

## **SUNRISE POLICE OFFICERS' RETIREMENT PLAN**

13790 N.W. 4<sup>th</sup> Street, Suite 105

Sunrise, FL 33325

February 08, 2021

10:00 A.M.

### **Call to Order**

On behalf of the Board, Mr. Dave Williams called the meeting to order at 10:04 A.M.

### **Public Discussion**

None

### **Roll Call**

Present were Mr. Michael West – Chairman; Mr. Lou Berman, Mr. Eric Goldstein and Mr. Keven Sweat - Trustees.

### **Absent & Excused**

Mr. William Bettencourt

### **Others Present**

Mrs. Richelle Levy – Rice Pugatch Robinson Storfer & Cohen, PLLC.; Mr. Brendon Vavrica – AndCo Consulting (remote); Mr. Anthony Bulzone – City of Sunrise (remote); Mr. Steve Loncar – Ceredex (remote, left at 10:50 A.M.); Ms. Laurie Watson – Great Lakes (remote); Mr. Richard Cristini and Ms. Jeanine Bittinger – Saltmarsh Cleaveland & Gund, P.A. (remote, left at 10:27 A.M.); Mr. Dave Williams – Plan Administrator and Mrs. Patty Ostrander – Recording Secretary.

### **Approval of Minutes**

Motion to approve the minutes of December 14, 2020 by Mr. Berman, seconded by Mr. West. Motion carried 4-0.

### **Approval of Payables**

After review and consideration of the payables of December 14, 2020 February 07, 2021, a motion to approve was made by Mr. Berman, seconded by Mr. West. Carried 4-0.

### **Financial Statements – September 30, 2020 Saltmarsh, Cleaveland & Gund, P.A.**

Ms. Jeanine Bittinger & Mr. Richard Cristini appeared before the Board. Mr. Cristini stated that the firm has issued a clean (unqualified) opinion on the Plan's financial statements and that they are fairly and appropriately presented, without any identified exceptions, and in compliance with generally accepted accounting principles.

As of September 30, 2019, combined trust assets exceed its liabilities with a total of \$175,186,062. A total of \$12,770,754 was received in employer / employee contributions. Employer contributions were \$11,187,132; employee contributions were valued at \$1,583,622. The State excise revenue received was \$865,666. Investment income for the fiscal year was \$12,608,583. The foregoing resulted in total additions of \$26,236,003. After total deductions were made the net increase realized was \$16,550,647.

As of September 30, 2020, the Plan had 145 retired members and beneficiaries. The Plan also had 64 vested active members and 77 non-vested members as of September 30, 2020. As of September 30, 2020, the DROP Account balance was \$6,208,733, in comparison to \$4,630,821 as of September 30, 2020.

Mr. Cristini stated that the expenses are fair and reasonable and have decreased.

Mr. Berman made a motion to accept the Financial Statements for the Plan for September 30, 2019 as presented, which was seconded by Mr. West. Motion carried 4-0.

Motion to approve and sign the representation letter pending Attorney review by Mr. Berman, seconded by Mr. West. Motion carried 4-0.

For purposes of transparency, a copy of the financial statements may be viewed on-line at:

[http://www.sunrisepolicepension.com/docs\\_state/FinancialStatements/2020%20Sunrise%20Police%20Retirement%20FS.pdf#zoom=100](http://www.sunrisepolicepension.com/docs_state/FinancialStatements/2020%20Sunrise%20Police%20Retirement%20FS.pdf#zoom=100)

### **Ceredex Ridgeworth – Quarterly Investment Report**

Mr. Steve Loncar indicated that as of December 31, 2020, the large cap portfolio had a market value of \$32,732,175.74.

<b>Assets</b>	<b>Market Value</b>	<b>% of Total</b>
<b>Total Portfolio</b>	<b>\$ 32,723,175.74</b>	<b>100.0%</b>
<b>Total Equities</b>	<b>\$ 31,737,978.65</b>	<b>97.0%</b>
<b>Total Cash and Equivalents</b>	<b>\$ 985,197.09</b>	<b>3.0%</b>

	Fiscal Year to Date						Inception to Date
	3 Months	3 Month	12 Months*	36 Months*	60 Months*	120 Months*	
<b>Total Portfolio Gross of Fees</b>	15.32 %	15.32 %	4.21 %	7.52 %	11.12 %	NA	12.76 %
<b>Total Portfolio Net of Fees</b>	15.17 %	15.17 %	3.65 %	6.93 %	10.51 %	NA	12.11 %
Russell 1000 Value Index	16.25 %	16.25 %	2.80 %	6.07 %	9.74 %	NA	11.92 %

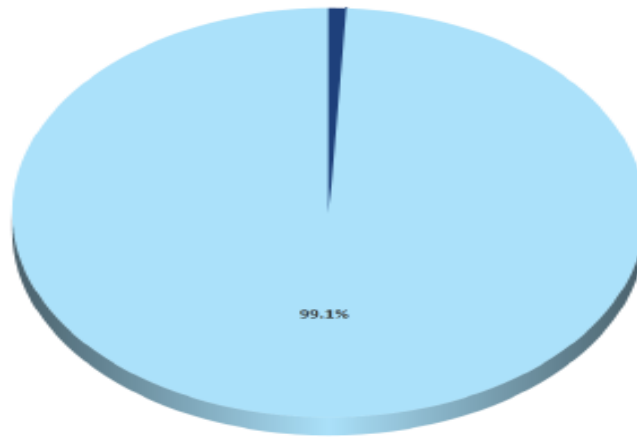
### **Great Lakes – Quarterly Investment Report**

Ms. Laurie Watson indicated that as of December 31, 2019, this portfolio had a market value of \$11,110,427.45.

#### **Activity Summary**

	<b>Since 12/31/2019</b>	<b>Quarter to Date</b>
<b>Beginning Value</b>	<b>9,001,897.89</b>	<b>8,257,484.41</b>
Net Contributions/Withdrawals	802,750.16	826,856.43
Realized Gains	-983,310.24	131,498.80
Unrealized Gains	2,189,623.09	1,873,640.50
Income Received	99,466.54	20,947.31
<b>Ending Value</b>	<b>11,110,427.45</b>	<b>11,110,427.45</b>

**Portfolio Allocation** as of 12/31/2020



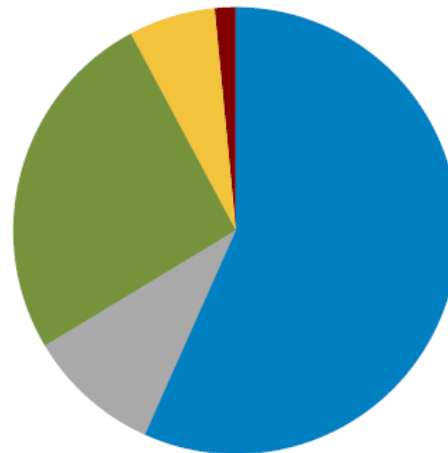
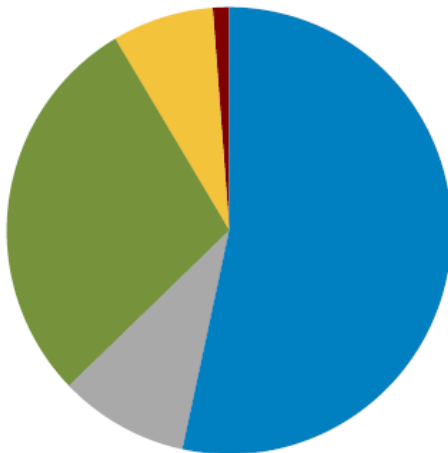
Asset Class	Market Value	% Assets	Curr. Yield
Cash and Equiv.	97,388.57	0.9	0.0
Equity	11,013,038.88	99.1	0.8
<b>Total</b>	<b>11,110,427.45</b>	<b>100.0</b>	<b>0.8</b>

**AndCo Consulting – Quarterly Investment Report**

Mr. Brendon Vavrica advised that as of September 30, 2020, the total fund was valued at \$205,341,792.

As of December 31, 2020

Asset Allocation By Segment as of September 30, 2020 : \$174,650,539      Asset Allocation By Segment as of December 31, 2020 : \$205,341,792



Allocation			Allocation		
Segments	Market Value	Allocation	Segments	Market Value	Allocation
Domestic Equity	93,217,015	53.4	Domestic Equity	116,427,648	56.7
International Equity	16,437,381	9.4	International Equity	19,889,173	9.7
Domestic Fixed Income	50,020,968	28.6	Domestic Fixed Income	52,913,011	25.8
Real Estate	12,881,489	7.4	Real Estate	12,946,165	6.3
Cash Equivalent	2,093,686	1.2	Cash Equivalent	3,165,795	1.5

Motion to rebalance the plan by Mr. Berman, seconded by Mr. Sweat. Motion passed 3-0 (Mr. Goldstein was not present).

Mr. West would like to make sure that we have ARK funds available to participate in the 5G and space investments. Mrs. Levy reminded the Board that any investments will need to be in compliance with the guidelines of the Board and State policies.

Motion to add alternative disruptive equity portfolio to asset allocation mix with a 5% target with a maximum of 7.5% by Mr. Goldstein, seconded by Mr. Sweat. Motion passed 4-0.

Motion to move the US Equity and International Equity funds to the R & D Account by Mr. Goldstein, seconded by Mr. West. Motion passed 4-0.

Mr. West asked Mr. Vavrica to research the Space ARKK and 5G ETF and report back to the Board for future investments.

The entire investment report may be viewed on-line at the following link:

<http://sunrisepolicepension.com/docs/investments/2020-12-31%20Sunrise%20Police%20Quarterly%20Report.pdf>

### **Attorney's Report**

Mrs. Levy explained the new law requiring the Plan and its contractors to register with E-verify system through the Department of Homeland Security and use it to verify the work status of any employees hired after January 01, 2021. She explained why the Plan falls within this law and explained the e-verify procedure the Board needs to follow. The Board approved Mr. Williams to register the Plan and sign the MOU on behalf of the Plan.

Mrs. Levy presented the summary sheet for Tier One and Tier Two for the Board to approve. She will update the sheets with the change requested that the sheets reflect that the member must contact the City Finance Department and not the retirement office prior to entering DROP and send it to the office to be posted on the website.

Mrs. Levy informed the Board that the procedure it implemented over a year ago to send an attorney letter to a member who does not make his benefit selection in a timely manner was instituted. A member did not make his selection with the time frame instituted by the Board and did so after receiving a letter from counsel giving him 30 days to make the selection or he will default to the normal retirement benefit.

### **Administrator's Report**

Mr. Williams regretfully announced the passing of Frank Grillo. Mr. Williams lit Mr. Grillo's candle on the website and took the required action relative to this transition.

### **New Business**

The Board asked Mr. Williams to purchase the necessary equipment to improve the connectivity and usability for remote presentations.

### **Old Business**

None

### **Open Board Discussion**

None

### **Adjournment**

Motion to adjourn at 12:05 P.M. by Mr. Berman, seconded by Mr. Goldstein. Motion passed 4-0.