

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

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

Sunrise, FL 33325

February 14, 2022

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**

Mr. Williams informed that Board that Mr. Steve Cypen (the first Attorney for the Pension Office) passed away on February 06, 2022.

### **Roll Call**

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

### **Absent & Excused**

None

### **Others Present**

Mrs. Richelle Levy – Lorium Law; Mr. Brendon Vavrica – AndCo Consulting; Mr. Anthony Bulzone – City of Sunrise (arrived at 10:07 A.M.); Mr. Steve Loncar – Ceredex (left at 10:43 A.M.); Mr. Chuck Landers and Ms. Jeanine Bittinger (remote left at 10:30 A.M.) – Saltmarsh Cleaveland & Gund, P.A.; Mr. Dave Williams – Plan Administrator and Mrs. Patty Ostrander – Recording Secretary.

### **Approval of Minutes**

Motion to approve the minutes November 08, 2021 by Mr. Bettencourt, seconded by Mr. Berman. Motion carried 5-0.

### **Approval of Payables**

After review and consideration of the payables of November 08, 2021 through February 13, 2022 a motion to approve was made by Mr. Bettencourt, seconded by Mr. West. Carried 5-0.

### **Financial Statements – September 30, 2021 Saltmarsh, Cleaveland & Gund, P.A.**

Mr. Landers began his presentation by thanking everyone for their help with the audit.

Ms. Jeanine Bittinger & Mr. Chuck Landers appeared before the Board. Mr. Landers 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, 2021, combined trust assets exceed its liabilities with a total of \$215,368,177. A total of \$11,819,850 was received in employer / employee contributions. Employer contributions were \$10,397,058; employee contributions were valued at \$1,422,792. The State excise revenue received was \$838,995. Investment income for the fiscal year was \$36,565,656. The foregoing resulted in total additions of \$49,224,51. After total deductions were made the net increase realized was \$40,182,115.

As of September 30, 2021, the Plan had 146 retired members and beneficiaries. The Plan also had 54 vested active members and 78 non-vested members as of September 30, 2020. As of September 30, 2021, the DROP Account balance was \$9,927,961, in comparison to \$6,208,733 as of September 30, 2020.

Mr. Berman made a motion to accept the Financial Statements for the Plan for September 30, 2020 as presented, which was seconded by Mr. Bettencourt. Motion carried 5-0.

Motion to approve and sign the representation letter by Mr. Goldstein, seconded by Mr. West. Motion carried 5-0.

Mr. Landers explained the changes in the engagement letter to the Board. Legal Counsel asked if there were any changes to the Management Representation Letter. Mr. Landers said no changes to the Plan responsibility and the Trustees still have the right to terminate at any time. Mr. Bettencourt made a motion for the Chairman to execute the engagement letter once it is reviewed to include editing by the Attorney, seconded by Mr. Berman. Motion carried 5-0.

Mr. Landers announced that Ms. Bittinger will be retiring at the end of February.

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

<http://sunrisepolicepension.com/newsite/modules/stateDocs/index.asp>

**Ceredex Ridgeworth – Quarterly Investment Report**

Mr. Steve Loncar indicated that as of December 31, 2021, the large cap portfolio had a market value of \$37,234,464.03.

Assets	Market Value (\$)	% of Total
Total Portfolio	37,234,464.03	100.0
Total Equities	36,200,021.24	97.2
Total Cash and Equivalents	1,034,442.79	2.8

	3 Months	12 Months*	36 Months*	60 Months*	120 Months*	Inception to Date
Total Portfolio Gross of Fees	10.05 %	26.30 %	20.13 %	12.93 %	13.86 %	14.03 %
Total Portfolio Net of Fees	9.91 %	25.71 %	19.51 %	12.33 %	13.23 %	NA
Russell 1000 Value Index	7.77 %	25.16 %	17.64 %	11.16 %	12.97 %	13.17 %

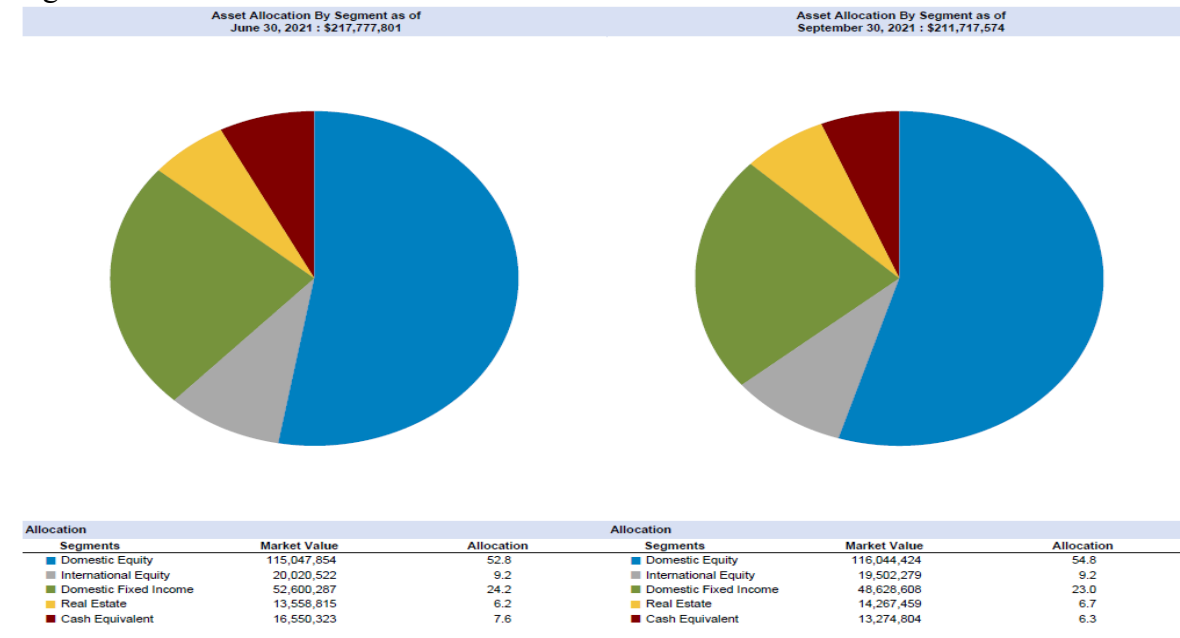
**AndCo Consulting – Quarterly Investment Report**

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

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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>

Mr. Goldstein stated that we should not be investing in anything with China, we are not here just for the money, we need a conscious. He stated that a lower return in our investments will be okay rather than investing in a country that has concentration camps and kills people.

Mr. Bettencourt stated that we all are entitled to our opinions.

Mr. Bettencourt made a motion to rebalance the domestic equities (ARKK \$1,407,000, ARKQ \$224,000 and SKYY \$182,800) excluding Ceredex. Take \$900K from Mutual of America, \$450K from JP Morgan International and \$450K from Vanguard International Equity (VTMGX), seconded by Mr. Berman. Motion carried 5-0.

Mr. Goldstein made a motion to liquidate Vanguard EM Index (VEMIX) and invest in Ishares MSCI (excluding China). Motion died due to no second.

Mr. Bettencourt made a motion to take 50% of Vanguard EM Index (VEMIX) and purchase Ishares MSCI emerging market excluding China (EMXC), seconded by Mr. Goldstein. Motion carried 5-0.

**Attorney's Report**

Mrs. Levy presented an amendment to the City of Sunrise Police Officers' Retirement Plan Operating Rules and Procedures regarding disability claims. Mr. Bettencourt made a motion to approve the amendment, seconded by Mr. Goldstein. Motion carried 5-0.

Mrs. Levy gave the Board a legislative update.

**Administrator's Report**

Mr. Williams reminded the trustees about the annual Form 1 forms.

**New Business**

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**Old Business**

Website – Mr. Williams stated that Mr. Kornhseisl is not able to attend remotely due to him being ill.

**Open Board Discussion**

None

**Adjournment**

Motion to adjourn at 12:29 P.M. by Mr. Berman, seconded by Mr. Goldstein. Motion passed 5-0.