

**MINUTES of the
FEBRUARY 10, 2026 REGULAR RETIREMENT COMMITTEE MEETING
of the
CITY OF DELRAY BEACH GENERAL EMPLOYEES' RETIREMENT PLAN**

1. Call to Order

Chair MacManus called the meeting to order at 1:06 p.m.

Roll Call

Committee Members present: Chair Thomas MacManus, Vice-chair Adam Frankel, Howard Ellingsworth (arrived at 1:07 p.m.), and Martin Dorow. Members absent: Henry Dachowitz.

Also present: Brendon Vavrica (Mariner Institutional), Pedro Herrera (Sugarman, Susskind, Braswell & Herrera as designated by City Attorney, remote), Lisa Castronovo and Elizabeth Brown (City of Delray Beach).

Agenda Adoption

MOTION made by Mr. Ellingsworth, seconded by Mr. Frankel, to adopt the February 10, 2026, Agenda. In a voice vote by the members present, **Motion** passed 3-0.

2. Public Comments

None.

3. Consent Agenda

- A. November 20, 2025 Regular Meeting Minutes
- B. December 10, 2025 Special Meeting Minutes
- C. January 20, 2026 Workshop Minutes
- D. January 21, 2026 Workshop Minutes
- E. January 21, 2026 Special Meeting Minutes
- F. Ratification of Plan Expenses and Termination Refunds
- G. Approval/Ratification of New Retirement/DROP/Vested/Death Annuities
- H. Fiduciary Liability Insurance for 2026-27

MOTION made by Mr. Dorow, seconded by Mr. Frankel, to approve the Consent Agenda.

Chair MacManus asked Mr. Herrera if the various fiduciary liability insurance coverage limits were reasonable and/or comparable to other similar sized plans. Mr. Herrera responded that coverage limits were not based on the fund size so much as they were based on the amount of coverage the respective trustees wanted. Per the Committee's request, Mr. Herrera said he would work with Ms. Castronovo to review the current coverage and attain bids for higher coverages.

In a voice vote by the members present, **Motion** passed 4-0.

4. Investment Reports, Mariner Institutional

- A. Portfolio Performance Review – Quarter End December 31, 2025
Report made part of these Minutes.

Mr. Vavrica reviewed the December 31, 2025 performance report noting the Plan's total net return for the quarter was 2.39% vs. the benchmark of 2.29%. The Plan's assets increased from \$208.7M on September 30, 2025 to \$214.7M on December 31, 2025.

Chair MacManus told Mr. Vavrica he was not happy with small cap equity manager Delaware's continued underperformance. Mr. Vavrica said he would bring to the next meeting information on other small cap equity managers for the Committee to consider. Chair MacManus said he was leaning toward moving all assets out of active large cap growth equity manager Winslow over to an indexed fund since active managers could not keep up with the indexed funds. Mr. Vavrica responded the challenge with such a move was that if one or more of the magnificent seven companies that accounted for 60% of each large cap growth equity index fund significantly underperformed, the Plan could suffer large losses since it would have over 11% of its investments in one fund.

Chair MacManus asked Mr. Vavrica to ask the Plan's various managers if they would lower the Plan's fees in consideration of how much money they each invest across all of Mariner's clients.

B. Flash Report – January 2026

Since January 2026 bank statements were not available in time for Mr. Vavrica to prepare the January 2026 flash report, he provided a summary of the System's assets showing the Plan had over \$221M in assets on February 6, 2026.

C. Review Near Term Cash Requirements

Mr. Vavrica reported the Plan had ample cash and thus no assets needed to be moved to cover upcoming benefits and expenses.

D. Custodian Review

Chair MacManus asked Mr. Vavrica to reach out informally to custodians to acquire rough quotes for how much each would charge the Plan if the Committee decided to change custodians. Mr. Vavrica agreed to do so, but said there were not many custodians left in the market willing to provide pension custodial services.

5. Legal Report - Sugarman, Susskind, Braswell & Herrera

Mr. Herrera provided an update on a few items the Florida state legislature is considering that would impact the Florida Retirement System but have no effect on local law plans: 1) reinstate cost-of-living for employees hired after July 1, 2012, and 2) allow elected officials to draw their pension while in office.

6. Pension Administrator Report

Ms. Castronovo shared her quarterly report (made part of these Minutes). There was a brief discussion regarding the one retiree for whom Ms. Castronovo suspended the monthly benefit due to him failing to return his benefit verification letter. The Committee was satisfied that everything possible had been done prior to Ms. Castronovo suspending the benefit.

7. Administrative Items

A. Retirement Date for Approved Disability Applicant

Ms. Castronovo reminded the Committee that at its November 20, 2025 meeting, they approved a nonservice-connected disability benefit for Dwayne Williams. She said the Committee did not discuss when Mr. Williams' benefit should commence so she was seeking such decision now. Ms. Castronovo provided Ordinance language and specifics regarding Mr. Williams' surgeries and when he filed his disability application.

MOTION made by Mr. Frankel, seconded by Mr. Ellingsworth, to commence Mr. Williams' nonservice-connected disability benefit on June 1, 2025. In a voice vote by the members present, **Motion** passed 4-0.

B. Conference Attendance

Chair MacManus asked that each conference attendee provide a summary of the key points they got out of the conference they attended. He also asked each Committee member to be cognizant of the costs associated with conference attendance and to do their best to keep expenses as low as possible.

8. Other Business

Mr. Ellingsworth said he wants to look at lowering the actuarial assumed rate of return. Ms. Castronovo said an experience study was last done in 2018 so it would be a good time to have the actuaries perform a full experience study which would look at all actuarial assumptions, including the assumed rate of return. The Committee agreed to have Gabriel, Roeder, Smith & Company due an experience study after they complete the October 1, 2025 actuarial valuation.

9. ADJOURNMENT

The meeting adjourned at 2:20 p.m.

Thomas MacManus

Date

