

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

July 25, 2025

MINUTES

A regular meeting of the Hollywood Police Officers' Retirement System was held on Friday, July 25, 2025, at 10:32 A.M., in the Office of Retirement, 4205 Hollywood Blvd., Suite 4, Hollywood, Florida 33021.

PRESENT

D. Strauss – Chairperson; P. Laskowski - Board Secretary; A. Stabile; J. Schweighardt¹ and J. Marano² - Trustees.

Also present were Matt Williams³, Crawford Investment Counsel; Brendon Vavrica⁴, Mariner Institutional; Robert Klausner⁵, Legal Counsel - Klausner, Kaufman, Jensen & Levinson; & David M. Williams, Plan Administrator.

PUBLIC COMMENT

No Comments.

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 27, 2025 MEETING

Mr. Strauss asked if there were any additions or corrections to the Minutes of the June 27, 2025, pension board meeting. Mr. Laskowski made a motion to approve the Minutes of the June 27, 2025 pension board meeting, which was seconded by Mr. Stabile. All board members voted yes.

ATTORNEY'S REPORT

- Entities that Boycott Israel: Mr. Klausner noted that effective July 1, 2025, Florida House Bill 1519, "Entities that Boycott Israel," amending Chapter 215.4725, Florida Statutes, expands state public investment and contracting prohibitions on entities that boycott Israel to include local government entities. The bill prohibits contracts of \$100,000 or more with companies or other entities engaged in a boycott of Israel. Additionally, contracts entered into or renewed on or after July 1, 2025, must contain a provision that allows for termination of the agreement if a company or other entity is found to be engaged in a boycott. Mr. Vavrica will be updating the Investment Policy Statement (IPS) which will be shared with all investment managers upon Board passage.
- Mr. Klausner noted that the DROP rules will be updated as a result of the latest CBA and the ordinance change to the pension system.

ADMINISTRATIVE REPORT

- Administrative Report: Mr. Williams presented and outlined the activity on the Administrative Report to the Board for consideration. After review, a motion was made by Mr. Laskowski to approve the report, which was seconded by Mr. Stabile. All board members voted yes.
- 2026 Meeting Schedule released⁶.

¹ Attended Remotely.

² Attended Remotely.

³ Attended Remotely.

⁴ Attended Remotely.

⁵ Attended Remotely.

⁶ <http://hollywoodpolicepensionfund.com/BoardMeetings.asp>

- Mr. Williams cited that he received a letter from Mr. Joseph M. Edmonds, Actuary - Florida Division of Retirement dated July 17, 2025⁷. The letter was to notify the Plan that he reviewed the City of Hollywood Police Officers' Retirement Plan 10/1/2024, 10/1/2023 and 10/1/2022 Actuarial Valuations above referenced actuarial reports for compliance with Part VII of Chapter 112, F.S. and Chapter 60T, F.A.C. Based upon the results of this review, Mr. Edmonds determined the Plan to be state accepted. By this letter, all reports and actuarial impact statements effective prior to the above valuation date and received by the Division of Retirement may likewise be considered to be state accepted. Mr. Williams also noted that the letter reflected the investment return assumption used for the October 1, 2024 actuarial valuation was 8.00%. Mr. Edmonds recommended that the Board consider lowering the Plan's investment return assumption⁸. The Board did discuss and consider this matter with the plan professionals at the March 28, 2025 meeting.

NEW BUSINESS

- Mr. Williams reviewed the Pension Benefit Election and the results, which took place June 23-30, 2025⁹.
- Mr. Williams reminded the Board that the current Bookkeeper, Mr. Michael Mangan, CPA is retiring. Mr. Mangan will complete the current fiscal year books for the upcoming audit. As a result, Mr. Williams sought a proposal from Mrs. Lea Planakis of Fast Forward Accounting Solutions. The firm background and experience were shared with the Board, along with a quote for services (in line with current fees). After review and discussion, the Board felt this option would ensure a seamless transition. Motion by Mr. Stabile to engage Fast Forward Accounting Solutions, which was seconded by Mr. Laskowski. All board members voted yes. Mr. Williams will pursue a professional services agreement accordingly.

INVESTMENT MANAGER REPORT – CRAWFORD INVESTMENT COUNSEL

Mr. Matt Williams provided the following update on the Managed Income Strategy portfolio: The goal of our investment process is to identify income-producing, high-quality securities across a group of diversified asset classes in all market capitalization spectrums and invest in those that we believe are the most attractive.

- Equity Investment Team actively follows over 250 dividend-paying companies in which the strategy may invest across the capital spectrum.
- Securities with a yield of ~4% or higher.
- Utilize the investment team's current coverage and research to generate a focus list of both equity and fixed income securities.
- Continually screen the finite preferred equity universe for quality and value.

⁷ Letter distributed to all Trustees.

⁸ Hollywood Police Officers' Retirement Board – Minutes March 28, 2025: The Board then discussed the assumed rate of return for the Plan for this year, the next several years and for the long term. The Board by consensus agreed, based on the allocation of the Plan that there is no need to modify the current assumption. Mr. Djokic made the motion to maintain the current assumed rate of return for the Plan for this year, the next several years and for the long term. Motion was seconded by Mr. Boyd. All board members voted yes. A notice was transmitted to the state by Mr. Vavrica.

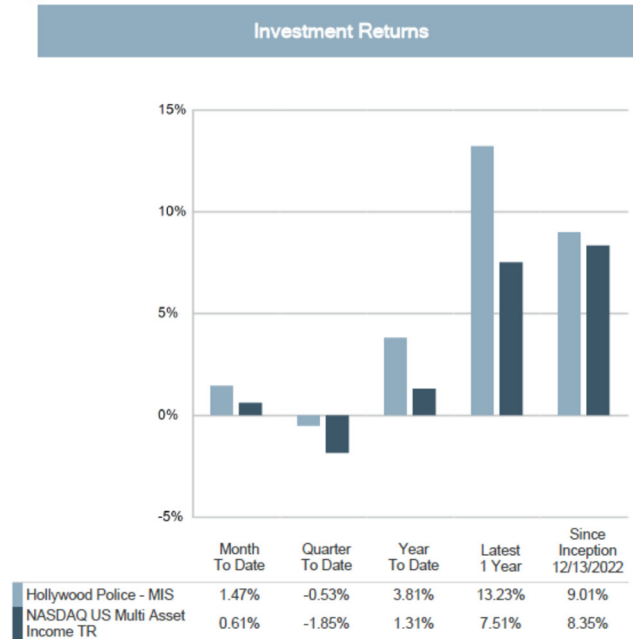
⁹ <http://hollywoodpolicepensionfund.com/docs/announcements/Benefit%20Election%20Results%2006-30-2025.pdf#zoom=100>

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Managed Income Strategy:



Mr. Matt Williams also provided the following update on the Small Cap Equity Strategy portfolio:

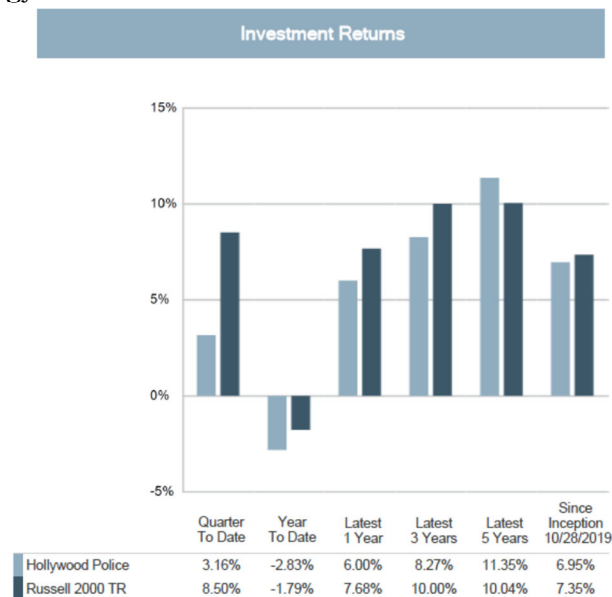
Investment Objective

- Seeks to provide long-term outperformance with below-market risk.

Core Investment Beliefs

- Dividend history is an effective indicator of high-quality companies.
- High-quality companies with consistent cash flows participate in rising markets and can protect capital in declining markets.
- Differentiated business models and strong management teams can lead to consistent and predictable cash flows.

Small Cap Equity Strategy:



Small Cap Equity - Quarterly Commentary: The second quarter began with volatility as "Liberation Day" kicked off a new round of geopolitical tension, stocks officially entered a bear market (down more than 20% from recent highs), and bond market behavior turned erratic ("yippee"). However, with tariffs postponed and interest rates drifting lower, sentiment shifted abruptly. Equities staged a sharp recovery in May and June, pushing several major indices back near all-time highs. True to recent form, the quarter brought yet another reversal in market leadership, with large cap growth stocks reclaiming the lead over their small cap and value counterparts.

In this environment, the Crawford Small Cap strategy underperformed the Russell 2000 Index. The strategy posted a return of 3.03% for the quarter and -3.18% for the first half (net of fees), relative to the benchmark's returns of 8.50% and -1.79%. A significant headwind in the second quarter came from the sharp outperformance of nondividend payers within the Russell 2000 Index as they outpaced dividend-paying stocks by more than 10%. This dynamic, coupled with a rally in lower-quality small cap companies, worked against the strategy's quality and dividend-focused approach. Additionally, the strategy's value tilt was a modest detractor, as growth-oriented names led the market rebound. From a sector perspective, Industrials, Consumer Discretionary and Real Estate were the most prominent sources of relative underperformance. Within Industrials specifically, the portfolio's emphasis on higher-quality businesses lagged the benchmark's strong gains in defense, space, and construction-related names, many of which fall outside our investable universe due to quality constraints.

Since the second quarter of 2024, market leadership has rotated on a quarterly basis between narrow, large cap growth outperformance and periods of value and small cap outperformance. This inconsistency reflects a market that is vacillating between higher/lower interest rate expectations, evolving economic data, and valuations stretched in some areas while seemingly underappreciated in others. The table to the right illustrates the pattern of recent quarterly performance reversals by comparing the returns of the Russell 1000 Growth Index to a blend of 50% Russell 1000 Value and 50% Russell 2000 (as a proxy for smaller and value-oriented stocks).

While the short-term outlook remains uncertain, we maintain a long-term perspective and continue to believe that quality is the most durable investment characteristic across cycles. We feel confident in the portfolio's current positioning, especially its valuation sensitivity and focus on consistent business models, and believe it is well-prepared for a variety of market outcomes.

INVESTMENT MONITOR REPORT – MARINER INSTITUTIONAL

- Mr. Vavrica presented a monthly flash report for June 30, 2025. The fiscal year return was valued at a stellar 5.24%. The Fund was valued at \$ 489,469,751.00.
- Mr. Vavrica confirmed that Entrust – One Venture Fund is under a due diligence review by Mariner. He will keep the Board advised as warranted.

OPEN DISCUSSION

53rd Annual Police/Fire Conference sponsored by the state was announced (September 9th - September 11th, 2025).

MEETING ADJOURNED

There being no further business, the meeting was adjourned at 11:13 A.M.

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The next scheduled meeting is August 15, 2025 at 10:30 A.M.

Respectfully submitted,

APPROVED:

P. Laskowski, Secretary

D. Strauss, Chairperson