, and Segal was exploring other private credit opportunities to deploy those assets.

Trustee Shaw requested an update on the Affiliated Housing Funds since they have increased their investment in Hollywood housing.

B. Fourth Quarter performance Review

Ms. Ewell reported the Fund's performance for the quarter ended December 31, 2025. She noted that the assets available for investments were \$534.0 million and performance was 2.1% net of fees for the quarter.

C. Emerging Manager Follow-up

Mr. St. Germain reviewed the Private Equity 2026 Capital Deployment Road Map. He reviewed the activity and results of the portfolio's new construction approach. He discussed the commitment pacing and reviewed three emerging manager candidates, the Valhalla Group, RPS Ventures, and Outlander Venture Capital, for possible Board presentations. The Board discussed managers and requested that all 3 managers present at a July Investment Committee meeting. The Board discussed the emerging manager program and how it would apply to these private equity investments.

Mr. St. Germain noted that Outlander would have their final close in September 2026 and Valhalla and RPS would have closes at later dates.

- D. Fiscal Year 2024 and Fiscal Year 2025 Manager Fee Detailed Schedules
Ms. Ewell reviewed the Fiscal Year 2024 and Fiscal Year 2025 Manager Fee detailed schedules.
- E. Work Plan
Ms. Ewell reviewed the work plan.

7. LEGAL (Ron Cohen – Lorium Law)

A. Legal Update

Mr. Cohen discussed the renewal of the GRS Contract. He noted that the work on the new plans would be an amendment to the current agreement which was expected to expire this year. He noted that the overall agreement would expire on September 30, 2026, and a new agreement would be required for the Defined Benefit Plan and the Hybrid Plan Defined Benefit Component.

Mr. Cohen reminded Trustees to complete their Form 1 disclosures. Ms. Bailey advised that Trustees were not required to turn in their receipts as the City Clerk would be notified once the forms had been completed.

Mr. Cohen advised that the Segal Replacement Contract was almost complete. He requested that the Board authorize the Chair to execute the agreement.

MOTION made by Trustee D. Keller, seconded by Trustee Armand, to authorize the Chair to execute the Segal Marco Contract. In a voice vote of the members present, all members voted in favor. **Motion** passed 7-0.

Mr. Cohen advised that he continued to work on Nationwide Pro-Account Agreement with Nationwide.

8. EXECUTIVE DIRECTOR'S REPORT

A. City Commission Communication

The Board received the City Commission Communication.

B. Member Consideration – Membership Date and Buyback Eligibility

Ms. Bailey advised that Christopher O'Brien had requested that the Board review the determination that his Membership Date with the Defined Benefit Plan was November 13, 2023 and that his earliest Normal Retirement Date was after 30 years of combined credited service with the Police Pension Fund and this Plan, and not 25 years of combined credited service. Ms. Bailey also advised that Mr. O'Brien had requested that the Board review the determination that he was not eligible to purchase service credit in this Plan for the period January 23, 2020 through November 12, 2023, a period prior to his membership in this Plan, when he served as Police Chief participated in the Police Pension Fund DROP and therefore did not receive service credit in that Plan.

Trustee G. Keller advised that he would not vote due to the appearance of a conflict of interest. Mr. Cohen noted that the Trustees were required to vote unless there was a conflict of Interest. He noted that this agenda item was to present the issues to the Board and that Mr. O'Brien still had a quasi-judicial hearing processes available to him to appeal this Plan's decision.

The Board discussed the Code of Ordinances, primarily Section §33.025(A), §33.025(D), §33.025(DD), and §33.029(B).

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

The Board discussed Mr. O'Brien's eligibility to purchase service credit for the period January 23, 2020 through November 12, 2023.

MOTION made by Trustee D. Keller, seconded by Trustee Armand, as amended, to not support either of the member's requests. In a roll call of the members present, all members voted in favor. **Motion** passed 5-1-1. Trustee Allen opposed the motion and Trustee G. Keller abstained.

Prior to abstaining, Mr. G. Keller asked Mr. Cohen if he could abstain. Mr. G. Keller stated that in his former position with the City of Hollywood, he created the position in question, asked the City Commission to approve it, and promoted Mr. O'Brien to the position. Mr. G. Keller indicated he was his direct supervisor and close coworker. Because of his personal involvement, and because he helped create the situation, he did not believe that he could be fair to both the member and COHERF on such an important situation and wanted to assure a fair proceeding. In response to the question of whether he could abstain, Mr. Cohen said yes, he could. A discussion was held about Form 8B.

Mr. Cohen again noted that Mr. O'Brien could appeal the Board's decision and request a formal hearing. He advised that he would send a formal letter to Mr. O'Brien advising him of the Board's decision and the timeline for an appeal.

C. Communications from the Executive Director

- Ms. Bailey advised that the June 2026 retirement benefits were suspended for the retirees who had not submitted their 2026 certificate.
- Ms. Bailey advised that the City had changed the way it paid Assignment Pay and were no longer deducting pension contributions from those pays. She noted that the payments were minimal and only affected Group One members. She advised that the most cost-effective method of addressing this change was to review the assignment pay of each retiring Group One member and added the pays manually to the system, if necessary.
- Ms. Bailey provided the DROP Participant List.

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

Trustees discussed updating the City's Code of Ordinances and educational sessions with employees.

10. **ADJOURNMENT**

MOTION made by Trustee D. Keller, seconded by Trustee G. Keller, to adjourn the meeting. In a voice vote of the members present, all members voted in favor. **Motion** passed 7-0. The meeting adjourned at 12:40p.m.


Phyllis Shaw, Chair

Date

10/9/2024