

**POLICE AND FIREFIGHTERS' PENSION BOARD
REGULAR BOARD MEETING
888 South Andrews Avenue, Suite 202
Fort Lauderdale, FL 33316
Wednesday, November 20, 2024, 12:30 PM**

Board Members

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

Also Present

Lynn Wenguer, Executive Director
Alexandra Goyes, Deputy Director
Stuart Kaufman, Board Attorney
Mark Eisner, Janna Hamilton, Eric Wilcomes,
Kevin Campbell, Taurus
John Frady, Boyd Watterson
Scott Moseley, FOP President
Kyle Campbell, CAPTRUST
Paul Vande Berge, Deputy Director-Finance
Linda Short, Finance Director
Stephanie Smith

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: October 16, 2024

Motion made by Mr. Naugle, seconded by Mr. Hole to approve the Minutes of the Board's October 16, 2024 meeting. In a voice vote, motion passed unanimously.

NEW HIRES:

Chair Rudominer welcomed the new hires.

BENEFITS:

FIRE DEPT:	New Retiree:(DROP Termination):	Michael Giovanetti Shawn Grogan
	Retiree Death:	J.R. Conley
POLICE DEPT:	New Retiree:(DROP Termination):	Shane Calvey
	DROP Retiree:	Angel Lebron Sabrina Byer Lorette Innocent-Doles

New Beneficiary:	Jacqueline Schueler Sandra D Holt
Member Termination:	Ivan Pena
Beneficiary Death:	Sally McFadden

Chair Rudominer noted the difference in language used and Ms. Wenguer explained why and noted some corrections.

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

BILLS:

Lazard	\$163,523.59
Waycross	\$117,416.13
Vaughan Nelson	\$85,775.92
William Blair	\$68,924.18
Westfield	\$58,900.26
Boyd Watterson	\$46,920.00
Agincourt	\$44,984.33
Chatham	\$22,594.74
AON	\$16,350.89
Rhumblin	\$14,962.00
Klausner, Kaufman	\$3,500.00
Milliman	\$1,975.00

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

On the asset board, Chair Rudominer asked about the transfer to Mission Square and Ms. Wenguer said she could provide a report every month on how much was being transferred. She agreed to display a line item of money in the self-directed DROP on the asset board.

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

None

CAPTRUST:

Kyle Campbell

Quarterly Investment Review:

Mr. Campbell provided an update, stating they had 94% of the data. Investment gains totaled \$175.6 million, and the portfolio ended the fiscal year at \$1,229,963,415 with a 17% return for the fiscal year [per the current reporting].

John Frady, Boyd Watterson Director of Institutional Strategy, reported their parent company had acquired Amber Infrastructure Group based in the UK, managing \$17 billion

in infrastructure across the globe. He said the Plan's investments would not be affected by this. Mr. Campbell agreed this would have no impact and he recommended approval.

Boyd Watterson Positive Consent

Motion made by Mr. Bayne, seconded by Mr. Joseph, to consent to Titanium Asset Management Corp.'s acquisition of Amber Infrastructure Group. In a voice vote, motion passed unanimously.

Mr. Frady discussed the impact interest rates had on fixed income [positive] and real estate [negative]. He pointed out that the ODCE index had dropped 30% since its peak but Boyd Watterson had dropped a fraction of that because their properties were stable. Moving into 2025, he anticipated they would get back to the expected rates of return. If rates went as he anticipated, he expected real estate would benefit.

Chair Rudominer asked Mr. Frady how he expected the Department of Government Efficiency to affect GSA spending. Mr. Frady said they were in communication with the Trump transition team, and they wanted people to be physically present in an office five days a week. He said there were hundreds of millions of dollars' worth of deferred maintenance on government-owned buildings in Washington and the incoming administration wanted to sell those buildings for private redevelopment and move federal employees to leased space, which would be "incredibly good" for Boyd Watterson's strategy and the GSA fund in particular. He noted that existing leases could not just be cancelled.

TAURUS PRIVATE MARKETS:

Mark Eisner, Janna Hamilton, Eric Wilcomes, Kevin Campbell

Private Market Fund II Update

Kevin Campbell provided an update on the Private Markets Fund II, in which the Plan was invested. Returns were approximately 12% for the third quarter. He noted that every quarter, they had beaten the reporting deadline by at least 15 days. Mr. Campbell described how the fund invested in other funds and noted they only invested in North American managers, with 85% in primary funds and 15% in co-investments. 80% were leveraged buyouts, 10% were venture capital, and 10% were private credit.

Mr. Wilcomes said Fund II had returned 12% for the quarter ending September 30. He stated Fund II was currently 61% committed. He said they would make the full commitment from Fund II prior to starting to make commitments for Fund III. Mr. Campbell discussed how much they wanted to raise and invest in each fund. Mr. Wilcomes said they would add staff as they had more to manage. Mr. Campbell stated the funds never competed with each other. Mr. Campbell and Mr. Wilcomes discussed four companies in Fund II. Mr. Campbell said approximately 60-70% of companies they invest with were those they had invested with before.

Mr. Campbell described Fund III, which had the same basic structure and terms as Fund II. Mr. Wilcomes said they offered a "first close investor" fee break of no fees for the last

two years, reducing the usual 50 basis points to 45 basis points. He said there may be an opportunity to bring the fee down even more.

Mr. Wilcomes said their annual meeting would be at The Boca Raton Hotel & Spa on December 10 and 11 and invited Board members and staff to attend.

Taurus representatives left the meeting.

Kyle Campbell said markets had been positive since the election. Mr. Hole asked how less regulation would affect private credit and Mr. Campbell said deregulation was good in theory for the banking industry.

Regarding Taurus, Mr. Campbell said they had done a very good job and recommended investing in Fund III, which would open up in March or April 2025. He thought this was a good early strategy for their private equity program. Chair Rudominer assumed they would invest \$20 million with Fund III, as they had for Fund II.

Chair Rudominer suggested waiting to approve the rate of return until they had a "100% clean result." Mr. Campbell stated they could adopt a preliminary rate of return with a 10% holdback, to be adjusted later. Mr. Kaufman said other organizations had an 80/20 holdback rule of 90/10 and recalled that Klausner, Kaufman had been tasked with drafting an administrative rule to that effect.

Mr. Campbell returned to the CAPTRUST update. and said in the last quarter, the portfolio had an investment gain of \$52.3 million, \$175.6 million for the fiscal year-to-date. He reported most managers were meeting or exceeding benchmarks; real estate had been the drag on the portfolio for the past couple of years.

Regarding GQG, Mr. Kaufman said they had sent the revisions and were waiting to hear from them.

Mr. Campbell said they had a letter to Mission Square and once they had authorization from them, the Board would receive a report with Mission Square assets with the fund menu and fiduciary scoring as part of the quarterly return packet.

Ms. Wenguer said they had not communicated to members already terminating that they were initiating a holdback, and they would be taken off guard by having 10% held back. She said Share statements were based on the Plan rate of return and were behind. They still had not adopted a third quarter rate of return of -0.26%.

Motion made by Mr. Joseph, seconded by Mr. Hole, to adopt the third quarter rate of return of -0.26%. In a voice vote, motion passed 7-0.

Board members, Ms. Short, and Mr. Kaufman discussed when to adopt the fourth quarter rate and the holdback. Mr. Kaufman said there was a greater chance of litigation if they adopted a preliminary rate of return and instituted a holdback.

Motion made by Mr. Hole to adopt a 4.46% rate of return for the fourth quarter of the fiscal year. Motion died for lack of a second.

ATTORNEY'S REPORT

Stuart Kaufman

Marcum Engagement Letter

Mr. Kaufman stated they had made revisions and Ms. Wenguer had the letter.

Saxena White/Acadia Health Care

Mr. Kaufman said the Plan had suffered a loss of \$173,337 and Saxena White had not seen any other institutional investor that had suffered a greater loss and therefore wanted the Plan to be lead plaintiff.

Motion made by Mr. Hole, seconded by Mr. Bayne, to recommend filing a motion for lead plaintiff status in the Acadia Healthcare Company case. In a voice, motion passed 7-0.

Ordinance Re-write

Mr. Kaufman said Mr. Klausner was still awaiting a meeting invitation from the City Manager.

Ms. Wenguer's Contract

Ms. Short said the Board needed to finalize an agreement with Ms. Wenguer for her to buy back her time. Ms. Short also needed a new actuarial report. This must be completed by March 31, 2025.

COMMUNICATION DIRECTOR'S REPORT

Fred Nesbitt

Mr. Nesbitt was not present.

EXECUTIVE DIRECTOR'S REPORT:

Trustee Election

Term Expiration of the 7th Member

Ms. Wenguer said there was one applicant for the 7th seat, Mr. Hole.

Investment Seminar

Ms. Wenguer said the seminar was scheduled for January 9, with the dinner on January 8.

Retirement Seminar

Ms. Wenguer said this had been rescheduled to January 24 at the Tower 101 building conference room.

Self-Directed DROP

Ms. Wenguer said it had been very busy, and \$7.3 million would be transferred over. The monthly deposit in December would be \$335,000. So far, 41 people have enrolled. The Board discussed the monthly reporting on the self-directed DROP distributions.

PENDING ITEMS:

New Business:

None

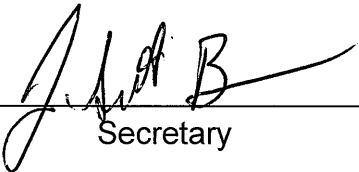
Old Business:

Mr. Vande Berge reported in a week or so they would have a production site for the new software. Ms. Wenguer said this did not include changes from the recent collective bargaining agreements.

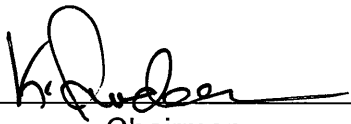
Ms. Short intended to ask about using estimates for the final numbers to expedite the financial reports. Mr. Naugle suggested they note CAPTRUST's estimate with an asterisk signaling it was an estimate.

Schedule A

There being no further business to come before the Board at this time, the meeting was adjourned at 2:37 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.