

**POLICE AND FIREFIGHTERS' PENSION BOARD
REGULAR BOARD MEETING**

888 South Andrews Avenue, Suite 202

Fort Lauderdale, FL 33316

Wednesday, March 8, 2023, 12:30 PM

Board Members

Ken Rudominer, Chair P
Derek Joseph, Vice Chair P
Scott Bayne, Secretary P
Jeff Cameron, Trustee [via Microsoft Teams] P

Also Present

Richard Fortunato, Trustee P
Dennis Hole, Trustee P
Jim Naugle, Trustee P
Lynn Wenguer, Executive Director Kyle Campbell, CAPTRUST [by Microsoft Teams]
Alexandra Goyes, Deputy Director
Katherine Alvarez, Administrative Assistant Anna Klausner Parish, Board Attorney

ROLL CALL/CALL TO ORDER

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

MINUTES:

Regular Meeting: January 11, 2023, and February 8, 2023

Motion made by Mr. Joseph, seconded by Mr. Fortunato to approve the Minutes of the Board's January 11, 2023 meeting. In a voice vote, the motion passed unanimously.

Motion made by Mr. Hole, seconded by Mr. Fortunato to approve the Minutes of the Board's February 8, 2023 meeting. In a voice vote, the motion passed unanimously.

BENEFITS:

FIRE DEPT:

New Retiree:(DROP Termination):

Jorge L Moral
Dean Ferrerio
Julio M Garro

Member Termination:

Jillian Kenney

Retiree Death:

William J Mock

POLICE DEPT:

New Retiree:(DROP Termination):

Denis Kernodle
Steven Novak

Service Retirement:

William E Phillips

Vested Retirement:

Michael R. Williams

**DROP Retiree:
Member Termination:**

Steven Greenlaw
James M Wadsworth
Cooper Rice
Vladimir Saint-Amand
Aarianne Estrella

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

BILLS:	Aristotle	\$42,214.52
	Captrust	\$33,582.39
	Foster & Foster	\$6,950.00
	Foster & Foster	\$1,200.00
	Klausner, Kaufman	\$3,500.00
	Dr. Domingo Delgado-Garcia	\$1,500.00
	Klausner, Kaufman	\$1,050.00

Motion made by Mr. Joseph, seconded by Mr. Naugle, 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:**

None

**CAPTRUST:
Monthly Investment Review**

Kyle Campbell

Mr. Campbell provided the update. The market value of the portfolio at the end of February was approximately \$1,082,000,000. He anticipated higher interest rates would persist, leading to good returns from private income and alternative managers. The portfolio was yielding approximately 5%, which was positive considering recent volatility.

Mr. Campbell discussed the liquidity schedule he had prepared. He said they currently had approximately \$55 million earmarked to go out and they needed to determine if his was the correct time to invest more in private equity and/or in one vintage year.

Mr. Campbell confirmed that page three of the report was their current position. Chair Rudominer said this meant they had no room for another commitment now. Mr. Campbell agreed they had met their target allocation of \$45 million. He anticipated making another commitment at the end of the year or early next year. He recommended not investing further in the private equity asset class now. They could revisit this later in the year.

Mr. Fortunato does not like having 20% in bonds right now. He thought this was a time to take on some additional risk. Mr. Campbell said if they wished to reduce the amount in bonds, he would recommend increasing the amount in alternative credit, private credit,

or income-oriented real estate. He felt the current allocation with 20% in fixed income was fairly aggressive.

Ms. Wenguer had received a report that Entrust had sold and taken a \$1.1 million loss on the Peruvian bonds. Mr. Campbell agreed to get further clarification and provide the Board with CAPTRUST's assessment.

ATTORNEY'S REPORT

Anna Klausner Parish

Ms. Klausner said Pomerantz had recommended a new securities litigation case against Fate Therapeutics, from which the portfolio had taken a \$170,000 loss.

Motion made by Mr. Bayne, seconded by Mr. Joseph, to pursue litigation and file for lead litigant against Fate Therapeutics. In a voice vote, the motion passed unanimously.

COMMUNICATION DIRECTOR'S REPORT

Fred Nesbitt

Mr. Nesbitt was not present.

EXECUTIVE DIRECTOR'S REPORT:

Regarding her contract, Ms. Wenguer said the City had received an extension to March 6 to respond. The City had indicated it wanted to address this via amending the ordinance but Ms. Wenguer had objected because of the length of time this would take and it may not ever pass. Mr. Klausner had given the City an additional 10 days, until March 16 to respond.

Draft Summary Plan Description [SPD]

Ms. Wenguer stated they had added that collective bargaining was part of the SPD, and they had included the firms they had hired. They needed to add that benefits were now paid for through the Plan Administration, not the City.

Ms. Parish said the SPD must be updated every two years and all changes could be adopted with one motion.

Mr. Joseph said the union had been informed that someone had one year to buy back one year of prior service. Ms. Wenguer stated this was Board policy. She said there would be no harm to the Plan to extend the repayment period. Ms. Parish stated this could be included in the SPD if the Board wished. They could also choose to change the policy but not include it in the SPD.

Motion made by Mr. Joseph to change the policy to allow someone until they were eligible for retirement to pay for buying back service. Motion died for lack of a second.

Chair Rudominer favored making the SPD as general as possible. Mr. Hole saw no harm in including the buyback policy in the SPD. Ms. Parish suggested indicating in the SPD that the buyback would be in accordance with Board policy.

Ms. Wenguer said they had a policy document indicating all Board policies.

Mr. Bayne suggested simplification to the collective bargaining section. Ms. Wenguer said regarding vesting, the SPD stated the monthly benefit was payable commencing at age 50 or at normal retirement date, whichever came later, but the ordinance stated that anyone hired after 10/1/91 was eligible to collect at 47. She noted that this was part of the pending pension ordinance. Chair Rudominer stated they could publish the SPD because there was a disclaimer. Mr. Bayne suggested noting that this was part of the ordinance, which was still under review by the City.

Ms. Wenguer printed and distributed copies of the pertinent current ordinance sections for the Board and Ms. Parish to review and discuss. Mr. Bayne noted that the SPD reflected section 4 of the current ordinance.

Motion made by Mr. Bayne, seconded by Mr. Joseph, that the SPD will indicate that vested, deferred retirement benefits are paid as of age 47, for those with 10 or more years of creditable service, in accordance with existing ordinance Section E4. In a voice vote, the motion passed unanimously.

Mr. Hole asked about the taxability of the part of a service-incurred disability that was larger than 65% and Ms. Wenguer said they did not want to include tax information in the SPD.

Ms. Wenguer said she would change the language regarding separation/termination to one "must" apply no more than 30 days after the date of termination.

Under service-connected catastrophic disability for firefighters, Ms. Wenguer would remove the statement that anyone receiving that benefit would not be required to continue to make contributions toward or be eligible for normal retirement.

Mr. Hole asked if they should include the actuary costs in the SPD. Ms. Wenguer said no one had complained about the actuary costs for any recalculations. Chair Rudominer said the SPD could state that the beneficiary may be changed at the member's cost. Mr. Hole wanted to indicate that any actuarial or legal services may be subject to a fee.

Ms. Wenguer discussed the progress of the audit.

Payroll

Ms. Wenguer said payroll was going well, everyone was getting paid and there were no garnishment issues.

PENDING ITEMS:

New Business:

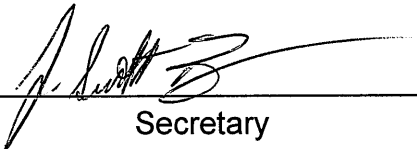
A motion was made by Mr. Joseph, seconded by Mr. Bayne, to change the policy to indicate that a member would have until their time of separation to pay for a buyback. Payments must be made in continuing, equal, recurring payments and any break in payment would require the rate to be recalculated.

The Board agreed to table the motion.

Old Business:

Schedule A

There being no further business to come before the Board at this time, the meeting was adjourned at 2:12 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.