



**POLICE AND FIREFIGHTERS' PENSION BOARD
REGULAR BOARD MEETING
888 South Andrews Avenue, Suite 202
Fort Lauderdale, FL 33316
Wednesday, March 13, 2024, 12:30 PM**

Board Members

Ken Rudominer, Chair	P
Derek Joseph, Vice Chair	P
Scott Bayne, Secretary [until 2:15]	P
Jeff Cameron, Trustee	A
Richard Fortunato, Trustee	P
Dennis Hole, Trustee	P
Jim Naugle, Trustee	P

Also Present

Lynn Wenguer, Executive Director	Spencer Witherspoon
Alexandra Goyes, Deputy Director	Kyle Campbell, CAPTRUST
Robert Klausner, Board Attorney, via Microsoft Teams	Paul Vanden Berge, Deputy Director-Finance
Robert Bacic, Deputy Chief – Fire Rescue	Cary Scaglione, Howard Brezak, Miguel Hidalgo: Mission Square
Scott Mosely, President of the FOP	Greg Miller, Amy Heyel, David Allen, and Felicia Winston: Corebridge Financial
Scott Hoffer, Vice-President of the FOP	

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 10, 2024

Special Meeting: January 23, 2024

Regular Meeting: February 14, 2024

Ms. Wenguer said January 10, 2024 still required corrections.

Motion made by Mr. Hole, seconded by Mr. Bayne to approve the Minutes of the Board's special January 23, 2023 and regular February 14, 2023 meetings. In a voice vote, motion passed unanimously.

NEW HIRES:

Chair Rudominer welcomed the new hires.

BENEFITS:

FIRE DEPT:	New Retiree:(DROP Termination):	Stephen L. Rogers Richard Thorpe Paul R Gilbert Jr Oscar Longworth Bella Dorleus Harry Wood
	DROP Retiree:	
	Member Termination:	
	Retiree Death:	
POLICE DEPT:	New Retiree:(DROP Termination):	Rick J Maglione
	New Retiree: (Service Retirement):	Patrick K Thompson
		New Beneficiary:
	Gail Smith	Oliver Quintero
	Member Termination:	Henry Wiggins
		Patricia A Bransfield
	Survivor Death:	Joyce Reeves

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

BILLS:

Aristotle	\$50,895.26
Captrust	\$36,267.79
Foster & Foster	\$6,354.00
Klausner, Kaufman	\$3,500.00
Klausner, Kaufman	\$1,971.50
Marcum	\$1,580.00

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

Ms. Wenguer asked about the buyback grid and said this would be best left to discuss with a member who came into the office. Distributing it without an explanation would just cause confusion.

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

None

CAPTRUST:

Quarterly Investment Review

Kyle Campbell

Mr. Campbell stated the asset balance was currently \$1,186,862,000. Markets continued to be strong for the year, particularly the large cap and growth stocks. After hearing from the two private equity managers today, Mr. Campbell recommended hearing from one or

two other managers at the next meeting who would be a competitor to Winslow: LLR and/or Virtus.

Chair Rudominer reported he was determining a better way to evaluate consultants and asked Mr. Campbell to explain performance metrics at the next quarterly review.

Ms. Wenguer said they needed to raise \$15 million to \$20 million, and Mr. Campbell recommended taking some from William Blair, which was up 50% in the last twelve months, as this would balance the equity side of the portfolio.

Chair Rudominer asked if any of their current managers had a publicly traded mutual fund they could offer for the self-directed DROP. Mr. Campbell said they intended to make the selections simple and low-cost.

Updated Investment Policy Statement

Ms. Wenguer said Mr. Schott had not spoken with Mr. Klausner so this item was being tabled.

SELF DIRECTED DROP PRESENTATIONS

Mission Square:

Cary Scaglione, Howard Brezak, Miguel Hidalgo

The group provided a Power Point presentation, a copy of which is attached to these minutes for the public record. Mr. Scaglione said ICMA was a completely separate entity.

Mr. Bayne noted they did not know how many participants there would be, and Mr. Scaglione said that did not matter. There was discussion regarding members who already had a 457 account who would also have a separate DROP account.

Mr. Fortunato asked who decided which funds would be included and Mr. Klausner said there would be a curated number of funds so the Board and CAPTRUST could manage due diligence. Mr. Hidalgo stated one thing that set Mission Square apart was that any member with \$100,000 or more with Mission Square could receive the services of a Morningstar Certified Financial Planner for free. Mr. Campbell differentiated between Plan-level fiduciaries versus participant-level fiduciaries.

Mr. Scaglione said it would take less than 30 days to set everything up. He confirmed that the number of participants at the start would not affect the fees. He stated they were considering the existing 457 and 401K assets already on deposit with Mission Square to offer lower fees. The fee would be 15 basis points and if a member wanted to hand over management of their DROP account, the first \$100,000 would be 50 basis points; the next \$200,000 would be 40 basis points; the next \$200,000 would be 30 basis points.

Mr. Klausner said the Plan would pay the 15 basis points and any additional fees would be paid by the member.

Scott Mosely, President of the FOP, thought 15 basis points was very reasonable. He would like to see the Fidelity S&P 500 Fund offered because it had no fee. Mr. Campbell agreed to get the options from Mission Square and he would compile a list.

Corebridge Financial:

Greg Miller, Amy Heyel, David Allen, and Felicia Winston

The team provided a presentation, a copy of which is attached to these minutes for the public record.

Mr. Miller said their goal was to set this up, so the Plan had no day-to-day responsibility other than to send the money and the set-up files. He said participants would see performance in their own accounts. The Plan would not get a report of individual returns. Mr. Klausner said if someone made a public records request for a particular person, the information would be made public, with certain redactions. The Plan would see aggregate-level information.

Mr. Hole asked about Corebridge's relationship with AIG and Blackstone and Ms. Heyel explained that they had an outsourced investment management structure with Blackstone and BlackRock; Blackstone did the private structured investments and BlackRock did the public. Mr. Miller said in 2022, Corebridge Financial had its IPO, splitting it away from AIG.

Mr. Bayne asked about fees and Mr. Miller referred to the plan pricing and said participants bore the fees. Ms. Heyel said the 12-basis point fee was typically taken out of participants' accounts, but the Plan sponsor could also pay it.

Mr. Bayne asked if the fees were negotiable, and Mr. Miller said they could reconsider the fees after one or two years and they knew how many participants there would be. He said they assumed in year one there would be \$4 million in contributions. Mr. Miller stated in addition to the administrative fee, different investment options had different management expenses. Mr. Miller said the setup process would take approximately eight weeks.

Mr. Miller said they had 13,000 funds available, but CAPTRUST would select a subset from which participants could choose.

Mr. Bayne left the meeting at 2:15.

Chair Rudominer said they should consider which option would be better and more user-friendly for staff and for users. Mr. Campbell said Corebridge had slightly more user-friendly pricing. Mr. Mosely thought it would be fair for members to pay the fees once they left the Plan but when they were in the DROP Plan, the Plan should pay the fees.

Mr. Hole thought Mission Square had better service and a better website. Mr. Campbell said CAPTRUST had more assets with Mission Square. He said both Mission Square

and Corebridge did a good job and provided open architecture, but Mission Square's fees were a bit more competitive.

Mr. Mosely said they already had an idea of the funds they wanted to include, and fees were their biggest concern.

Mr. Klausner said he would work with Mr. Campbell on the curated list that would include index funds, target date funds and active managers.

Motion made by Mr. Hole, seconded by Mr. Joseph, to contract with Mission Square to run the Police Officers' self-directed DROP, subject to approval of the contract by the Board's attorney. In a roll call vote, motion passed 4-1 with Mr. Naugle opposed.

ATTORNEY'S REPORT

Robert Klausner

Investment Policy Statement

Tabled earlier.

Xponential Fitness

Mr. Klausner said Xponential Fitness had been accused of improper tactics by franchisees. West Palm Beach Police were moving forward, and Fort Lauderdale had a loss of approximately \$100,000. He had examined the case, which he believed had merit, and recommended proceeding.

Motion made by Mr. Hole, seconded by Mr. Fortunato, to join the suit against Xponential Fitness. In a voice vote, motion passed 5-0.

Mr. Klausner had determined that Paul Ryan's criminal case was still pending, and this could be a forfeitable offense so until the nexus was resolved, the money should be left where it was.

COMMUNICATION DIRECTOR'S REPORT

Fred Nesbitt

Mr. Nesbitt was not present.

EXECUTIVE DIRECTOR'S REPORT:

Mr. Hole asked for an update on the verifications. Ms. Wenguer said they were sending the certified letters this month.

Self-Directed DROP

Discussed earlier.

Retirement Seminar

Ms. Wenguer said Holiday Park could only offer space for 50 people. Mr. Naugle suggested Parker Playhouse or the Performing Arts Center. Ms. Wenguer said if they cut out General Employees, they could use Holiday Park. Board members agreed on September 27.

Ms. Wenguer said they were working furiously on the reports for the auditors. The city still had not provided the payroll information.

PENDING ITEMS:

New Business:

None

Old Business:

Schedule A

There being no further business to come before the Board at this time, the meeting was adjourned at 3:07 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.