

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

May 20, 2022

MINUTES

A regular meeting of the Hollywood Police Officers' Retirement System was held on Friday, May 20, 2022, at 10:30 A.M., in the Office of Retirement, 4205 Hollywood Blvd., Suite 4, Hollywood, Florida 33021.

PRESENT:

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

Also present were Laurette Jean¹, City of Hollywood; Stephen Atkins & Anthony Xuereb – Polen Capital; Brendon Vavrica², AndCo Consulting; Stuart Kaufman^{3,4}, Legal Counsel - Klausner, Kaufman, Jensen & Levinson; David M. Williams, Plan Administrator.

PUBLIC COMMENT

Each year, hundreds of names of officers killed in the line of duty are engraved on the walls of the National Law Enforcement Officers Memorial (NLEOM) in Washington, DC. These names are then read aloud during the annual Candlelight Vigil to memorialize those who made the ultimate sacrifice.

This year marks the 34th Annual Candlelight Vigil, which took place on Friday, May 13th on the National Mall (between 4th and 7th Streets and Madison and Jefferson Drives) in Washington, DC.

NLEOM honored the 619 fallen officers, who were added to the Law Enforcement Officers Memorial walls in 2022.

The National Law Enforcement Officers Memorial ensures that those who gave their lives to protect and serve their communities are remembered for generations to come while providing a place where survivors can spend a quiet moment paying tribute to their loved one.

Officers Chirino & Cooke were announced at the vigil and added to the memorial wall.

Follow this link to view the vigil.

<https://www.youtube.com/watch?v=tKDK1khLW6Y>

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 MARCH 25, 2022 MEETING

Mr. Strauss asked if there were any additions or corrections to the Minutes of the March 25, 2022, pension board meeting. Mr. Djokic made a motion to approve the Minutes of the March 25, 2022, pension board meeting, which was seconded by Mr. Boyd. All board members voted yes.

¹ Attended Remotely.

² Attended Remotely.

³ Attended Remotely.

⁴ Departed at 10:36 AM.

APPROVAL OF THE MINUTES OF THE APRIL 29, 2022 MEETING

Mr. Strauss asked if there were any additions or corrections to the Minutes of the April 29, 2022, pension board meeting. Mr. Marano made a motion to approve the Minutes of the April 29, 2022, pension board meeting, which was seconded by Mr. Laskowski. All board members voted yes.

ATTORNEY'S REPORT

Line of Duty Death Ordinance - Mr. Kaufman presented the draft ordinance related to the proposed line of duty death benefit revision. Mr. Kaufman reflected he would need an impact statement, which Mr. Williams will obtain and send along accordingly. Further Mr. Kaufman advised the union would have to approve. Mr. Djokic will send to the union to review.

Chidsey Matter – No Update from the Court.

Pending Federal Legislation – Mr. Kaufman advised proposed federal law for required minimum distributions (RMD) passed the House and will now go the Senate. Updates to follow as warranted.

ADMINISTRATIVE REPORT

Mr. Williams presented the Administrative Report to the Board.

RETURN OF PENSION CONTRIBUTIONS: Mr. Williams provided the requests from Ms. Rivera and Ms. Sontag (Non-Vested) for a refund of their pension contributions. Motion to approve the foregoing by Mr. Laskowski, which was seconded by Mr. Marano. All board members voted yes.

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

INVESTMENT MONITOR REPORT

AndCo Consulting

Mr. Vavrica presented the March 31, 2022, investment report, the portfolio was valued at \$420,581,810. The total fund return was -4.64%⁵. That quarterly return was outpaced by the benchmark policy. Mr. Vavrica advised - All Public Plans Total Fund Median return was -4.85%. Longer term results were also outlined on a 1, 3 and 5-year basis 7.55%, 11.68% and 10.25% respectively. A historical return dating back to October 1, 1992, was valued at 7.97%, beating the benchmark and "All Public Plans-Total Fund Median".

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/2022-03-31%20Hollywood%20Police%20Quarterly%20Report.pdf>

Mr. Vavrica advised the capital call fund was in need of rebalancing. After review and discussion, Mr. Laskowski made a motion to liquidate and transfer 3 million dollars from the Rhumblin Midcap 400 Account to the FTIS R&D Account and purchase VTSAX for said amount. Motion seconded by Mr. Boyd. All board members voted yes.

⁵ Net Basis.

Mr. Vavrica will present his update on Crawford Investment Counsel Managed Income Strategy at the July 22, 2022 meeting.

INVESTMENT REPORT – POLEN CAPITAL

Mr. Stephen Atkins⁶, CFA & Mr. Anthony Xuereb from Polen Capital provided a portfolio review. The representatives explained they are independent and high conviction investors. Their style is collaborative & research driven. The process of stock selection was reviewed from how they start with a 3000-stock universe and how it is reduced to 20-30 holdings. Portfolio holdings and characteristics were noted.

Account Performance as of March 31, 2022:

	QTD	FYTD ¹	YTD	1Y	Since Inception (03/15/2021)
Portfolio Return (Gross)	-13.43	-8.54	-13.43	6.48	7.55
Portfolio Return (Net)	-13.56	-8.82	-13.56	5.96	7.05
Russell 1000 Growth	-9.04	1.54	-9.04	14.98	15.38
Excess Return (Net)	-4.52	-10.37	-4.52	-9.01	-8.32
S&P 500	-4.60	5.92	-4.60	15.65	15.78
Excess Return (Net)	-8.96	-14.74	-8.96	-9.68	-8.73

OPEN DISCUSSION

Share Account Liquidations: Due to the state of the investment market, Mr. Williams was provided authority by Board consensus to holdback up to 20% on share liquidations.

It was reported that Mr. Vanegas (active drop member) was separating employment. He intended to leave on June 30, 2022. City of Hollywood HR advised him he would have to leave on June 22, 2022. The city representative cited the member's RPRB resignation notice⁷. The Board acknowledged it is commonplace and past practice for members to stay till the end of the month if they wish when they transition to retirement. Mr. Williams was directed to follow up with the representative accordingly.

Mr. Laskowski asked Mr. Williams to follow-up on the buy-back estimator from Mr. Todd Green.

MEETING ADJOURNED

There being no further business, the meeting was adjourned at 11:44 A.M.

The next scheduled meeting is June 24, 2022 at 10:30 A.M.

Respectfully submitted,

APPROVED:

C. Marano, Secretary

D. Strauss, Chairperson

⁶ Joined Polen Capital: 2012, Education: B.S. in Business Administration from Georgetown University and General Course degree from the London School of Economics.

⁷ Member is not in the RPRB and is in the DROP. The cited RPRB letter is no longer applicable.