

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

**January 31, 2025**

**MINUTES**

A regular meeting of the Hollywood Police Officers' Retirement System was held on Friday, January 31, 2025, at 10:32 A.M., in the Office of Retirement, 4205 Hollywood Blvd., Suite 4, Hollywood, Florida 33021.

**PRESENT:**

D. Strauss, Chairman; P. Laskowski, Secretary; J. Marano; C. Boyd & J. Schweighardt.

Also present: Andrew Laframboise; Matthew Barbieri; Margaret Smires<sup>1</sup>; Jonathan Antista, City of Hollywood<sup>2</sup>; Guilherme Valle & Chris Carmody – ABS; Brendon Vavrica – Mariner Institutional<sup>3</sup>; Chris Greco, Jim Moore, Annie Gillis – Waycross<sup>4</sup>; 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 DECEMBER 20, 2024 MEETING**

Mr. Strauss asked if there were any additions or corrections to the Minutes of the December 20, 2024 pension board meeting. Mr. Marano made a motion to approve the Minutes of the December 20, 2024 pension board meeting, which was seconded by Mr. Schweighardt. Motion passed all board members voted yes (5-0).

**ATTORNEY'S REPORT**

Disability Update: Smires - Mr. Kaufman noted the status of the claim being paused by Mrs. Smires. The issue would either have to proceed or be withdrawn (by Mrs. Smires), as the matter is still pending before the Board. Mrs. Smires acknowledged her options, but let the Board know that she does not feel she exhausted all her treatment options. The Board elected to hold a special meeting to commit the time required to hear this matter on Tuesday, March 4, 2025, at 10:30 AM.

Summary Plan Description (SPD): Mr. Kaufman cited that he updated COLA language and the document is ready for release. As the SPD was approved pending the modification(s), no further action was required. SPD LINK: <http://hollywoodpensionfund.com/SummaryOfPlan.asp>

ASML Holding: Bernstein Litowitz Berger & Grossmann LLP was retained between meetings with regard to ASML, who manufactures photolithography machinery that is an essential component in the fabrication of semiconductor chips. These machines, which ASML sells to chip manufacturers around the world, use powerful lasers to create the tiny integrated circuitry embedded on computer chips.

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<sup>1</sup> Attended Remotely

<sup>2</sup> Attended Remotely.

<sup>3</sup> Attended Remotely.

<sup>4</sup> Attended Remotely.

Reportedly, in November 2022, ASML told investors that by 2025 it would generate sales between €30 billion and €40 billion, and a gross margin between 54% and 56%. In March 2023, the Dutch government announced plans to implement new regulations further restricting the export of certain semiconductor technology to China. Following this announcement, ASML benefitted from strong demand from customers in China as chipmakers rushed to order the company's products before the export restrictions became effective.

The action alleges that, throughout the Class Period, ASML and its executives misrepresented ASML's growth prospects and the strength of demand for its chip-building machinery, as well as the expected impact of new regulations restricting the export of semiconductor technology. Specifically, defendants repeatedly claimed that ASML was poised to deliver on its optimistic financial targets for 2025 due to several factors, including the increased proliferation of artificial intelligence and the significant number of chip manufacturing plants being built around the world. Defendants also downplayed concerns about the impact that tighter export regulations would have on ASML's business, assuring investors that "we continue to see strong demand . . . in China" and "one thing is for sure, China will remain very strong in our numbers also in 2024." As a result of these misrepresentations, ASML ordinary shares traded at artificially inflated prices during the Class Period.

The truth began to emerge on October 15, 2024, when ASML announced financial results for the third quarter of 2024, a day earlier than previously scheduled, purportedly due to a "technical error." ASML disclosed net bookings of just €2.6 billion, representing a 53% decline from the prior quarter and missing analysts' estimates by €3 billion. As a result, ASML cut its 2025 guidance. The company now expected 2025 net sales of between €30 billion and €35 billion, at the bottom half of its previous range of €30 billion to €40 billion. ASML also reduced its gross margin target to between 51% and 53%, down from its prior guidance of 54% to 56%.

The next day, ASML attributed its "low order intake" to a "slow recovery" of the semiconductor industry, which will "extend well into 2025." ASML also revealed that its sales in China had declined to "a more normalized" level and it expected those sales to be around 20% of total revenue in 2025, implying a significant decline compared to the prior year. ASML further disclosed that the decline in China sales would negatively impact the company's gross margins. These disclosures caused the price of ASML ordinary shares to decline precipitously.

On November 14, 2024, BLB&G filed a securities class action against ASML and certain of its current and former senior executives in federal court in New York on behalf of City of Hollywood Firefighters' Pension Fund. On January 13, 2025, Hollywood Firefighters, City of Hollywood Police Officers' Retirement System, Police & Fire Retirement System of the City of Detroit, City Pension Fund for Firefighters and Police Officers in the City of Miami Beach, and City Pension Fund for Firefighters and Police Officers in the City of Pembroke Pines filed a motion for appointment as lead plaintiff and to have BLB&G appointed as co-lead counsel. That motion is pending.

Motion to affirm the action by Mr. Strauss to engage Bernstein Litowitz Berger & Grossmann LLP in this matter by Mr. Laskowski, seconded by Mr. Schweighardt. Motion passed all board members voted yes (5-0). Further legal updates will follow as warranted.

#### ADMINISTRATIVE REPORT

Mr. Williams noted that the annual report was transmitted to the city clerk.

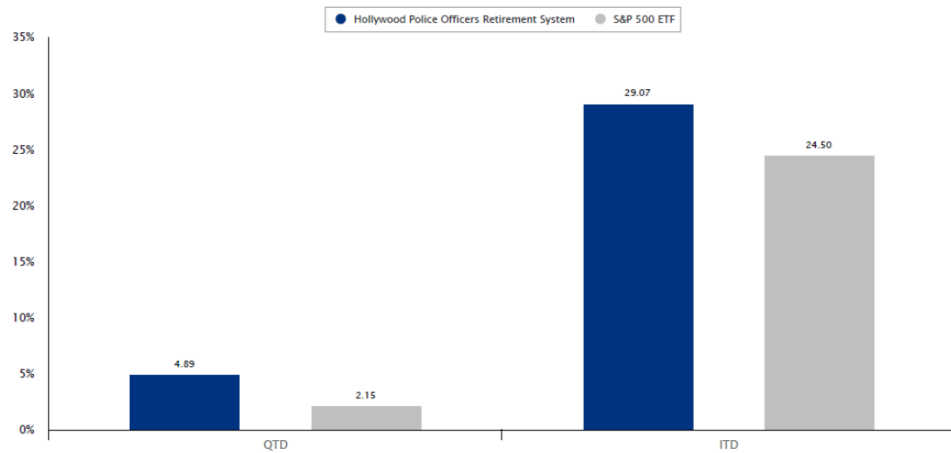
QUARTERLY INVESTMENT PRESENTATION – ABS GLOBAL INVESTMENTS

Mr. Chris Carmody & Guilherme Valle appeared before the Board and reported the fund's initial investment of 5 million dollars was made on December 1, 2021. The investment value as of December 31, 2024 was valued at 4.6 Million dollars. The annualized performance since the initial investment was reported to be -2.5%. That return lagged the benchmark MSCI return of -1.3%.

QUARTERLY INVESTMENT PRESENTATION - WAYCROSS

Mr. Chris Greco, Mr. Jim Moore & Ms. Annie Gillis of Waycross provided an update of the Focused Core Equity Strategy as of December 31, 2024.

Annualized Performance



Portfolio Summary	QTD	ITD
Hollywood Police Officers Retirement System (Gross of Fees %)	4.89%	29.07%
S&P 500 Etr (Primary %)	2.15%	24.50%

INVESTMENT MONITOR REPORT – MARINER INSTITUTIONAL

Mr. Vavrica presented a flash report for the quarter ending December 31, 2024. The quarterly return was valued at 0.87%, which slightly underperformed relative to the policy.

	Allocation		Performance(%)								
	Market Value \$	%	MTH	QTD	YTD	FYTD	1 YR	3 YR	5 YR	Inception	Inception Date
Total Fund Composite (Gross)	496,889,215	100.0	-2.56	0.87	13.58	0.87	13.58	4.58	8.98	8.24	10/01/1992
Total Policy			-3.08	1.08	15.13	1.08	15.13	5.15	9.07	7.69	

NEW BUSINESS

FOP Request to Study: It was reported that the city and the union were in negotiations and a study was required for further discussions. Motion by Mr. Boyd to authorize the impact study to assist both parties. Motion was seconded by Mr. Laskowski. Motion passed all board members voted yes (5-0).

Nomination Results -Trustees: Mr. Williams reported that there were three board positions open in March 2025 for the seats of Christopher Boyd, Mileta Djokic & Justin Schweighardt. Nominations were open on January 13, 2025 at 9:00 AM thru January 23, 2025 at 9:00 AM. At the close of the nomination process, only the incumbents were nominated.

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As such no election was warranted and Christopher Boyd, Mileta Djokic & Justin Schweighardt retained their seats for another two-year term.

Notice transmitted internally to all sworn personnel and posted to the website:

<http://hollywoodpolicepensionfund.com/docs/announcements/Notice%20of%20Trustee%20Nomination%2001-08-2025.pdf#zoom=100>

Supplemental Distribution for Plan Year Ending September 30, 2024: Mr. Williams presented the review conducted by CavMac regarding this matter.

It was reported that the distribution is being made under Section 33.136(N) of the plan document which triggers a Supplemental Distribution if asset returns are in excess of 8% for the year ended September 30. The Supplemental Distribution will not be made using excess investment gains. Effective with the October 1, 2015 valuation, a pre-funding method was adopted for anticipated Supplemental Distribution payments as required by the State of Florida.

As determined by the Board, the amount distributed is equal to the return in excess of the assumed rate (not to exceed 2%) multiplied by the present value of the liability for retirees and beneficiaries subject to the limitation that it cannot exceed the actual dollar amount of the excess return. The actual asset return rate of 21.06% (net of investment management expenses) reported by the investment monitor<sup>5</sup> for the year ending September 30, 2024 represents a total of 13.06% in excess of the assumed rate of 8%.

Based on the method used by the System's investment monitor for the previous distributions, CavMac calculated the distribution amount of \$6,839,406 for the 2024 Plan year.

The calculation is detailed in the table below.

<b>(a)</b>	<b>Return in excess of 8% (maximum of 2%)</b>	<b>2.00%</b>
<b>(b)</b>	<b>Dollar amount of excess return</b>	<b>\$7,523,556</b>
<b>(c)</b>	<b>Present value of retiree and beneficiary liability*</b>	<b>\$341,970,289</b>
<b>(d)</b>	<b>(a) x (c)</b>	<b>\$6,839,406</b>
<b>(e)</b>	<b>Distribution Amount [Lesser of (b) or (d)]</b>	<b>\$6,839,406</b>

\* Includes liability only for DROP members, retirees and beneficiaries who are eligible for the Supplemental Distribution. Also includes liability to reflect the estimated present value of future Supplemental Distributions.

After review and consideration, Mr. Schweighardt made a motion to accept and approve the Supplemental Distribution as set forth by the ordinance. Motion was seconded by Mr. Laskowski. Motion passed all board members voted yes (5-0).

Staff Review: On the matter of Mr. Williams and Mrs. Ostrander, the CPI was reported to be 2.4% through September 30, 2024. Mr. Laskowski made a motion saying he felt 3.0% adjustment is reasonable and that ties to what the city provided members of the police department. Mr. Schweighardt seconded the motion. Motion passed all board members voted yes (5-0).

Staff Review: On the matter of Mrs. Strauss, the CPI was reported to be 2.4% through September 30, 2024. Mr. Laskowski made a motion saying he felt 3.0% adjustment is reasonable and that ties to what the city provided members of the police department. Mr. Schweighardt seconded the motion. The vote was as follows: 4-0-1 (Mr. Strauss abstained from voting and filed a 8B Form accordingly.)

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<sup>5</sup> Mariner Institutional.

OPEN DISCUSSION

No open discussion ensued.

MEETING ADJOURNED

There being no further business, the meeting was adjourned at 11:43 A.M.

The next scheduled meeting is February 21, 2025 at 10:30 A.M.

Respectfully submitted,

P. Laskowski, Secretary

APPROVED:

D. Strauss, Chairperson