

HOLLYWOOD POLICE OFFICERS' RETIREMENT SYSTEM

**Office of Retirement
4205 Hollywood Blvd., Suite 4
Hollywood, Florida 33021**

August 15, 2025

MINUTES

A regular meeting of the Hollywood Police Officers' Retirement System was held on Friday, August 15, 2025, at 10:31 A.M., in the Office of Retirement, 4205 Hollywood Blvd., Suite 4, Hollywood, Florida 33021.

PRESENT

D. Strauss - Chairperson, J. Marano; A. Stabile; C. Boyd, J. Schweighardt and M. Djokic - Trustees.

Also present were Jake Garmey & Lynsey Fitzgerald, Crescent Direct Lending¹; Frank Ramas-Smith & Brian Kendall, PennantPark; Brendon Vavrica, Mariner Institutional; Stuart Kaufman, Legal Counsel - Klausner, Kaufman, Jensen & Levinson; & David M. Williams, Plan Administrator.

PUBLIC COMMENT

Moment of Silence for the passing of Lieutenant John Marino².

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 July 25, 2025 MEETING

Mr. Strauss asked if there were any additions or corrections to the Minutes of July 25, 2025, pension board meeting. Mr. Marano made a motion to approve the Minutes of the July 25, 2025 pension board meeting, which was seconded by Mr. Djokic. All board members voted yes.

ATTORNEY'S REPORT

- Mr. Kaufman announced a RFP was underway for custodian, as we received notice Fiduciary Trust was exiting the pension trust business.
- Mr. Kaufman advised the chapter 185 funds were announced, the plan will be receiving \$2,791,218.17 to offset the city contribution.
- Mr. Kaufman advised he was in touch with Scott & Scott to provide security monitoring to the Plan. He had no opposition to adding the firm to watch over the plan assets. There is no fee for this service. Mr. Strauss inquired about adding another Monitor. Mr. Kaufman felt it was prudent to safeguard the fund. Motion by Mr. Marano to engage the professional monitors services of Scott & Scott, which was seconded by Mr. Schweighardt. All board members voted yes.
- Smires Discovery is still underway. Once complete Mr. Kaufman will submit to IME for a follow-up review to determine if his position has changed. Mr. Kaufman announced that Mrs. Smires is represented by Mr. Paul Kelly and they have been in communication.
- Bookkeeper Agreement completed awaiting execution.

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. Marano to approve the report, which was seconded by Mr. Boyd. All board members voted as follows: 5 Yes, 0 No & 1 Abstention (Strauss)³.

¹ Representatives attended remotely.

² <http://hollywoodpolicepensionfund.com/docs/announcements/25-08-08%20-%20Lieutenant%20John%20Marino.pdf>

³ Mr. Strauss completed 8B Form.

- Printer Lease Renewal: Mr. Williams provided the quote for the replacement of our current lease. The cost was in line with our current lease, so there are no tariff implications. After review and consideration, there was a Motion by Mr. Schweighardt to renew the lease with Ricoh, which was seconded by Mr. Boyd. All board members voted yes.

INVESTMENT MANAGER REPORT – CRESCENT DIRECT LENDING (CDL)

Representatives provided the following Summary Highlights:

- CDL Total Strategy (“CDL”) senior loan portfolios (100% floating) yielding 10.0+% on an unlevered basis across 100+ portfolio companies and ~\$6.9 billion outstanding investments as of June 30, 2025.
 - Attractive yield premiums relative to LCD Index of ~190 bps as of June 30, 2025.
- CDL portfolio company performance continues to be strong.
 - Year-over-year positive growth in portfolio company revenues and EBITDA⁴.
 - CDL portfolios still maintaining 2.4x interest coverages with strong liquidity despite higher-rate environment.
- Overall-highly attractive investment environment in Lower Middle-Market resulting from:
 - High base rates.
 - Reduced leverage
 - Attractive spreads.
 - More significant price compression contained to upper end of the middle-market where banks have re-entered.

The representatives detailed the capital commitment and analysis.

Investment Summary As of June 30, 2025⁽¹⁾

City of Hollywood Police Pension Fund

	Levered Fund III
Capital Commitment:	\$5,000,000
Funded Contributions ⁽²⁾ :	\$4,597,448
Estimated Market Value:	\$3,515,961
Total Distributions ⁽²⁾ :	\$2,084,341

INVESTMENT MANAGER REPORT - PENNANTPARK

The representatives cited that they invest in Senior secured loans made to U.S. companies with earnings of \$10 to \$50 million. Target profitable companies with leading market positions, strong management teams, and steady cash flows. Their process is based on conservative underwriting targeting loans with low leverage multiples, substantial sponsor equity, and

⁴ EBITDA = Net Income + Interest Expense + Taxes + Depreciation + Amortization.

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protective covenants. They selectively negotiate equity co-investments to benefit from role as a strategic lending partner. They have long-term relationships with hundreds of middle market private equity sponsors; closed deals with over 230 sponsors.

PennantPark Fund Investment Update:

Limited Partner:

City of Hollywood Police Officers' Retirement Fund

Fund Name:

PennantPark Credit Opportunities Fund IV ("PCOF IV")

Investment Update:

1	Commitment Date:	12/19/22
2	Commitment Amount:	\$4,000,000.00
3	Paid-In Capital:	\$2,168,390.01
4	Percent Drawn:	54.2%
5	Undrawn Capital Commitment:	\$1,831,610
6	Total Investment Profit (<i>since inception</i>):	\$ 349,353.80
7	Net IRR (<i>since inception</i>):	13.88%
8	Total Distributions (<i>since inception</i>):	\$187,789.68
9	Net Asset Value of Investment:	\$2,329,954.13

INVESTMENT MONITOR REPORT – MARINER INSTITUTIONAL

- Mr. Vavrica presented the quarterly report⁵ for June 30, 2025. The quarterly return was valued at 7.47%, outpacing the benchmark and was in the 16th percentile. The fiscal year return was valued at 5.24%. The Fund was valued at \$489,484,337.00.
- Mr. Vavrica also presented a monthly flash report for July 31, 2025. The fiscal year return was estimated at 6.63%.
- Mr. Vavrica presented an updated Investment Policy Statement that contains the following update: Additionally, the Board hereby adopts the provisions of Florida Statutes §215.4725 as regulating their investments. Direct investment in "Entities that Boycott Israel" identified in the periodic publication by the State Board of Administration, in conjunction with the Department of Management Services, is prohibited. Securities identified on the list must be divested within twelve (12) months of the company's initial appearance on the list. However, if divestiture of business activities is accomplished and the company is subsequently removed from the list, the manager can continue to hold that security. Motion by Mr. Schweighardt to approve the change, which was seconded by Mr. Boyd. All board members voted yes.
- Mr. Vavrica announced the merger of SE Advisory with Mariner.

⁵ <http://hollywoodpensionfund.com/docs/investments/2025-06-30%20Hollywood%20Police%20Quarterly%20Report.pdf>

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OPEN DISCUSSION

It was noted that the Tropic⁶ (Affiliated Workforce Housing Project) within the City of Hollywood has announced an exclusive early release for City of Hollywood employees.

MEETING ADJOURNED

There being no further business, the meeting was adjourned at 11:20 A.M.

The next scheduled meeting is September 26, 2025 at 10:30 A.M.

Respectfully submitted,

APPROVED:

P. Laskowski, Secretary

D. Strauss, Chairperson

⁶ <https://thetropicaps.com>