

**POLICE AND FIREFIGHTERS' PENSION BOARD
REGULAR BOARD MEETING
888 South Andrews Avenue, Suite 202
Fort Lauderdale, FL 33316
Wednesday, February 9 2022, 12:30 P.M.**

Communication to the City Commission

1. The trustees reelected officers for 2022: Kenneth Rudominer, chair; Richard Fortunato, vice chair; and Scott Bayne, secretary.
2. The trustees reviewed and approved the quarterly performance report for the first quarter of the fiscal year. The return on investments for the quarter is 4.21%; 12.35% for one year; 13.5% for three years. The assumed rate of return is 7.3% per year.
3. The trustees approved the 4.21% rate of return for the quarter.

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

Also Present

Lynn Wenguer, Executive Director	Steve Loleski, Fire Dept.
Alexandra Goyes, Deputy Director	Freddie Batista, Fire Dept.
Katherine Alvarez, Administrative Assistant	Lt. Gary Martin, Police Officer
Robert Klausner, Board Attorney	Richard Schulze, President, Retirees' Association
John Herbst, City Auditor	Susan Grant, Finance Director
Fred Nesbitt, Communications Director	Douglas Hartman
Michael Dew	Josh Wells, trustee trainee
Steve Schott, Andy Marino, CAPTRUST	Hamoud Alsamawi
Jason Fox, attorney	Ryan Shaw, attorney
	Dawn Scott, stenographer

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.

Chair Rudominer asked for a moment of silence to remember Steve Cypen, former Board attorney, who had passed away recently.

Service Incurred Disability Hearing: (under separate cover)

Hamoud Alsamawi

Mr. Klausner said Mr. Alsamawi's claim for service-connected disability included three injuries: a knee injury, a wrist injury and a back injury. All IME providers agreed he was permanently and totally disabled from performing the duties of a police officer but said he was capable of performing sedentary work. One doctor had opined that the incidents causing Mr. Alsamawi's injury were not consistent with a back injury, but pointed to significant, preexisting age-related degeneration. One doctor was most concerned about Mr. Alsamawi's hand/wrist injury, which could cause trouble with combat, as well use of a firearm. The inconsistencies of Mr. Alsamawi's history, as well as the physical exam, led Dr. Lupu to lean against a service-connected disability.

Dr. Lupu also noted Mr. Alsamawi's major complaint was his back, but Dr. Lupu believed it was the exacerbation of chronic, existing degenerative disease. Mr. Klausner noted the doctors were split regarding whether this was primarily the result of an on-duty injury or the result of a degenerative condition. He noted that aggravation of a pre-existing condition constituted a duty-related disability under the decision of *Tingler v. City of Tampa*.

Chair Rudominer said one injury was noted in the application but other injuries noted and added after the examinations. Mr. Klausner reminded the Board that the burden of proof was on the applicant. The Board could deem the application amended by virtue of the medical reports they had received. They must determine if Mr. Alsamawi was disabled and if he was disabled because he was hurt on the job.

Mr. Hole suggested the application should include whether a pre-existing condition was service-related or not. Mr. Klausner agreed, and suggested asking the IME doctors if they believed a pre-existing condition had been exacerbated by the claimed injury, and if the claimed injury a duty-related event.

Lt. Martin confirmed there were no permanent light-duty positions with the Police Department. He reported Mr. Alsamawi's last day had been July 9, 2021 and he was currently considered inactive. Ms. Wenguer said he was still receiving a paycheck and was contributing to the pension plan.

Jason Fox, Mr. Alsamawi's attorney, stated a few officers had been separated for medical non-clearance and were in a hybrid status in that they were separated but the City continued to pay them. Mr. Alsamawi had received a letter of separation.

Mr. Fox said Mr. Alsamawi had been on light duty for some time but as he was unable to get medical clearance to be returned to work, he had received a medical separation. The separation letter satisfied the total and permanent aspect of the disability claim.

Mr. Fox said the doctors all agreed the injury[s] were total and complete, in that Mr. Alsamawi could not perform the duties of a Police Officer. Mr. Fox described the medical summaries. He said there was no question that the injuries made Mr. Alsamawi totally and permanently disabled and that the injuries were suffered in the line of duty. He asked the Board to approve the application.

Mr. Klausner stated there was no evidence in the record other than that the member was permanently and totally disabled, but there was conflicting evidence regarding causation. Different doctors were more concerned about different injuries. The Board could grant a service-connected disability or a non-service disability depending on their conclusion about causation. If the Board found the latter, the member could request a full evidentiary hearing before the Board.

Motion made by Mr. Joseph, seconded by Mr. Hole, to accept the application for a full disability, based on the three criteria, effective as of the close of business on 2/9/2022. In a roll call vote, motion passed 7-0.

MINUTES:

Regular Meeting: January 12, 2022

Mr. Klausner stated the minutes should indicate that all officers were elected by acclamation, since the Board did not vote.

Motion made by Mr. Naugle, seconded by Mr. Joseph to approve the Board's January 12, 2022 meeting minutes as amended. In a voice vote, motion passed unanimously.

NEW HIRES:

Chair Rudominer welcomed the new hires.

BENEFITS:

FIRE DEPT: New Retiree:(DROP Termination):

DROP Retiree:

New Beneficiary:

Member Termination:

Retiree Death:

POLICE DEPT: DROP Retiree:

Retiree Death:

Survivor Death:

Lillian D'Agostino
Ryan Shipman
Jorge L. Aguiar
Daniel Mollinedo
Jesus Martinez
Jeanette Morales
Muriel Tinsley
Patrick Ryan
John C. Black
William F Banks Jr.
Leann Swisher
Larry Calhoun
Anna Cone

Mr. Klausner said Mr. Ryan was in the midst of a criminal prosecution which, if connected to the job, would constitute a forfeitable offense. Mr. Ryan had requested his contributions be returned, and was entitled to this without interest. He was also a participant in the Share Plan, and if his application for that was approved, and he was provided the Share but it was ultimately established that any of the criminal activity of which he was accused had occurred while he was on duty, that would constitute a forfeitable offense and the money must be returned. While the prosecution was pending, Ms. Klausner advised that a determination regarding the Share Plan funds be deferred.

Motion made by Mr. Bayne, seconded by Mr. Joseph, to approve payment of the benefits except for Patrick Ryan's member termination. In a voice vote, the motion passed unanimously.

BILLS:

Lazard	\$166,240.44
Vaughan Nelson	\$ 70,977.41
Boyd Watterson	\$ 52,149.00
Eagle	\$ 51,375.56
Agincourt	\$ 50,945.89
William Blair	\$ 50,652.28
Milliman	\$ 26,500.00
Rhumblin	\$ 17,209.00
Intech	\$ 12,486.28
Foster & Foster	\$ 2,250.00

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

**COMMENTS FROM PUBLIC/ INPUT FROM ACTIVE & RETIRED
POLICE OFFICERS & FIREFIGHTERS:**

Richard Schulz reported they held the annual retirees' meeting on February 6 and he and the vice president had been reelected. They were bringing on three new firefighters as board members. He stated the retirees' luncheon had been well attended.

Michael Dew thanked the Board for having Zoom meetings again, because it allowed him to attend.

Chair Rudominer said they were still working on getting the COLA portal working on the website.

**CAPTRUST:
Quarterly Investment Review**

Steve Schott and Andy Marino

Mr. Marino provided an update and said the equities numbers for the year had been fantastic. The bond market, which had been terrible last year, was still down. He noted how low the 10-year US Treasury notes were but said there had been a slight increase recently. He indicated volatility would return sooner or later to the market, bringing "lean years" so they must find ways to use capital other than the traditional bond markets. They had already lowered the overall maturity profile of fixed income and were identifying investments such as real estate and other areas that would do what bonds used to do, without being subject to the risk of rising interest rates.

Mr. Schott said they were getting a little more into alternatives, managing liquidity, and keeping fixed income shorter.

Mr. Hole asked Mr. Schott about Providence Equity Partners, and Ms. Wenguer said Providence had presented to the Board in October, but she had never received any documentation. Mr. Bayne had reviewed the minutes from when Providence presented and said the Board had made no motion to invest. Chair Rudominer wished Providence to make another presentation and Mr. Schott agreed to schedule it.

Mr. Klausner described his progress with the AgAmerica side letter. Regarding the fees, he said they had "budged" on the fees, including "a different price for invested versus committed."

Mr. Bayne asked Mr. Schott about alternatives if AgAmerica did not pan out and Mr. Schott stated they had several options. He agreed to bring some of these options to the Board next month.

Mr. Klausner said he had reviewed Providence funds for Miramar and come to an agreement with them on the side letter. If this was the same product, it could be a quick turnaround.

Mr. Schott referred to a letter indicting that Intech was leaving Janus. He said they had indicated they were retaining the same management team. Mr. Klausner said SEC rules required investors to consent when there was a change in ownership. He wanted to know the financial consequences and what would happen to the team that had been investing their money. He and Ms. Wenguer could review this with CAPTRUST and if there was nothing of consequence, Ms. Wenguer could sign.

Motion made by Mr. Hole, seconded by Mr. Bayne to sign the assignment in regard to Intech, after approval from the Board's attorney. In a voice vote, motion passed unanimously.

Motion made by Mr. Hole, seconded by Mr. Joseph to accept the 4.21% rate of return for the quarter ending 12/31/21. In a voice vote, motion passed unanimously.

ATTORNEY'S REPORT

Robert Klausner

Policy for Contribution Repayment

Mr. Klausner stated they had a form and a policy now. Mr. Hole said he had a number of suggested changes. He and Mr. Klausner discussed the proposed changes. Mr. Hole asked if the policy would be retroactive once the Board adopted it. Mr. Klausner said this was within the Board's discretion.

Mr. Hole, Ms. Wenguer and Mr. Klausner discussed the edits. Mr. Klausner agreed to make the agreed-upon edits and Ms. Wenguer would send the edited document to Board members and then bring it back for Board approval next month.

Mr. Klausner confirmed a member could pay off the balance owed in full after signing the agreement.

Patrick Ryan

Mr. Klausner recommended the Board approve the return of Mr. Ryan's contributions from the defined benefit plan and defer action on his application for Share distribution, pending further information. Mr. Bayne said he had worked with Mr. Ryan on his employee rights regarding this. Mr. Klausner advised Mr. Bayne to recuse himself from voting on this item and Mr. Bayne agreed. Mr. Klausner agreed to provide a conflict form.

Mr. Hole asked if they could defer without a policy and Mr. Klausner stated a deferral did not require a policy.

Mr. Bayne wanted to ensure Mr. Ryan was made aware of the Board's determination, as it may change his request; he may choose to remain in the plan. Mr. Klausner advised that Mr. Ryan would be informed in writing. He recommended freezing the value of his Share balance at the current amount.

Mr. Klausner reminded the Board that only if the criminal activity was connected to Mr. Ryan's job was forfeiture required.

Motion made by Mr. Joseph, seconded by Mr. Fortunato, to authorize return of Patrick Ryan's contributions for defined benefits, and to defer action on his application for Share distribution. Passed 6-0 with Mr. Bayne abstaining.

Executive Director's Contract

Mr. Klausner had distributed to Board members the suit he intended to file against the City. He had not provided a copy to Ms. Grant, Finance Director and ex-officio Board member, because that would preclude her from discussing the matter with anyone in the

City. Mr. Klausner stated after the suit was filed and a case number was assigned, the Board could hold a shade meeting.

Ordinance Re-write

Ms. Klausner said the ordinance was being reviewed at City Hall.

COMMUNICATION DIRECTOR'S REPORT

Fred Nesbitt

Mr. Nesbitt reported he would begin work on the annual report soon. He invited Board members' input.

EXECUTIVE DIRECTOR'S REPORT:

Trustee Education and Travel Policy

Ms. Wenguer stated she had added that the trustee must undergo online FPPTA training prior to attending any in-person training. The Board discussed alternate training, such as that offered by the State, and in-house training. Chair Rudominer asked Ms. Wenguer to find out if a trustee could take the pre-test without joining the program.

Ms. Wenguer said the City wanted them to move forward with a new payment system to process payments to retirees. The City had just converted Key Bank, so they could go with that or she could seek alternatives. They City had conducted extensive research, and she agreed to bring those quotes back to the Board.

Ms. Grant stated that after two payroll cycles, Key Bank had done very well with City payroll. Ms. Wenguer confirmed for Mr. Bayne that Key Bank would make a presentation to the Board before they made a decision.

Chair Rudominer reported the Fire Local 765 website was hosting the COLA document. Mr. Bayne would provide the link.

PENDING ITEMS:

New Business:

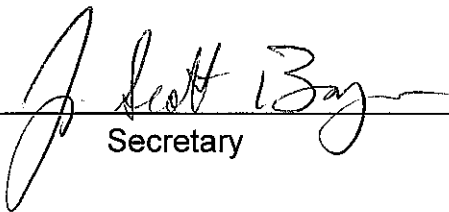
None

Old Business:

Schedule A

None

There being no further business to come before the Board at this time, the meeting was adjourned at 2:52 p.m.


Secretary


Chairman

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