

**HOLLYWOOD POLICE OFFICERS' RETIREMENT SYSTEM**  
**Office of Retirement**  
**4205 Hollywood Blvd., Suite 4**  
**Hollywood, Florida 33021**

**December 17, 2021**

**MINUTES**

A regular meeting of the Hollywood Police Officers' Retirement System was held on Friday, December 17, 2021, at 10:33 A.M., in the Office of Retirement, 4205 Hollywood Blvd., Suite 4, Hollywood, Florida 33021.

**PRESENT:**

D. Strauss, Chairman; J. Marano; C. Boyd; P. Laskowski; Justin Schweighardt & M. Djokic.

Also present were Laurette Jean<sup>1</sup>, City of Hollywood; Martin E. LaPrade, CFA & Gregory S. Gosch, Sawgrass Asset Management; Stuart Kaufman<sup>2</sup>, Legal Counsel - Klausner, Kaufman, Jensen & Levinson and Dave Williams, Plan Administrator.

**PUBLIC COMMENT**

Mr. Strauss referenced TerraCap Fund V.

**READING OF THE WARRANTS**

The warrants since the last meeting were reviewed and executed by the Board of Trustees.

**APPROVAL OF THE MINUTES OF THE November 19, 2021 MEETING**

Mr. Strauss asked if there were any additions or corrections to the Minutes of the November 19, 2021 pension board meeting. Mr. Boyd made a motion to approve the Minutes of the November 19, 2021 pension board meeting, which was seconded by Mr. Laskowski. All board members voted yes, passed 6-0.

**ATTORNEY'S REPORT**

Security Litigation: Mr. Kaufman provided status report on Covetrus and Citrix Matters. No action required.

Change of Beneficiary Request- Chidsey: The final order was delivered to Mr. Chidsey via FedEx on November 24, 2021, at 9:55 AM. Member has the ability to appeal. All relative documents to wit: Board Minutes have/will be provided by the plan administrator as well.

**INVESTMENT MONITOR**

PE Secondaries: Tabled.

Large Cap Value Analysis: The fund currently has one large cap value manager. Mr. Vavrica presented a report containing several managers. Composition, characteristics, and market cap was outlined. Trailing performance was also reviewed. At the conclusion Mr. Boyd thanked Mr. Vavrica for the report and stated he felt the fund needed to further diversify in this area of the portfolio. A consensus was reached by the Board and Brandywine will be invited to the January 28<sup>th</sup> meeting.

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<sup>1</sup> Attended Remotely.

<sup>2</sup> Attended Remotely.

R&D Mutual Fund: Due to the increase of capital calls, it was felt that it would be more efficient to maintain 5 million in the R&D. While the funds are in the R&D, Mr. Vavrica suggested the Board consider a mutual fund investment. Mr. Vavrica provided a report outlining several options for the Board to consider. At the conclusion of the presentation and a round robin discussion, Mr. Schweighardt made the motion to establish a 5-million-dollar investment within the R&D of the Vanguard Total Stock Index Fund (VTSAX). Allocation and reallocation would be based on rebalance metric. Mr. Strauss seconded the motion. All board members voted yes - passed 6-0.

Flash Report: Mr. Vavrica provided a flash report as of November 30, 2021. The fund balance was \$438,783,289.00. For the current quarter the return was valued at 3.20%.

#### QUARTERLY INVESTMENT REPORT

- Sawgrass Asset – Mr. Martin E. LaPrade, CFA & Mr. Gregory S. Gosch appeared before the Board to review portfolio as of September 30, 2021. It was reported that the portfolio investment gain from the inception<sup>3</sup> of the investment has increased by \$14,953,571.00<sup>4</sup>. As of September 30, 2021, portfolio market value was \$21,044,802.00. Over the trailing 12 months<sup>5</sup> the portfolio returned 21.07% which lagged the benchmark.

Mr. LaPrade indicated that Sawgrass has a top ranking on downside protection and low volatility<sup>6</sup>. Mr. LaPrade reaffirmed the cap weight of Apple, Microsoft, Amazon, Google and Facebook on the Russell 1000 Growth Index. It was noted those five stocks were essentially driving the large cap growth once again.

#### OLD BUSINESS

ABS: It was reported that ABS has been fully funded.

Line of Duty Deaths: Mr. Djokic reported the Line of Duty Deaths inconsistencies between Fire and Police. An unmarried firefighter's beneficiary would receive a life benefit, where an unmarried police officer receives a ten-year certain. The Board directed Mr. Kaufman to prepare a letter to city officials to remedy this matter dating back to 2008.

Capital Dynamics: Tabled.

Supplemental Distribution: Based on a member inquiry, Mr. Strauss asked that now that we have a closed plan of members for the supplemental distribution, could it be distributed earlier than April. Mr. Williams was not opposed but explained the timeline to receive the rate of return, have the actuary prepare the calculations, to complete the mailout to members and allowing them time to return their respective option and finally providing the custodian ample time to set up the payments in their system. Based on the foregoing, the Board felt it would be best to leave the release date unchanged.

#### ADMINISTRATIVE REPORT

Mr. Williams outlined the administrative report of December 17, 2021, which included the line of duty death benefit for the beneficiary of Officer Chirino, Not Line of Duty for the beneficiary of Lieutenant Graham. Motion to approve by Mr. Schweighardt and seconded by Mr. Djokic. All board members voted yes - passed 6-0.

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<sup>3</sup> Inception Date of the Portfolio - June 23, 2017.

<sup>4</sup> Initial Investment \$16,077,416.00.

<sup>5</sup> September 30, 2020.

<sup>6</sup> Based on 10-year peer rankings.

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Investment Return Form: Mr. Williams provided the Board with a copy of the cited form that was updated based on policy adopted on November 19, 2021. The Board adopted by consensus.

<http://hollywoodpolicepensionfund.com/docs/penDocs/DROP%20Investment%20Option%2011-22-2021.pdf#zoom=100>

Request to Change Beneficiary: Mr. Williams presented a request from F. Rodriguez to amend his beneficiary. It was noted that this is the first request being made by the member. The Board actuary reviewed the impact to the plan and determined that no adjustment to Mr. Rodriguez' benefit would be required. Mr. Schweighardt made the motion to accept the change requested on November 23, 2021. Motion was seconded by Mr. Laskowski. All board members voted yes - passed 6-0.

DROP Interest Adjustment: Mr. Williams presented a report that detailed the change of each member affected in the policy adoption of November 19, 2021, based on city ordinance 33.132. The report was reviewed and approved by the Board actuary. A sample letter prepared for each member was also provided to the Board to review. After discussion, Mr. Boyd made a motion to accept and adjust the affected accounts, providing notice to each member. Motion was seconded by Mr. Laskowski. All board members voted yes - passed 6-0.

Mr. Williams provided a copy of the SB 534 report, which is a required annual disclosure. Mr. Williams thanked Mr. Vavrica and & Ms. Sullivan of AndCo for completing in record time.

[http://hollywoodpolicepensionfund.com/docs\\_state/sb534Investment/HWP%20SB%20534%20Disclosure%202021.pdf#zoom=100](http://hollywoodpolicepensionfund.com/docs_state/sb534Investment/HWP%20SB%20534%20Disclosure%202021.pdf#zoom=100)

OPEN DISCUSSION

No discussion ensued.

MEETING ADJOURNED

There being no further business, the meeting was adjourned at 11:51 AM.

The next scheduled meeting is January 28, 2022 at 10:30 AM.

Respectfully submitted,

APPROVED:

C. Marano, Secretary

D. Strauss, Chairperson