

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

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

Sunrise, FL 33325

February 13, 2023

10:00 A.M.

### **Call to Order**

On behalf of the Board, Mr. Dave Williams called the meeting to order at 10:02 A.M.

### **Public Discussion**

None.

### **Roll Call**

Present were Mr. Michael West – Chairman; Mr. Lou Berman and Mr. Eric Goldstein – Trustees (left at 10:20 A.M.).

### **Absent & Excused**

Mr. William Bettencourt

### **Others Present**

Mrs. Richelle Levy – Lorium Law; Mr. Brendon Vavrica – AndCo Consulting; Mr. Anthony Bulzone – City of Sunrise; Mr. Brendon Vavrica – AndCo Consulting; Mr. Steve Loncar, Ms. Jennifer Graff<sup>1</sup>, Mr. Mills Riddick<sup>2</sup> – Ceredex (left at 10:22 A.M.); Mr. Chuck Landers – Saltmarsh Cleaveland & Gund; Mr. Dave Williams – Plan Administrator and Mrs. Patty Ostrander – Recording Secretary.

### **Approval of Minutes**

Motion to approve the minutes January 10, 2023 by Mr. Berman, seconded by Mr. West. Motion carried 4-0.

### **Approval of Payables**

After review and consideration of the payables of January 10, 2023 through February 12, 2023 a motion to approve was made by Mr. Berman, seconded by Mr. West. Motion carried 4-0.

### **Financial Statements – September 30, 2022 Saltmarsh, Cleaveland & Gund, P.A.**

Mr. Landers began his presentation by thanking everyone for their help with the audit. He stated that the firm has issued a clean (unqualified) opinion of 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, 2022, combined trust assets exceed its liabilities with a total of \$183,038,305. A total of \$11,852,501 was received in employer / employee contributions. Employer contributions were \$10,479,815 and employee contributions were valued at \$1,372,686. The State excise revenue received was \$919,969.

As of September 30, 2022, the Plan had 151 retired members and beneficiaries. The Plan also had 51 vested active members and 76 non-vested active members. The DROP Account balance was \$14,095,231 in comparison to \$9,927,961 as of September 30, 2021.

Mr. Berman made a motion to accept the Financial Statements for the Plan for September 30, 2022 as presented, which was seconded by Mr. West. Motion carried 3-0 (Mr. Goldstein was not present for this vote).

Motion to approve and execute the representation letter after legal approval by Mr. Berman, seconded by Mr. Sweat. Motion carried 3-0 (Mr. Goldstein was not present for this vote).

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<sup>1</sup> Attended remotely.

<sup>2</sup> Attended remotely.

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

[http://sunrisepension.com/docs\\_state/FinancialStatements/2022%20Sunrise%20Police%20Retirement%20F.S.pdf#zoom=100](http://sunrisepension.com/docs_state/FinancialStatements/2022%20Sunrise%20Police%20Retirement%20F.S.pdf#zoom=100)

**Ceredex Ridgeworth – Quarterly Investment Report**

Mr. Steve Loncor, Ms. Jennifer Graff and Mr. Mills Riddick indicated that as of December 31, 2022, the large cap portfolio had a market value of \$33,289,567.

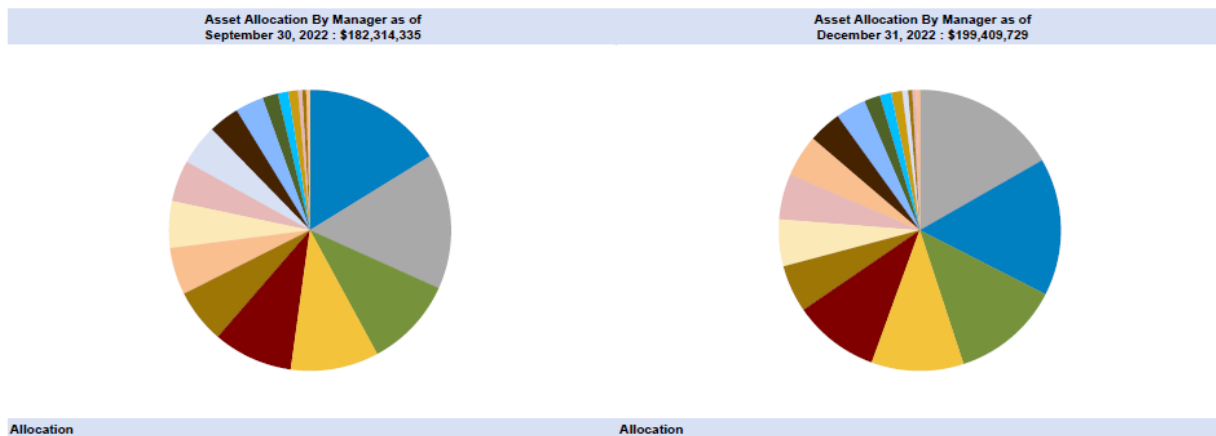
Assets	Market Value (\$)	% of Total
Total Portfolio	33,289,567.03	100.0
Total Equities	32,018,973.55	96.2
Total Cash and Equivalents	1,270,593.48	3.8

Mrs. Levy asked Mr. Loncor if he has any concerns with the changes to the Delaware Law concerning corporations. He stated that they are aware of this and having their compliance and legal department look at those items. He asked if the Board had direction, they would like them to take, let them know and they will vote accordingly in terms of their proxies and Mrs. Levy said that she and the consultant would prepare something.

Mrs. Levy asked Mr. Loncor about the Global payments and if he is concerned about the suit that was just filed against them by the Consumer Financial Bureau in October. Mr. Loncor stated that he will look into this and get back to her.

**AndCo Consulting – Quarterly Investment Report**

Mr. Brendon Vavrica advised that as of December 31, 2022, the total fund was valued at \$199,409,729.



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

<http://www.sunrisepension.com/docs/investments/2022-12-31%20Sunrise%20Police%20Quarterly%20Report.pdf>

Mr. Berman made a motion to rebalance, seconded by Mr. West. Motion carried 3-0 (Mr. Goldstein was not present for this vote) to rebalance as follows:

Transfer From:  
 \$2.7M from Ceredex large value  
 \$2M from Mutual of America mid cap

Transfer To:  
 \$400K to Polen large growth  
 \$200K to Rhumblin large growth

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\$750K from VRTIX Vanguard small cap	\$500K to ARKK
\$1.3M from VTMGX Vanguard International	\$40K to ARKQ
\$650K from JPM International	\$20K to SKYY
	\$700K to GHA agg fixed
	\$5.54M to GHA intermediate fixed

Mrs. Levy asked Mr. Vavrica if he has any specific concerns regarding the changes to the Delaware law. Mr. Vavrica said that he doesn't know all the details yet and will start to incorporate language where needed.

### **Attorney's Report**

Mrs. Levy updated the Board on the legislative sessions.

Mrs. Levy stated that there may be a potential class action filed against a firm (Global Payments) which resulted in a loss of about \$600,000. One of our monitoring attorneys has approached Mrs. Levy to ask if we would be potentially interested in applying as a named plaintiff but that a decision would have to be made before the next meeting. Mr. Berman made a motion to authorize the Chairman to act on behalf of the board, seconded by make Mr. Sweat. Motion carried 3-0 (Mr. Goldstein was not present for this vote).

Mrs. Levy stated that Labaton asked her if the Board would be interested in hearing from them for the purpose of providing security monitoring services. The Board agreed to review their materials and have a discussion with Mrs. Levy who stated that she will bring the materials to the next meeting.

Mrs. Levy discussed the changes to the SECURE Act 2.0 that may impact the Board. Their were changes to provisions such as the required minimum distribution, the conversion from disability to normal retirement and tax implications, etc. She discussed the additions to the Public Safety Officers Act providing for a line of duty disability or death as a result of a traumatic event occurring on the job.

### **Administrator's Report**

Mr. Williams had no formal report.

### **New Business**

None

### **Old Business**

None

### **Open Board Discussion**

None

### **Adjournment**

Motion to adjourn at 11:20 A.M. by Mr. Berman, seconded by Mr. Goldstein. Motion passed 4-0.