

January 16, 2019



**POLICE AND FIREFIGHTERS' PENSION BOARD
REGULAR BOARD MEETING
888 South Andrews Avenue, Suite 202
Fort Lauderdale, FL 33316
Wednesday, January 16, 2019, 12:30 P.M.**

Communications to the City Commission:

1. A one-day investment seminar was held on January 16, 2019 with trustees, managers and CAPTRUST, the performance manager. Special guest was Mike Jackson, Chairman of the Atlanta Federal Reserve Board.
2. Reelected officers for 2019: Kenneth Rudominer, Chairman; Richard Fortunato, Vice Chairman; Scott Bayne, Secretary.

Board Members

Ken Rudominer, Chair	P
Richard Fortunato, Vice Chair	P
Scott Bayne, Secretary	P
Jim Naugle, Trustee	P
Jeff Cameron, Trustee	P
Dennis Hole, Trustee	P
Derek Joseph, Trustee	P
Lynn Wenguer, Executive Director	P

Also Present

Alexandra Goyes, Deputy Director
 Jacqueline Garcia, Administrative Assistant
 Fred Nesbitt, Board Communication Director
 Robert Klausner, Board Attorney
 Laura Garcia, City Finance Department
 Jack Chew, retirees association
 Paul DeBold, retirees association
 Steve Schott, CAPTRUST
 Kevin Schmid, CAPTRUST
 Jamie Opperlee, Prototype Inc.

ROLL CALL/CALL TO ORDER

The meeting was called to order at 12:30 p.m. Roll was called and a quorum was determined to be present.

PLEDGE OF ALLEGIANCE/MOMENT OF SILENCE

The Pledge of Allegiance was followed by a moment of silence.

ELECTION OF OFFICERS

Mr. Hole nominated Mr. Rudominer for Chair, seconded by Mr. Joseph. Nominations were closed and Mr. Rudominer was elected by acclamation.

Mr. Hole nominated Mr. Fortunato for Vice Chair, seconded by Mr. Bayne. Nominations were closed and Mr. Rudominer was elected by acclamation.

Mr. Joseph nominated Mr. Bayne for secretary, seconded by Mr. Hole. Nominations were closed and Mr. Rudominer was elected by acclamation.

MINUTES: December 12, 2018

Motion made by Mr. Naugle, seconded by Mr. Hole to approve the Board’s December 12, 2018 regular meeting minutes. In a voice vote, motion passed unanimously.

NEW HIRES:

Chair Rudominer recognized the new hires.

BENEFITS:	FIRE DEPT:	DROP Retiree:	Joshua Cohen Troy Cool Timothy Heiser
		New Beneficiary:	Joanne Morgan Nora Ricciardi
		Survivor Death:	Simone Clapp
	POLICE DEPT:	New Retiree: (Service)	Richard Rhodes
		New Retiree: (Term of DROP)	Robert Bolden
		Vested Retiree:	Michael Florenco
		DROP Retiree:	Gary Martin, Jr.
		Member Termination:	Donovaun Miller Shabana Nguon Pedro J Quintana, Jr.
		New Beneficiary:	Doris Briguglio
		Survivor Death:	Emily Evans

Motion made by Mr. Joseph, seconded by Mr. Hole, to approve payment of the benefits as stated. In a voice vote, the motion passed unanimously.

Mr. Bayne pointed out that upon his entering the DROP, Timothy Heiser was not an Assistant Division Chief, but a Division Chief. Ms. Wenguer said one’s stated job title had no bearing on benefits.

BILLS:

Rhumblin	\$15,234.00
Marcum	\$11,081.00
Marcum	\$4,942.00
Foster & Foster	\$10,550.00
Milliman	\$5,250.00
Klausner, Kaufman	\$3,150.00
Klausner, Kaufman	\$2,276.50

Motion made by Mr. Fortunato, seconded by Mr. Hole, to approve payment of the bills as stated. In a voice vote, the motion passed unanimously.

Ms. Wenguer clarified that they had been reimbursed for most of the Foster and Foster bill; they had been paid back by members for their buyback calculations.

COMMENTS FROM THE PUBLIC/ACTIVE & RETIRED POLICE OFFICERS & FIREFIGHTERS

Mr. DeBold had nothing to report.

ATTORNEY'S REPORT:

Mr. Klausner said Florida House Bill 265 had been filed and was an amendment to the Sunshine Law. It stipulated the following:

- If a board took an action contrary to the statute, the action was void.
- All board agendas and accompanying materials must be published for the public three days in advance of a meeting: for an emergency meeting, the agenda and accompanying materials must be published 24 hours in advance
- If an agenda was amended, two copies of the agenda and accompanying materials must be available at the meeting
- Public comment could be limited to three minutes per speaker, unless there were 20 or more people, when it could be limited to one minute, or one person could speak on behalf of a group
- Public comment was not required for several types of agenda items
- A form should be provided for members of the public wishing to speak at a meeting

Mr. Klausner recommended the Board follow the progress of the bill.

Service Buy-back Order

Mr. Klausner had drafted an order regarding Mr. Viveros's buyback for the Board to approve. This would allow Mr. Viveros to file a petition for a writ of certiorari, if he wanted to begin an appeal.

Motion made by Mr. Joseph, seconded by Mr. Hole, to approve the order explaining the Board's decision regarding Mr. Viveros's prior service buyback calculations. In a voice vote, motion passed unanimously.

Service Incurred Disability - Order of Denial

Mr. Klausner had also drafted an order regarding the Board's denial of Anthony Scott's disability request. This would allow Mr. Scott to begin an appeal and to proceed to a formal hearing.

Motion made by Mr. Bayne, seconded by Mr. Hole, to approve the order Mr. Klausner had drafted regarding the Board's denial of Anthony Scott's disability request. In a voice vote, motion passed unanimously.

Mr. Klausner reported Ms. Wenguer had received a letter of credit from a lender to Capital Dynamics. The letter stated that if Capital Dynamics defaulted, the lender could make a claim against committed capital. Mr. Klausner believed the letter would "go away" after the next closing. He anticipated that as more investors participated in this product, the lender would not need this assurance. He recommended Ms. Wenguer sign the letter.

Mr. Schmid stated the loan created a working line of credit for Capital Dynamics.

CAPTRUST:

Chair Rudominer stated their contract with CAPTRUST had expired in December. Mr. Klausner advised the Board to extend the contract for six to 12 months while he drafted a new contract. Mr. Schmid agreed they should enter into a short-term extension to work on a new contract.

Motion made by Mr. Fortunato, seconded by Mr. Joseph, to extend the existing contract with CAPTRUST and to authorize Mr. Klausner and Ms. Wenguer to negotiate with CAPTRUST for a permanent replacement contract. In a voice vote, motion passed unanimously.

Monthly Investment Review

Kevin Schmid, Steve Schott

Mr. Schmid remarked they were low on cash and would take \$10 million from each of the fixed income managers. This would allow them to cover capital calls and benefit payments and also provide some flexibility for the next few months.

Mr. Schmid stated he would provide the quarterly report next month.

Investment Workshop

Mr. Schmid invited Board members' questions.

Chair Rudominer had asked the InTech representative about opening their mandate beyond US large caps. Mr. Schmid agreed that InTech's strategy could be applied to a range of options but he had not considered this. In general, he said CAPTRUST liked to have managers operating in specialty capacities. He saw no reason to expand InTech's mandate.

Mr. Hole remarked that he had heard a lot of good feedback about the managers.

EXECUTIVE DIRECTOR'S REPORT:

Investment Workshop Recap

Ms. Wenguer discussed the problem with the valet service.

Ms. Wenguer asked if the Board wanted to continue having a welcome dinner, which was well-attended by managers but not by members. The Board agreed to continue the welcome dinner and to continue meeting at the Riverside Hotel at the same time of year. Mr. Bayne thanked staff for arranging the workshop.

Retirement Seminar

Chair Rudominer and Ms. Wenguer intended to meet with the new City Manager and inform him they wanted to work with the Human Resources Director regarding some issues such as the retirement seminar. Chair Rudominer said some people thought retirement planning was an HR responsibility. He also wanted to discuss coordination regarding disabilities. Chair Rudominer felt this office needed a human resources audit regarding employee pay.

Ms. Wenguer reported the plan audit was almost complete and she hoped to present it in February.

Ms. Wenguer and the Board discussed distribution of the share money. Mr. Bayne suggested allowing people to let the share money roll over like the DROP money, leaving it on deposit with the plan. Mr. Klausner said this should be included in the revised ordinance. They would stipulate that upon separation, the share money must be rolled over into an IRA, the member's DROP account (or some other account) or taken as a cash distribution.

Mr. Klausner agreed to look at the ordinance and thought it might be possible to accomplish this by administrative rule in the interim.

COMMUNICATION DIRECTOR'S REPORT

Mr. Nesbitt informed the Board that the FTTPA website was not working.

PENDING ITEMS:

New Business:

Old Business:

Schedule A

There being no further business to come before the Board at this time, the meeting was adjourned at 1:37 p.m.

**FOR YOUR INFORMATION:
KCG Recapture Statement**

November, 2018

Secretary

Chairman

Any written public comments made 48 hours prior to the meeting regarding items discussed during the proceedings have been attached hereto.

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