

STATEMENT OF INVESTMENT POLICY

FOR THE

CITY OF MIRAMAR POLICE OFFICERS' RETIREMENT FUND

Adopted: December 10, 2025

Introduction

The Board of Trustees of the City of Miramar Police Officers' Retirement Fund has established this Statement of Investment Policy. This policy has been identified by the Board as having the greatest expected investment return, and the resulting positive impact on asset values, funded status, and benefits, without exceeding a prudent level of risk. The Board determined this policy after evaluating the implications of increased investment return versus increased variability of return for several potential investment policies with varying commitments to different asset classes.

This Statement of Investment Policy is intended to complement the investment guidelines provided in applicable State Statutes, and local ordinances. The purpose of this Statement is to:

- 1) Provide an accurate understanding of the Trustees' investment objectives and,
- 2) Indicate the criteria by which the investment performance will be evaluated.

INVESTMENT MANAGER RESPONSIBILITIES

- 1) Within the guidelines and restrictions set forth herein, it is the intention of the Board to give the investment manager full investment discretion, with respect to assets under its management. The investment manager shall discharge its responsibilities in the same manner as it would if the Fund were governed by the fiduciary responsibility provisions of the Employee Retirement Income Security Act of 1974 (ERISA). Although the Fund Trustees acknowledge that ERISA does not apply to a governmental fund, it hereby imposes the fiduciary provisions of ERISA upon the investment manager whose performance shall conform to the statutory provisions, rules, regulations, interpretations, and case law of ERISA. The investment manager shall acknowledge, in writing, that it is a named fiduciary of the Fund.
- 2) The investment manager is expected to provide any reasonable information requested by the Board of Trustees. At a minimum, each manager shall provide a quarterly report detailing their investment activity, the portfolio's current value, and any changes in investment philosophy or strategy. The Firm's investment manager is expected to meet with the Board of Trustees at least once per year. A designated representative will meet with the Board of Trustees, as requested.
- 3) Unless otherwise provided by the Custodian, the investment manager will monitor portfolio activity to minimize non-invested cash balances.
- 4) The investment manager shall be responsible only for those assets under its management.
- 5) It will be the responsibility of the investment manager to review the monthly valuations provided by the Custodian and to note, in writing, any significant discrepancies from the valuations provided in their own reports.

ADMINISTRATIVE

1. With consideration to rates of return from different asset classes, the Board of Trustees has crafted its investment program in order to deliver an expected rate of return similar to that of the actuarial assumed rate. The Board shall determine for each actuarial valuation, the total expected annual rate of return for the current year, for each of the next several years and for the long term thereafter. The total expected annual rate of return is anticipated to be similar to the actuarial assumed rate of return. This determination is to be filed with the Department of Management Services and with the plan sponsor and consulting actuary.
2. The Board of Trustees relies on its consultants and professionals to provide continuing education on pension and investment issues. The Board of Trustees also recognize state and regional conferences as a source of continuing education.
3. The investment policy is to be promptly filed with the Department of Management Services, plan sponsor and consulting actuary. The effective date of the investment policy and any amendment thereto shall be the 31st calendar day following the filing date with the plan sponsor.

COMPLIANCE WITH CHAPTER 2023-28, LAWS OF FLORIDA

The Board and its investment managers shall comply with the applicable requirements of Chapter 2023-28, Laws of Florida, including Section 112.662, along with regulations adopted by the Department of Management Services.

1. Definition of pecuniary factor: The term “pecuniary factor” is defined as a factor that an investment fiduciary “prudently determines is expected to have a material effect on the risk or returns of an investment based on appropriate investment horizons consistent with the investment objectives and funding policy of the retirement system. The term does not include the consideration of the furtherance of any social, political, or ideological interests.” [112.662(1)]
2. Exclusive consideration of pecuniary factors: Only pecuniary factors may be considered, and the interests of the participants and beneficiaries of the system may not be subordinated to other objectives, including sacrificing investment return or undertaking additional investment risk to promote any nonpecuniary factor. The weight given to any pecuniary factor must appropriately reflect a prudent assessment of its impact on risk or returns. [112.662(2)]
3. Proxy voting: Only pecuniary factors may be considered when voting proxies. [112.662(3)]
4. Filing requirements: The Board shall timely comply with the reporting requirement of Section 112.662 by filing a comprehensive report by December 15 of each odd-numbered year. [112.662(4)]. Investment managers and the Board’s investment consultant shall assist in the preparation of required reports and shall annually confirm to the Board their compliance with Chapter 2023-28.
5. Contracting and external communication requirements: Manager contracts shall comply with Section 215.855 as follows:

Any written communication made by an investment manager to a company in which such manager invests public funds on behalf of the Board must include the following disclaimer in a conspicuous location if such communication discusses social, political, or ideological interests; subordinates the interests of the company’s shareholders to the interest of another entity; or advocates for the interest of an entity other than the company’s shareholders:

The views and opinions expressed in this communication are those of the sender and do not reflect the views and opinions of the people of the State of Florida.

6. The Investment Consultant will provide Investment Managers for consideration who invest only based on pecuniary factors as defined by Florida Statutes §112.662.
7. If a Request for Proposals document is issued for Investment Manager services, the solicitation document must include the following:

The Board of Trustees may not request documentation of or consider a vendor’s social, political, or ideological interests when determining if the vendor is a responsible vendor. Additionally, the Board of Trustees may not give preference to a vendor based on vendor’s social, political, or ideological interests.

GENERAL OBJECTIVES

The primary investment objective of the City of Miramar Police Officers' Retirement Fund is to achieve the absolute return objective. The secondary objective is to achieve moderate long-term real growth of the assets while minimizing the volatility of returns.

To achieve these objectives, the Board seeks to create a conservative, well-diversified and balanced portfolio of different asset classes managed through separate account, no-load mutual fund, or commingled vehicles. The Board has determined that one or more outside investment managers shall be retained to assure that all investments are managed in both a prudent and professional manner and in compliance with the stated investment guidelines.

INVESTMENT OBJECTIVES

Investment objectives are intended to provide quantifiable benchmarks to measure and evaluate portfolio return and risk. Most investment styles require a full market cycle to allow an investment manager to demonstrate his abilities. A full market cycle is defined as a three to five-year time period. As a result, performance objectives will be measured over three to five-year periods. Monitoring shorter periods may be used to determine the trend of performance premiums or deficiencies.

The specific investment objectives of the City of Miramar Police Officers' Retirement Fund are as follows:

Absolute Return Objective: To achieve an average annual rate of return greater than the applicable actuarial assumed rate of return over the longer term (3 to 5 years). The Absolute return objective will be evaluated in the context of the prevailing investment market conditions.

Market Return Objective: In order to provide a reference of fund return and risk relative to a similar basket of passive assets, the board has developed a "Target Index". The fund's objective is to achieve a rate of return over the long term (3 to 5 years) that exceeds the return of a Target Index. The Target Index is a passive mix of benchmarks in weightings similar to the Plan's strategic asset allocation. The Target Index is identified in **Exhibit A**.

Peer Return Objective: It is expected that the total rate of return earned by the Fund and the returns earned by the stock and bond portions of the portfolio will each rank in the top 50% when compared to a representative universe of other similarly managed portfolios.

Volatility: The volatility of the Fund's total returns is expected to be similar to that of the Target Index and will be evaluated accordingly.

The above investment objectives have been established for the entire City of Miramar Police Officers' Retirement Fund. The specific investment objectives for each investment manager or fund investment will be outlined in **Exhibit B**.

INVESTMENT GUIDELINES

To implement this strategy, the Board has chosen to hire one or more professional investment managers. It may be necessary to rebalance between investment managers in order to maintain the permissible asset allocation ranges outlined above. It is the Board of Trustees' intention to evaluate asset valuations quarterly in order to make the necessary adjustments to achieve compliance with these guidelines. The following guidelines and restrictions apply to all Fund investments.

In accordance with the policies established by the Board of Trustees, the assets of the City of Miramar Police Officers' Retirement Fund shall be invested in a diversified portfolio of managers, securities, and asset classes, provided they meet the criteria outlined herein. Investments that may be held in commingled, LP or mutual fund structure may be made at the discretion of the Board of Trustees. Fund investments are governed by documents specific to those vehicles and are not subject to any Board-imposed investment guidelines.

PUBLIC EQUITY SECURITIES / FUNDS:

- 1) Investments in equity securities or funds representing public equity exposure (domestic and foreign) shall be limited to the ranges identified in **Exhibit A**.
- 2) All public equity investments shall be limited to fully and easily negotiable equity securities. Domestic securities should be listed on one or more recognized U.S. national stock exchanges (including NASDAQ).
- 3) The board may achieve diversification in foreign equity through commingled funds or institutional mutual fund vehicles. These pooled investments are considered investments in foreign securities.
 - a) American Depository Receipts (ADRs) and foreign ordinary securities traded on domestic exchanges are United States dollar-denominated securities listed and traded on a United States exchange and are considered part of the ordinary investment strategy of the Board. ADR securities are not considered foreign securities and may be purchased by separate account managers without limitation.
- 4) Exchange Traded Funds (ETFs) may not exceed more than **10%** (at market valuation) of any separate account equity manager's portfolio.
- 5) A maximum of **10%** of the market value of an investment manager's equity portfolio may be invested in the shares of a single corporate issuer.
- 6) For separate account portfolio managers, investments in those corporations whose stock has been publicly traded for less than one year are limited to 15% of an investment manager's total equity portfolio.
- 7) The Board of Trustees may evaluate and select a commingled fund, mutual fund, and/or limited partnership investment representing public equity participation. The Board recognizes that these investments are governed by separate documents and that no further restrictions may be placed on them. The Board will select these investments only after thoroughly reviewing their risks and merits.

FIXED INCOME SECURITIES / FUNDS:

- 1) Separate account fixed income portfolios should comply with the following guidelines:
 - a) The average credit quality of the bond portfolio shall be **"BBB"** or higher.
 - b) The duration of the fixed-income portfolio should be less than **135%** of the duration of the market index. The market index is defined as the Barclays US Aggregate Bond Index.

- 2) Separate account fixed-income portfolios corporate securities shall be limited to:
 - a) Those securities rated below "BBB" shall not exceed 25% of the entire fixed income portfolio.
 - b) Securities issued by a corporation organized under the laws of the United States, any state or organized territory of the United States, or the District of Columbia.
 - c) No more than 10% of an investment manager's total fixed income portfolio shall be invested in the securities of any single corporate issuer.
- 3) There is no limit imposed on investments in fixed income securities issued directly by the United States Government or any agency or instrumentality thereof.
- 4) The Board of Trustees may evaluate and select a commingled fund, mutual fund, and/or limited partnership investment representing fixed income participation. The Board recognizes that these investments are governed by separate documents and that no further restrictions may be placed on them. The Board will select these investments only after thoroughly reviewing their risks and merits.

REAL ESTATE

- 1) All real estate investments shall be made through participation in diversified commingled funds of real properties. These funds shall be broadly diversified as to property type and geography.
- 2) Experienced and professional real property investment managers shall manage all real estate investments.

ABSOLUTE RETURN:

- 1) All absolute or real return investments shall be made through participation in diversified commingled funds, mutual fund or limited partnership vehicles.
- 2) The board shall endeavor to consider those investments that offer liquidity, transparency and low relative fees.

PRIVATE EQUITY

- 1) All private equity shall be made through participation in diversified limited partnership vehicles.
- 2) The board shall endeavor to consider those investments that offer liquidity, transparency and low relative fees.

PRIVATE CREDIT:

- 1) All private credit shall be made through participation in diversified limited partnership vehicles.

- 2) The board shall endeavor to consider those investments that offer liquidity, transparency and low relative fees.

CASH EQUIVALENT & TREASURY ASSETS:

The Board of Trustees recognizes the need to hold a portion of the portfolio in liquid cash equivalents and/or treasury assets to fund retirement disbursements, pay regular plan expenses, and meet capital calls. Within this segment, the Board of Trustees is willing to tolerate a measured price risk to preserve purchasing power and keep up with inflation.

- 1) The investment managers and the Fund's R&D account may invest only in the following short-term cash equivalents vehicles:
 - a) The money market or STIF provided by the Fund's custodian.
 - b) Direct obligations of the United States Government with maturity of one year or less.
 - c) Commercial Paper issued by United States corporations which has a maturity of 270 days or less and that is rated A-1 or higher by Standard & Poor's or P-1 or higher by Moodys.
 - d) Bankers Acceptances issued by the largest 50 banks in the United States (in terms of total assets).
- 2) The plan may invest in treasury assets that meet the following criteria:
 - a) Treasury assets should represent a store of value with the expectation of keeping up with inflation. These may include but are not limited to ETFs or ETNs representing gold, US T-bills, and cryptocurrency.
 - b) Fully liquid securities listed on one or more recognized U.S. national stock exchanges (including NASDAQ).
 - c) Should be considered Level 1 assets according to FASB 157.

MUTUAL FUNDS / COMMINGLED FUNDS / LIMITED PARTNERSHIPS:

The Board of Trustees recognizes and accepts that commingled, mutual fund and limited partnership investments will be dictated by the investment policies and guidelines of those funds and that no additional constraints may be imposed on them. The decision to make a direct investment in any vehicle will only be made by the Board of Trustees after a thorough review of the policies of the governing documents of those funds and after it has been determined that those policies are appropriate and materially consistent with the investment objectives. Stated guidelines for "Equity Securities" and "Fixed Income Securities" herein are for individual securities within separate account portfolios only and do not apply to fund, LP or commingled investments. The Board of Trustees may enter any fund or commingled vehicle for diversification purposes and these vehicles are NOT subject to guidelines for individual securities or separate account managers.

PROHIBITED SECURITIES / ABSOLUTE RESTRICTIONS:


Only those derivative securities expressly described herein are permissible.

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.

REVIEW OF POLICY

It is the intention of the Board of Trustees of the City of Miramar Police Officers' Retirement Fund to review this Statement of Investment Policy periodically to amend it to reflect any changes in philosophy or objectives. However, if at any time the investment manager believes that the specific objectives defined herein cannot be met or that these guidelines unnecessarily constrict performance, the Board shall be so notified in writing.

Adopted: December 10, 2025



Chairman, Board of Trustees
City of Miramar Police Officers'
Retirement Fund Officers' Retirement Fund

Date

EXHIBIT A

The Board of Trustees has established the following target asset allocation for the entire City of Miramar Police Officers' Retirement Fund investment account:

ASSET ALLOCATION				
Asset Class	Target Allocation (at market)	Minimum Allocation (at market)	Maximum Allocation (at market)	Appropriate Representative Benchmark
Public Equity:				
Large Cap Domestic Equity	30%	20%	40%	Russell 1000 / S&P 500
Small / Mid Cap Domestic Equity	15%	5%	25%	Russell 2500 / Russell 2000 / CRSP
Foreign Equity	10%	2%	25%	MSCI EAFE / EM
Alternative Equity (Public Infrastructure)	5%	2%	10%	FTSE Global Core Infrastructure 50/50
Total Public Equity	60%			
Real Estate				
Private Real Estate	20%	10%	30%	NCREIF/NCREIF ODCE Index
Total Private Real Estate	20%			
Alternative Investments				
Private Equity	10%	0%	15%	CPI+3%
Private Credit	5%	0%	15%	CPI+3%
Total Alternative Investment	35%			
Fixed Income				
Fixed Income	5%	2%	20%	Bloomberg Benchmarks
Total Fixed Income	5%			
Cash Equivalents & Treasury Assets				
Cash Equivalents & Treasury Assets	0%	0%	10%	T-Bills / GLD / BTC

EXHIBIT B

Actively managed strategies/funds are expected to meet or exceed the stated policy benchmark and to rank above average to its comparative universe over a three to five-year period. Passive investments are expected to replicate their respective benchmarks and will be ranked against comparative universes for informational purposes. The Board of Trustees will place an actively managed strategy “under review” if these performance expectations are not met over a 3-5-year period. The Board of Trustees may place an actively managed strategy “under review” if the standard deviation of returns is considered inappropriate based on the unique characteristics of each strategy.

Asset Manager / Fund (Structure)	Policy Benchmark	Comparative Universe
Vanguard 500 Admiral (MF)*	S&P 500	Domestic Large Cap Universe
Vanguard S&P MC 400 (MF)*	S&P Mid-Cap 400	Domestic Mid Cap Universe
Great Lakes Advisors (SA)*	Russell 1000 Value	Domestic Large Cap Value
Vanguard Russell 2000 (MF)*	CRSP US Small Cap	Domestic Small Cap Universe
Pullen Small Cap Core (SA)*	Russell 2000	Domestic Small Cap Universe
DRZ Small Cap Value (SA)*	Russell 2000 Value	Domestic Small Cap Value/Blend Universe
Hudson Edge (CF)*	MSCI EAFE (net)	Foreign Large Growth Universe
ABS Emerging Markets (CF)*	MSCI EM Index	EM Equity Universe
Intercontinental Real Estate Core+ (CF)**	NCREIF ODCE	Domestic Real Estate Universe
TA Realty Core RE (CF)**	NCREIF ODCE	Domestic Real Estate Universe
JPM Special Situation Property Value Add RE (CF)**	NCREIF ODCE	Domestic Real Estate Universe
TerraCap VI / V Oppty RE (LP)**	NCREIF	NA
Affiliated Housing I Oppty RE (LP)**	NCREIF	NA
Taurus Private Markets I & II PE FOF (LP)**	CPI + 3%	NA
Capital Dynamics PE / PC (LP)**	CPI + 3%	NA
Constitution Ironsides VI (LP PE)**	CPI + 3%	NA
Entrust Special Oppty V PE / Global Recovery PC (LP)**	CPI + 3%	NA
Bloomfield III / V (LP PC)**	CPI + 3%	NA
C&S Infrastructure (CF)**	CPI + 3%	NA
Crescent Direct Lending (LP PC)**	CPI + 3%	NA
Pennant Park IV (LP PC)**	CPI + 3%	NA
Garica Hamilton Core Fixed Income (SA)*	Bloomberg US Aggregate Bond Index	US Broad Fixed Income Universe
NIS Core + Fixed Income (CF)**	Bloomberg US Aggregate Bond Index	US Broad Fixed Income Universe
IBIT (ETF)*	BTC	N/A

SA – Separate Account
 CF – Commingled Fund
 MF – Mutual Fund
 ETF – Exchange Traded Fund

* Custody at Fiduciary Trust
 **Separate Custody (Held Away)