

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

August 18, 2023

MINUTES

A regular meeting of the Hollywood Police Officers' Retirement System was held on Friday, August 18, 2023, at 10:31 A.M., in the Office of Retirement, 4205 Hollywood Blvd., Suite 4, Hollywood, Florida 33021.

PRESENT:

D. Strauss - Chairperson, C. Marano - Board Secretary, P. Laskowski, C. Boyd, J. Schweighardt, J. Marano and M. Djokic - Trustees.

Also present were Mark Anderson and Ray Caprio - National Investment Services (NIS), Carlos Perez, Active Member; Laurette Jean, City of Hollywood; Brendon Vavrica, AndCo Consulting; Stuart Kaufman, Legal Counsel - Klausner, Kaufman, Jensen & Levinson; & David M. Williams, Plan Administrator.

PUBLIC COMMENT

Mr. Carlos Perez spoke about his employment history and his breaks in service as a result of choices made due to the city referendum. Mr. Perez asked that due to his circumstances, originally being hired on 08-29-2011, he be considered a Group Two Member. The Board asked that this matter be placed on the agenda and that back-up be provided for them to consider.

Pertinent dates for Mr. Carlos Perez:

Date of Hire: 08-29-2011¹, Date of Pension Entry: 08-16-2012, Date of Resignation: 05-17-2013², Date Rehired: 02-22-2016, Adjusted Date of Hire: 06-05-2014³.

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 JUNE 30, 2023 MEETING

Mr. Strauss asked if there were any additions or corrections to the Minutes of the June 30, 2023, pension board meeting. Mr. Djokic made a motion to approve the Minutes of the June 30, 2023, pension board meeting, which was seconded by Mr. Laskowski. All board members voted yes.

ATTORNEY'S REPORT

Ordinance Update: Mr. Kaufman concluded that he would need to amend the proposed ordinance once again, in order to capture the intent of the collective bargaining agreement. Matter pending. Ms. Jean asked that Mr. Kaufman provide the revision as soon as possible.

Visa – Books & Records Review: Mr. Kaufman advised that representatives from Saxena White contacted him and felt the matter in question should be voluntarily dismissed. Mr. Kaufman agreed and contacted Mr. Strauss for approval, which was provided.

¹ Member never purchased probationary time prior to his resignation.

² Member received a refund based on his request for his pension contributions.

³ Upon being rehired, member bought back all prior Hollywood Police service.

Motion by Mr. Laskowski to affirm the action approved by the Chairman to dismiss the Visa matter, seconded by Mr. Boyd. All board members voted yes.

ADMINISTRATIVE REPORT

Mr. Williams presented the Administrative Report to the Board.

Mr. Williams provided notice that the State of Florida Chapter 185 funds were received⁴.

DROP Loan(s): Mr. Williams cited a member's loan request. He outlined that the member has the funds in his/her personal DROP account to cover the loan and he/she has been a participant in the DROP plan for the required amount of time. No conflict exists with the 12-month rule. Mrs. Marano made a motion to approve the loan presented. This motion was seconded by Mr. Laskowski. All board members voted yes.

NEW BUSINESS

NIS Presentation: Mr. Mark Anderson and Mr. Ray Caprio of National Investment Services (NIS), provided a presentation of the Dynamic Fixed Income (DFI) product.

Dynamic Fixed Income (DFI) combines traditional fixed income with conservative, higher yielding, alternative strategies. The goal is to provide our clients with a flexible, diversified portfolio to protect assets in many market conditions.

Background: Developed for clients seeking:

- Protection in a rising rate environment.
- Controlled access to opportunistic markets.
- Volatility similar to traditional fixed income

At the conclusion of the presentation discussion followed by the Trustees. The Board felt the investment would be prudent and further diversify the Plan. Mr. Marano made a motion to retain National Investment Services (NIS), for the Dynamic Fixed Income (DFI) product for a 2.5-million-dollar mandate. Motion seconded by Mr. Strauss. All board members voted yes.

Investment Policy Statement (IPS): Mr. Vavrica provided an updated IPS as a result of HB3 requirements. It was determined that the allocations be updated as well due to recent action taken. The matter will be addressed at the September 29, 2023 meeting.

Entrust Internal Transfer: The Board sought and received permission from Entrust to divert the balance of the commitment for ETG Class B portfolio to the ETG Blue Ocean portfolio. Mr. Vavrica concurred with the change. Motion by Mr. Schweighardt to transfer the outstanding commitment from ETG Class B portfolio to the ETG Blue Ocean portfolio. Motion seconded by Mr. Laskowski. All eligible board members voted yes; motion passed 5-0-2 abstained⁵. Mr. Vavrica will advise Entrust accordingly.

OLD BUSINESS

Nuveen – Churchill: Mr. Strauss asked the Board if they were interested in retaining Nuveen. By consensus, the Board was in agreement for the Churchill product, but not the Farmland product.

⁴ \$2,119,081.82.

⁵ Mr. & Mrs. Marano completed Form 8B.

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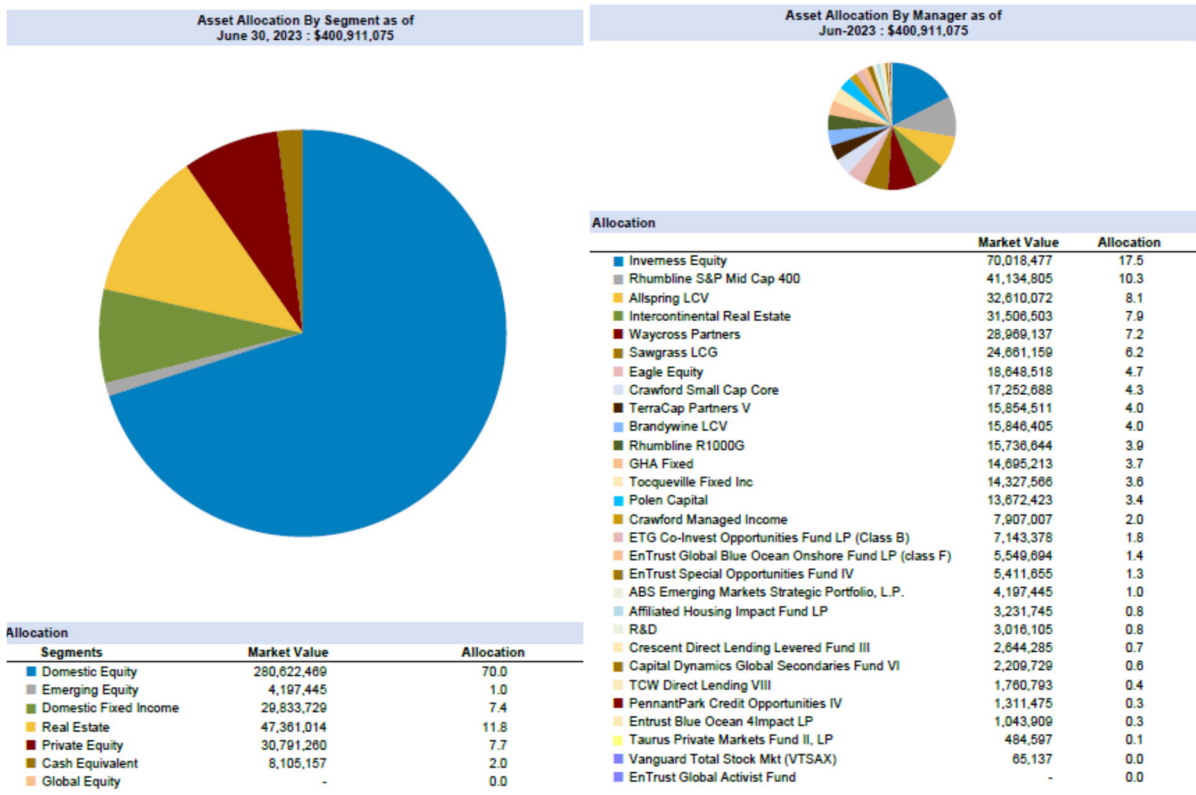
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Mr. Strauss passed the gavel to Mrs. Marano and made a motion to retain Nuveen – Churchill product for a 4-million-dollar mandate. The motion was seconded by Mr. Marano. All board members voted yes.

INVESTMENT MONITOR REPORT – ANDCO

Mr. Vavrica presented the June 30, 2023, investment report, the portfolio was valued at \$400,911,075.00. The total fund return for the quarter was 5.35%. That quarterly return outpaced the benchmark policy of 4.45%. For the fiscal year, the return was valued at 14.36%. Longer term results were also outlined on a 1, 3 and 5-year basis 11.71%, 9.25% and 7.99% respectively. A historical return dating back to October 1, 1992, was valued at 8.02%⁶.



In a spirit of transparency, the Board of Trustees post the entire investment report, which may be viewed on-line at: <http://hollywoodpensionfund.com/docs/investments/2023-06-30%20Hollywood%20Police%20Quarterly%20Report.pdf>

Mr. Vavrica presented a monthly flash report for July 31, 2023. The fiscal year return was valued at 17.22%.

OPEN DISCUSSION

MEETING ADJOURNED

There being no further business, the meeting was adjourned at 12:17 P.M.

The next scheduled meeting is September 29, 2023 at 10:30 A.M.

⁶ Gross Basis.

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Respectfully submitted,

APPROVED:

C. Marano, Secretary

D. Strauss, Chairperson