

SUNRISE POLICE OFFICERS' RETIREMENT PLAN

13790 N.W. 4th Street, Suite 105
Sunrise, FL 33325
August 21, 2023
10:00 A.M.

Call to Order

On behalf of the Board of Trustees, Mr. Dave Williams called the meeting to order at 10:07 A.M.

Public Discussion

No Comments. The Board of Trustees presented Mr. Keven Sweat with a Bull and Bear statue for his time and commitment to the Plan as a Trustee.

<http://www.sunrisepolicepension.com/boardroom.asp>

Roll Call

Present were Mr. Michael West – Chairman; Mr. William Bettencourt - Secretary; Mr. Lon Berman; Mr. Eric Goldstein and Mr. Timothy McGovern – Trustees.

Absent & Excused

None

Others Present

Mrs. Richelle Levy – Lorium Law; Mr. Dave Williams – Plan Administrator; Mrs. Patty Ostrander – Recording Secretary. Mr. Keven Sweat - City of Sunrise (left at 10:15 A.M.); Mr. Anthony Bulzone - City of Sunrise (arrived at 10:17 A.M.); Mr. Brendon Vavrica - AndCo Consulting; Mr. Clyde Robinson - ASB Real Estate (arrived at 10:07 A.M. and left at 10:59 A.M.); Ms. Deb Schwartz & Ms. Maya Packer - Barings (arrived at 10:07 A.M. and left at 10:59 A.M.)

Approval of Minutes

Motion to approve the minutes July 10, 2023 by Mr. Berman, seconded by Mr. Bettencourt. Motion carried 5-0.

Approval of Payables

After review and consideration of the payables of July 10, 2023 through August 20, 2023 a motion to approve was made by Mr. Bettencourt, seconded by Mr. West. Motion carried 5-0.

ASB Real Estate

Mr. Clyde Robinson indicated that as of June 30, 2023, the account balance was valued at \$9,551,064. Since inception of July 01, 2017.

ASSET GROWTH SUMMARY

	3 Months	12 Months	
Beginning Partner's Capital	\$10,209,618	\$11,094,746	Inception date for your plan was: July-17
Net Contributions / (Withdrawals)	(\$23,938)	(\$105,036)	
Net Income	\$70,438	\$288,012	Fund Gross Return Since Client Inception (annualized if greater than 1 year)
Gains and Losses ¹	(\$705,055)	(\$1,726,659)	4.89%
Distributions ²	\$0	\$0	
Ending Partner's Capital	\$9,551,064	\$9,551,064	Client Net Return Since Client Inception (annualized if greater than 1 year)
Cash Balance (Pending Settlements)	\$0	\$0	3.75%
Total Partner's Assets	\$9,551,064	\$9,551,064	

PERFORMANCE SUMMARY

	3 Months	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	15 Yrs
ASB Allegiance Real Estate Fund	-6.22%	-11.40%	-13.05%	4.51%	4.48%	7.53%	5.60%
NCREIF Fund Index - ODCE - Value Weight ⁴	-2.68%	-5.76%	-9.97%	7.99%	6.50%	8.74%	5.69%
ASB Allegiance Real Estate Fund - Client Net ⁵	-6.47%	-11.87%	-13.95%	3.39%	3.30%	N/A	N/A

Barings Real Estate

Ms. Deb Schwartz and Ms. Maya Packer indicated that as of June 30, 2023, the account balance was valued at \$8,806,408. The portfolio returns since inception of July 01, 2017, the portfolio return was valued at 9.73%

Mr. Williams asked Ms. Schwartz if they have options to extend the existing loan or does it have to be refinanced? Ms. Schwartz stated that in some cases they have options to extend, and they usually involve meeting the market rate terms for underwriting.

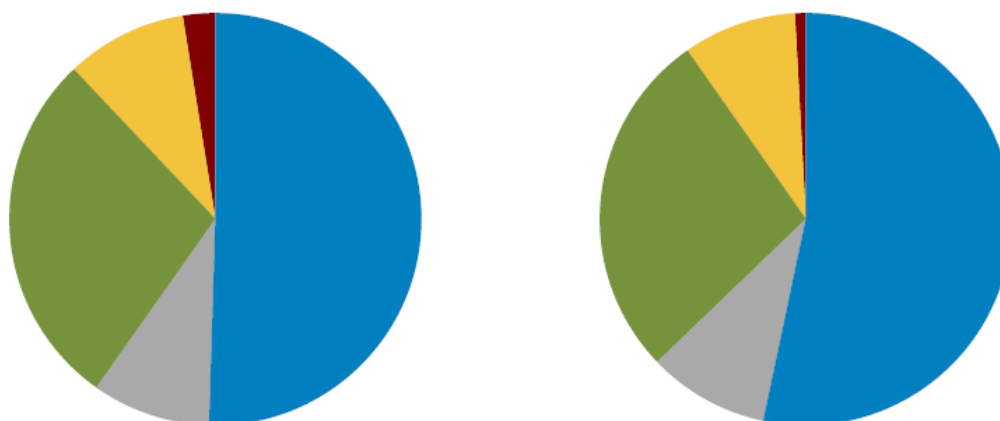
	1 Year	3 Year	5 Year	Since Inception ¹
Gross Total (%)	-13.47	4.24	4.89	5.48
Gross Income (%)	3.37	3.77	4.00	4.01
Gross Appreciation (%)	-16.42	0.46	0.87	1.42
Net Total (%)	-14.30	3.29	3.91	4.47
Net Income (%)	2.43	2.83	3.03	3.02
Net Appreciation (%)	-16.42	0.46	0.87	1.42

AndCo Consulting – Quarterly Investment Report

Mr. Brendon Vavrica advised that as of June 30, 2023, the total fund was valued at \$206,438,724.

As of June 30, 2023

Asset Allocation By Segment as of March 31, 2023 : \$204,362,568 Asset Allocation By Segment as of June 30, 2023 : \$206,438,724



Allocation			Allocation		
Segments	Market Value	Allocation	Segments	Market Value	Allocation
Domestic Equity	103,176,618	50.5	Domestic Equity	110,073,398	53.3
International Equity	18,999,425	9.3	International Equity	19,612,138	9.5
Domestic Fixed Income	57,552,513	28.2	Domestic Fixed Income	58,617,219	27.4
Real Estate	19,422,642	9.5	Real Estate	18,357,472	8.9
Cash Equivalent	5,211,371	2.6	Cash Equivalent	1,778,497	0.9

Mr. Vavrica advised the Board that Mr. Gilbert Garcia is running for Mayor of Houston. From that Mr. Vavrica has heard, the chances of him winning are almost non-existent but if circumstances changed, it would definitely warrant some consideration. There are other members on the team, but should it go down that road, it may require a future discussion.

Mr. West asked Mr. Vavrica, since we have a lot of rebalancing to do, is this the right time to introduce the Crawford Group?

Mr. Goldstein made a motion to enter into a contract and transfer 10M to Crawford Multi Income Strategy Product, seconded by Mr. West. Motion passed 5-0.

Mr. Vavrica will do a manager's search for a new strategy within real estate for the November meeting.

Mr. Vavrica presented a draft update for the Investment Policy change due to House Bill 3. Motion to approve the amended Investment Policy as stated by Mr. McGovern, seconded by Mr. Bettencourt. Motion passed 5-0.

<http://www.sunrisepolicepension.com/guidelines.asp>

Attorney's Report

Mrs. Levy updated the Board on Labaton - Investment Monitoring Attorneys. The agreement is in their hands. Once Mrs. Levy gets the agreement back, she will forward it to Mr. West for signature.

Policy - Allowing a trustee to attend conferences. This was already approved approximately a year ago.

Mrs. Levy updated the Board on the deposition on the Mallinckrodt case. Mr. Williams presented his deposition last week.

Administrator's Report

Mr. Williams presented the Board with the 2024 meeting schedule.

2023/24 Administrative Expense Budget: Mr. Williams outlined the Administrative Expense Budget provision. 175.061(8) and 185.05(8) require that all firefighter and police Boards of Trustees shall provide a detailed accounting report and operate under an administrative expense budget. A copy of the budget shall be provided to the plan sponsor and made available to plan members before the beginning of the fiscal year. If the Board amends the administrative expense budget, the Board must provide a copy of the amended budget to the plan sponsor and make available a copy of the amended budget to plan members. For plans that use a September 30 - October 1 fiscal year, the new administrative expense budget must be prepared and made available prior to October 1st.

Mr. Williams presented an Administrative Expense Budget based on the expenses reported in the financial statements of September 30, 2022 for the Board to consider. Mr. Williams stated that 100 basis points of expense is considered reasonable in the industry. The proposed budget is estimated at 33 basis points which is based on the September 30, 2022 balance of the System, so he believes it is extremely reasonable. After review and discussion, Mr. Bettencourt made a motion to approve the 2023/24 Administrative Expense Budget as presented, which was seconded by Mr. Berman. Motion carried 5-0.

The 2023/24 Administrative Expense Budget may be viewed on-line at:
<http://sunrisepolicepension.com/disclosures.asp>

Gabriel Roeder Smith - Experience study report Mr. Bettencourt made a motion to move ahead with this study, seconded by Mr. Berman. Motion passed 4-1.

New Business

None

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Old Business

None

Open Board Discussion

Mr. Bettencourt stated that he would like to resign as board secretary. Mr. Bettencourt stated that he will stay on as secretary until November. Item will be placed on the Agenda for further consideration.

Adjournment

Motion to adjourn at 11:58 A.M. by Mr. Bettencourt, seconded by Mr. West. Motion passed 5-0.