

SUNRISE POLICE OFFICERS' RETIREMENT PLAN

13790 N.W. 4th Street, Suite 105

Sunrise, FL 33325

November 08, 2021

10:00 A.M.

Call to Order

On behalf of the Board, Mr. Williams called the meeting to order at 10:17 A.M.

Public Discussion

Mr. Williams advised the Board that at his request Mr. Vavrica sent an email to all our managers when the GoFundMe was created for Officer Arroyo. Mr. Williams stated we had support by many of the managers. Special recognition was given to Garcia Hamilton and Associates for their generous donation.

Roll Call

Present were Mr. Michael West – Chairman (remote); Mr. William Bettencourt – Secretary; Mr. Lou Berman (arrived at 10:23 A.M.), Eric Goldstein and Mr. Keven Sweat - Trustee.

Absent & Excused

None

Others Present

Mrs. Richelle Levy – Lorium Law; Mr. Brendon Vavrica – AndCo Consulting (remotely – left at 11:48 A.M.); Mr. Anthony Bulzone – City of Sunrise; Ms. Janna Hamilton (remotely - left at 11:38 A.M.) and Mr. Jeff Detwiler (remotely - left at 10:43 A.M.) – Garcia Hamilton; Mr. Ken Kornheisl – Oakwater Technology (remotely - left at 10:20 A.M.); Ms. Jayne Goldstein – Miller Shah Law firm (remotely - arrived at 12:15 P.M. and left at 12:25 P.M.); Mr. Dave Williams – Plan Administrator and Mrs. Patty Ostrander – Recording Secretary.

Approval of Minutes

Motion to approve the minutes of July 29, 2021 and August 09, 2021 by Mr. Goldstein, seconded by Mr. Bettencourt. Motion carried 4-0 (Mr. Berman was not present).

Approval of Payables

After review and consideration of the payables of August 09, 2021 to November 07, 2021, a motion to approve was made by Mr. Goldstein, seconded by Mr. Bettencourt. Carried 4-0 (Mr. Berman was not present).

Old Business

IT Report on Website – Mr. West had asked Mr. Kornheisl to modernize our website. Mr. Kornheisl stated that we can get live data from Mr. Amrose so that members can have up to date information when using the benefit calculator. He also said that he can add fillable forms to the website so that members can update certain information and the office will be notified when this is done. Mrs. Levy asked Mr. Kornheisl when he can provide sample templates as well as a time frame and costs for this upgrade as she wants to review same before it is updated. Mr. Kornheisl stated that he will have this by the end of next to Mr. Williams.

Garcia Hamilton – Quarterly Investment Report

Mrs. Janna Hamilton and Mr. Jeff Detweiler indicated that as of September 30, 2021, the Fixed Income – Aggregate Account portfolio had a market value of \$33,638,991. Our asset allocation was 0.0% in equities, 96.6% in fixed income and 3.4% in cash.

Sunrise Police Retirement Plan - Minutes
 November 08, 2021
 Page 2

PORTFOLIO COMPOSITION				CHANGE IN PORTFOLIO	
	Market Value	Pct. Assets	Yield		
FIXED INCOME	32,494,791.67	96.6	1.1	Portfolio Value on 12-31-06	7,393,399.54
CASH	1,144,199.37	3.4	0.0	Accrued Interest	100,147.33
				Net Additions/Withdrawals	15,058,143.85
				Net Transfers	-1,297,872.63
				Realized Gains/Losses	2,722,581.36
				Unrealized Gains/Losses	-385,549.64
				Income Received	9,990,849.58
				Change in Accrued Interest	57,291.66
				Portfolio Value on 09-30-21	33,481,552.06
				Accrued Interest	157,438.98
Total	33,638,991.04	100.0	1.1		33,638,991.04

TIME WEIGHTED RETURN - GROSS OF FEES

	Quarter	Year To Date	One Year	Annualized Last 3 Years	Annualized Last 5 Years	Annualized Last 7 Years	Annualized Last 10 Years	Annualized Inception 12-31-06 To Date
Account	-0.01	-2.15	-1.61	4.57	2.90	3.37	3.97	5.25
FIXED INCOME	-0.03	-2.20	-1.66	4.67	2.96	3.43	4.04	5.33
Bloomberg US Aggregate	0.05	-1.55	-0.90	5.36	2.94	3.26	3.01	4.16
Bloomberg Aggregate A+ Bond	0.05	-1.70	-1.60	4.92	2.57	2.97	2.69	3.89

Our Form ADV disclosure document is available upon request. We urge you to compare account statements that you receive from us with the account statements that you receive from your custodian. Past performance is no guarantee of future results. See disclosures for other relevant information. Client Use Only.

Mrs. Janna Hamilton and Mr. Jeff Detwiler indicated that as of September 30, 2021, the Fixed Account – Intermediate Government Credit portfolio had a market value of \$20,717,871. Our asset allocation was 0.0% in equities, 96.2% in fixed income and 3.8% in cash.

PORTFOLIO COMPOSITION				CHANGE IN PORTFOLIO	
	Market Value	Pct. Assets	Yield		
FIXED INCOME	19,929,359.11	96.2	0.8	Portfolio Value on 07-01-94	8,449,294.82
CASH	788,511.94	3.8	0.0	Accrued Interest	260,596.15
				Net Additions/Withdrawals	-33,694,797.72
				Net Transfers	1,290,711.87
				Realized Gains/Losses	1,786,006.11
				Unrealized Gains/Losses	-118,475.67
				Income Received	14,295,209.75
				Change in Accrued Interest	-202,499.57
				Portfolio Value on 09-30-21	20,659,774.47
				Accrued Interest	58,096.58
Total	20,717,871.05	100.0	0.8		20,717,871.05

TIME WEIGHTED RETURN - GROSS OF FEES

	Quarter	Year To Date	One Year	Annualized Last 3 Years	Annualized Last 5 Years	Annualized Last 7 Years	Annualized Last 10 Years	Annualized Inception 07-01-94 To Date
Account	0.03	-1.56	-1.12	3.61	N/A	N/A	N/A	N/A
FIXED INCOME	0.02	-1.59	-1.14	3.71	2.38	2.77	3.38	5.43
Bloomberg US Int Gov/Credit*	0.02	-0.87	-0.40	4.63	2.60	2.74	2.52	4.81

*Blended Index (S&P500; BIGC; T-Bills) Inc (7/1/94) to 9/30/96=50/40/10. (S&P500; BIGC) 9/30/96 to 9/30/99 = 60/40. 9/30/99 to 2/28/07 = 55/45. 2/28/07 to date = 33/67. Fixed income only effective 9/30/17.

Our Form ADV disclosure document is available upon request. We urge you to compare account statements that you receive from us with the account statements that you receive from your custodian. Past performance is no guarantee of future results. See disclosures for other relevant information. Client Use Only.

Mutual of America – Quarterly Investment Report

No report

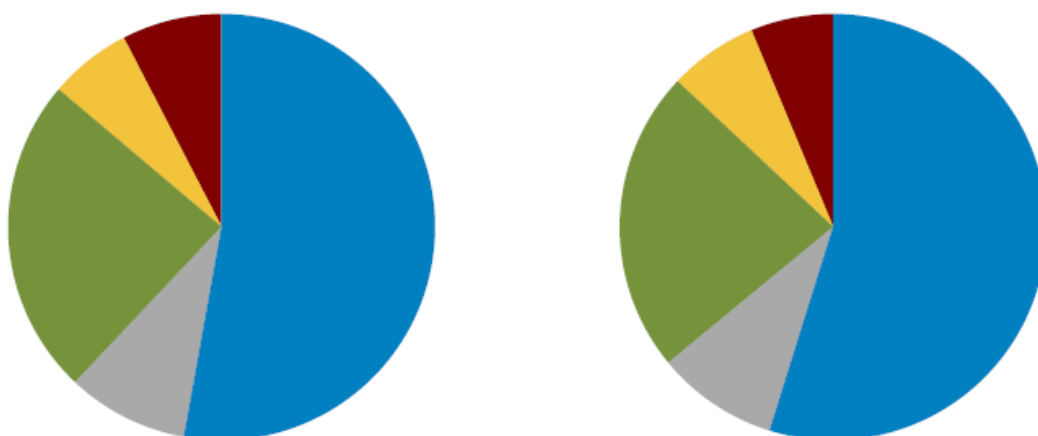
Rhumblin – Quarterly Investment Report

No report

AndCo Consulting – Quarterly Investment Report

Mr. Brendon Vavrica advised that as of September 30, 2021, the total fund was valued at \$211,717,574.

Asset Allocation By Segment as of June 30, 2021 : \$217,777,801 Asset Allocation By Segment as of September 30, 2021 : \$211,717,574



Allocation			Allocation		
Segments	Market Value	Allocation	Segments	Market Value	Allocation
Domestic Equity	115,047,854	52.8	Domestic Equity	116,044,424	54.8
International Equity	20,020,522	9.2	International Equity	19,502,279	9.2
Domestic Fixed Income	52,600,287	24.2	Domestic Fixed Income	48,628,608	23.0
Real Estate	13,558,815	6.2	Real Estate	14,267,459	6.7
Cash Equivalent	16,550,323	7.6	Cash Equivalent	13,274,804	6.3

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

<http://sunrisepolicepension.com/docs/investments/2021-09-30%20Sunrise%20Police%20Quarterly%20Report.pdf>

After active discussion among the Board and receiving invaluable input from Mr. Vavrica, Mr. West made a motion to fund an Emerging Markets Index mutual fund (Vanguard Emerging Stock Market Index (VEMIX) at 2.5% of plan assets (1.25% from equity and 1.25% from fixed income, seconded by Mr. Berman. Motion passed 4-1¹.

Mr. Berman made a to allow Mr. Vavrica to update the Investment Policy Guidelines regarding the motion above, seconded by Mr. Sweat. Motion passed 4-1².

Mr. West made a motion to rebalance back into the three underweighted ETF Funds (\$95,000 to ARK autonomous, \$136,000 to Definance Next Generation and \$99,000 to First Trust Cloud Computing). Funding for both the rebalance and the Emerging Markets funding to come

¹ Mr. Goldstein voted against this item.

² Mr. Goldstein voted against this item.

proportionally from Ceredex, Polen and Rhumblin large growth as that is where the plan is overweight relative to the “new” IPS target, seconded by Mr. Bettencourt. Motion passed 5-0.

Attorney’s Report

Mrs. Levy stated that a question arose regarding what factors the Actuary should use when an in-service disability converts to a normal retirement. Mr. West asked Mr. Amrose to reach out to the City Actuary who said that the disability factors should be used. Mrs. Levy feels that since this is not in the ordinance, the Board would need to set a policy going forward.

Motion to direct the actuary to use the disability factors in the event someone who was awarded an in-service disability chooses to convert to normal retirement by Mr. Goldstein, seconded by Mr. Sweat. Motion passed 4-1.

Mrs. Levy will bring a new Administrative Policy at the next meeting.

Motion to approve the revised Summary Plan Description for Tier I and Tier II members by Mr. Goldstein, seconded by Mr. Berman. Motion passed 5-0.

Mrs. Levy was approached by Attorney Jayne Goldstein from Miller Shah Law Firm regarding a derivative suit against Facebook. Mrs. Goldstein attended the meeting remotely and explained the suit to the Board. After discussion, the Board declined to participate in the derivative suit.

Administrator’s Report

Mr. Williams presented the Board with the 2022 meeting schedule.

Mr. Williams advised the board that we received the annual PPCC award. Mr. Williams thanked the plan sponsor for achieving this notable achievement.

<http://www.sunrisepolicepension.com/docs/announcements/SPD%20Pension%20PPCC%20Award%202021.pdf#zoom=100>

New Business

Annual State Report Engagement – Mr. Williams explained that Saltmarsh lost their employee who does the Annual Report. Ms. Bittinger asked Mr. Amrose if he would prepare the annual report. Mr. Amrose stated he would prepare the report and presented a quote to the Board. Motion to engage GRS to file the 10-01-2020 to 09-30-2021 annual report with a proposed fee of \$5,000 by Mr. Goldstein, seconded by Mr. Bettencourt. Motion passed 4-0 (Mr. West was not present).

Staff Review -Mr. Williams presented the CPI index to the Board that was provided to us by GRS. Mr. West made a motion to adjust Mr. Williams and Mrs. Ostrander by a 5.39% cost of living adjustment effective October 01, 2021, seconded by Mr. Bettencourt. Motion passed 5-0. Mrs. Ostrander and Mr. Williams thanked the Board.

Open Board Discussion

Mr. Bettencourt asked if we should update our workers compensation policy for PTSD. Mrs. Levy stated that she does not see any reason for this at this time.

Mr. Goldstein stated that he does not want to invest in Chinese markets. He understands this is a board decision and he feels we can make money with other investments and that he does not want to invest in a country that uses work force labor. Once they emerge out of slave labor, maybe. He doesn’t feel we should be using our money to enrich them. Mr. West asked Mr. Vavrica to see if there are any emerging markets that are not in China. Mr. Vavrica said there are not any that he is aware of, but he will look into it.

Sunrise Police Retirement Plan - Minutes

November 08, 2021

Page 5

Adjournment

Motion to adjourn at 12:35 P.M. by Mr. Goldstein, seconded by Mr. Bettencourt. Motion passed 4-0 (Mr. West was not present).