

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

December 22, 2023

MINUTES

A regular meeting of the Hollywood Police Officers' Retirement System was held on Friday, December 22, 2023, 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 & J. Schweighardt.

Also present were Alfred Stabile, Active Plan Member; Laurette Jean, Former - City of Hollywood, Budget Director; Liridon Gila, Sawgrass Asset Management; Chris Grecco, Waycross Partners; Brendon Vavrica¹ - AndCo Consulting; Stu Kaufman, 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 November 17, 2023 MEETING

Mr. Strauss asked if there were any additions or corrections to the Minutes of the November 17, 2023, pension board meeting. Mr. Schweighardt made a motion to approve the Minutes of the November 17, 2023, pension board meeting, which was seconded by Mr. Marano. All board members voted yes.

INVESTMENT REPORTS

Sawgrass Asset Management: Mr. Gila presented the September 30, 2023 Diversified Large Growth Equity – 3Q23 Portfolio Review.

The portfolio ended the 3rd quarter on a negative note of -0.58%, however that return looked stellar in comparison to the benchmark return of -3.27%. On a one year basis, the portfolio returned 25.63%, which outpaced the benchmark by 400 bps². Since inception³ the Sawgrass portfolio return exceeded the benchmark by 243 bps.

Waycross: Mr. Grecco presented the September 30, 2023 Focused Core Equity – 3Q23 Portfolio Review.

Please Continue....

¹ Attended Remotely.

² Basis points, otherwise known as bps or "bips," are a unit of measure used in finance to describe the percentage change in the value of financial instruments or the rate change in an index or other benchmark. One basis point is equivalent to 0.01% (1/100th of a percent) or 0.0001 in decimal form. Likewise, a fractional basis point such as 1.5 basis points is equivalent to 0.015% or 0.00015 in decimal form.

³ Inception Date: June 23, 2017.

The portfolio ended the 3rd quarter on a negative note of -3.63%, which was slightly lower than the benchmark return of -3.22%. Since inception⁴ the Sawgrass portfolio return exceeded the benchmark by 330 bps.

NEW BUSINESS

Presentation to Laurette Jean: Mr. Strauss thanked Ms. Jean for attending the meeting today. Mr. Strauss and Mr. Williams highlighted the partnership that Ms. Jean had with the Board of Trustees while she served as the City Liaison. Ms. Jean displayed the highest level of professionalism and served as a true fiduciary to both the Plan and the City of Hollywood. It was noted that her true alliance will be sorely missed and never forgotten. At this juncture in the meeting, the Board of Trustees presented Ms. Jean with a token of appreciation. A photograph of the presentation may be viewed at: <http://hollywoodpensionfund.com/inTheBoardroom.asp>

Investment Manager Schedule: Mr. Williams reviewed schedule for the Board to consider. The schedule may be viewed at: <http://hollywoodpensionfund.com/docs/boardMeetings/Hollywood%20Police%20Manager%20Appearance%20updated%2012-11-2023.pdf#zoom=100>

Staff Review: Matter tabled for entire Board to consider.

Change of Beneficiary Request: Mr. Williams presented a request from retired member Ms. D. Pereira. A report from Mr. Todd Green, Board Actuary dated December 11, 2023, was provided. Mr. Green's report outlined that there was no financial impact on the Plan. After review and discussion, Mr. Schweighardt made a motion to approve the change request, based on it being cost neutral to the Plan, which was seconded by Mrs. Marano. All board members voted yes.

INVESTMENT MONITOR REPORT

Mr. Vavrica presented a flash report for the quarter ending November 30, 2023. The quarterly return was valued at 5.93%. The calendar year return reported outpaced the benchmark policy.

Mr. Vavrica reported that Intercontinental Real Estate Corporation sent out a notice that there will be no redemptions for the quarter ending December 31, 2023.

Mr. Vavrica provided an addendum to the Board's investment policy⁵. Mr. Kaufman advised the Board that the documents were legally correct. Mr. Marano made a motion to approve same as outlined, which was seconded by Mr. Schweighardt. All board members voted yes.

ATTORNEY'S REPORT

Line of Duty Death Benefit: Mr. Kaufman advised he is awaiting information from Mr. Green, Board Actuary.

NextEra: Mr. Kaufman noted a Second Amended Complaint was filed. Matter is being monitored and that the Board will receive updates as warranted. The Board thanked Mr. Kaufman for keeping them up to date on this matter of mutual concern.

KKJL Agreement: Mr. Kaufman presented an updated agreement to the Board to consider. The change was related to disability claims being billed outside of the monthly retainer fee. The Board by consensus felt that change was reasonable. Mr. Schweighardt made a motion to approve the KKJL Agreement as revised, seconded by Mr. Marano. All board members voted yes.

⁴ Inception Date: February 28, 2023.

⁵ National Investment Services & Ziegler Capital Management.

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Corient Agreement (formerly Inverness Counsel): Mr. Kaufman advised that an updated agreement is being crafted and will be presented to the Board to consider at a future meeting.

ADMINISTRATIVE REPORT

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. Schweighardt made a motion to approve the item(s) detailed. This motion was seconded by Mrs. Marano. All board members voted yes.

Return of Pension Contributions: Mr. Williams presented a request for Mr. Miguel Presno⁶ who separated service on August 23, 2023, and requested a direct payment. Mr. Marano made a motion to approve the refund as presented. This motion was seconded by Mr. Schweighardt. All board members voted yes.

Active DROP Entry: The Board reviewed and approved the drop entry of Mr. Donald Baierlein (October 23, 2023) based on a buyback of outside police service. Mr. Marano made a motion to approve the drop entry as presented. This motion was seconded by Mr. Schweighardt. All board members voted yes.

OPEN DISCUSSION

Mr. Marano requested that; Boyd Waterston Management be placed on the next agenda for an investment presentation.

MEETING ADJOURNED

There being no further business, the meeting was adjourned at 11:10 A.M.

The next scheduled meeting is January 26, 2024, at 10:30 A.M.

Respectfully submitted,

APPROVED:

C. Marano, Secretary

D. Strauss, Chairperson

⁶ Non-Vested Member.