

SUNRISE POLICE OFFICERS' RETIREMENT PLAN

13790 N.W. 4th Street, Suite 105

Sunrise, FL 33325

August 09, 2021

10:00 A.M.

Call to Order

On behalf of the Board, Mr. Mike West called the meeting to order at 10:01 A.M.

Public Discussion

None

Roll Call

Present were Mr. Michael West – Chairman; Mr. William Bettencourt – Secretary and Mr. Keven Sweat - Trustee.

Absent & Excused

Mr. Lou Berman and Mr. Eric Goldstein

Others Present

Mrs. Richelle Levy – Lorium Law (remote); Mr. Brendon Vavrica – AndCo Consulting; Mr. Anthony Bulzone – City of Sunrise (arrived at 10:07 A.M.); Ms. Maya Packer, Ms. Deb Schwartz and Ms. Alexandra Williams – Barings (attended remotely and left at 10:55 A.M.); Mr. Clyde Robinson – ASB Real Estate (left at 10:30 A.M.); Ms. Jeanine Bittinger, Mr. Richard Cristini and Mr. Chuck Landers – Saltmarsh Cleaveland Gund, P.A. (left at 10:30 A.M.); Mr. Dave Williams – Plan Administrator and Mrs. Patty Ostrander – Recording Secretary.

Approval of Minutes

Motion to approve the minutes of May 10, 2021 by Mr. Bettencourt, seconded by Mr. West. Motion carried 3-0.

Approval of Payables

After review and consideration of the payables of May 10, 2021 to August 08, 2021, a motion to approve was made by Mr. Bettencourt, seconded by Mr. West. Carried 3-0.

ASB Real Estate

Mr. Clyde Robinson indicated that as of June 30, 2021, the account balance was valued at \$6,224,857. The portfolio returns for the quarter ending June 30, 2021 was valued at 2.56%. Since inception of July 01, 2017, the portfolio return was valued at 7.99%.

Barings Real Estate

Ms. Maya Packer, Ms. Deb Schwartz and Ms. Alexandria Williams indicated that as of June 30, 2021, the account balance was valued at \$7,333,957. The portfolio returns since inception of July 01, 2017, the portfolio return was valued at 6.17%.

AndCo Consulting – Quarterly Investment Report

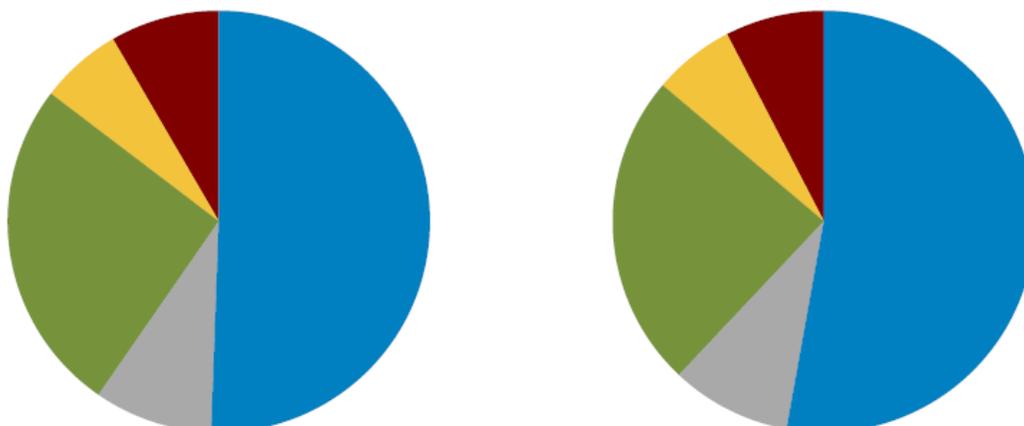
Mr. Brendon Vavrica advised that as of June 30, 2021, the total fund was valued at \$277,777,801.

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Asset Allocation By Segment as of March 31, 2021 : \$210,572,706 Asset Allocation By Segment as of June 30, 2021 : \$217,777,801



Allocation			Allocation		
Segments	Market Value	Allocation	Segments	Market Value	Allocation
Domestic Equity	106,497,935	50.6	Domestic Equity	115,047,854	52.8
International Equity	19,085,947	9.1	International Equity	20,020,522	9.2
Domestic Fixed Income	54,179,795	25.7	Domestic Fixed Income	52,600,287	24.2
Real Estate	13,184,790	6.3	Real Estate	13,558,815	6.2
Cash Equivalent	17,624,239	8.4	Cash Equivalent	16,550,323	7.6

Mr. Vavrica reviewed the current plan asset allocation and noted the plan was underweighted to fixed income as well as Real Estate. After Board discussion Mr. Bettencourt made a motion to move \$4M from the R & D Account and put \$3M into ASB and \$1M into Barings, seconded by Mr. West. Motion carried 3-0.

Mr. Vavrica reviewed the performance for Great Lakes noting they were behind their benchmark for the last 12- months by 12.97% while ranking in the 88th percentile. Since their inception, Great Lakes was behind the benchmark by over 5.8% and placed in the 100th percentile. There was discussion about the fees being paid for the active management as well as the amount of plan assets missed out on by not being in the index fund. Mr. Bettencourt made a motion to terminate Great Lakes and move the funds into the Vanguard Index fund, plus \$300,000 from R & D, seconded by Mr. Sweat. Motion carried 3-0.

Mr. Vavrica will bring additional information on emerging markets for the Board to review at the next meeting.

Mr. Vavrica then presented information on multiple “innovative technology” ETFs (as requested by the Board, and it was noted that AndCo has not recommended these products for client portfolios). He presented on numerous details including: the fees being charged, the number of holdings, their stated area of focus, and performance. After further questions and discussion,

Mr. Bettencourt made a motion to move from inside the R & D account, purchase \$1M into Defiance 5G Next Gen Connectivity, \$1M into First Trust Cloud Computing and \$1M into ARK Autonomous Technology & Robotics ETF's, also purchase an additional \$1M of the ARKK fund with proceeds from Ceredex, seconded by Mr. Sweat. Motion carried 3-0.

Mr. West informed the Board that he has had a few meetings with the city regarding the past request for an ordinance change and they would like more information. Mr. West will show them the letter that Mr. Vavrica prepared and presented to the Board.

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

<http://sunrisepolicepension.com/docs/investments/2021-06-30%20Sunrise%20Police%20Quarterly%20Report.pdf>

Attorney's Report

Mrs. Levy read the Initial Disability Order for Mr. Lowenstein and stated that once it is executed by the Board and returned to her, she will forward a copy to Mr. Lowenstein's Attorney. Mr. Bettencourt made a motion to execute said document, seconded by Mr. West. Motion carried 3-0.

Mrs. Levy stated that Mr. Lowenstein has been questioning how the disability calculation is performed. She explained that the ordinance provided for calculation of the disability benefit using different methods. Using the method of 75% of his salary would provide the greatest benefit. That method has been interpreted by the board in past disabilities as the salary as provided by the city on the date of the disability.

Administrator's Report

Mr. Williams regrettably informed the Board that Mr. Posato passed away on August 01, 2021.

Mr. Williams presented the Annual Administrative Expense Budget to the Board. Mr. Bettencourt made a motion to accept the budget as presented, seconded by Mr. Sweat. Motion carried 3-0.

New Business

Saltmarsh Cleaveland & Gund, P.A. – Ms. Bittinger and Mr. Cristini introduced their supervisor Mr. Chuck Landers to the Board.

Oakwater Technologies – No report

Old Business

None

Open Board Discussion

Mr. West

Adjournment

Motion to adjourn at 12:28 P.M. by Mr. Bettencourt, seconded by Mr. Bettencourt. Motion passed 3-0.