

**POLICE AND FIREFIGHTERS' PENSION BOARD
REGULAR BOARD MEETING
888 South Andrews Avenue, Suite 202
Fort Lauderdale, FL 33316
Wednesday, July 9, 2025, 12:30 PM**

Communication to the City Commission

1. The Trustees reviewed and approved the Actuarial Valuation as of October 1, 2024.
2. The Trustees reviewed and approved the Financial Audit as of September 30, 2024.

Board Members

Ken Rudominer, Chair	P
Derek Joseph, Vice Chair	P
Scott Bayne, Secretary [via Teams]	P
Jeff Cameron, Trustee	P
Scott Moseley, Trustee	P
Dennis Hole, Trustee	P
John Morale, Trustee	P
Lynn Wenguer, Executive Director	
Paul Vanden Berge, Deputy Director- Finance	
Fred Nesbitt, Communications Director	
Alexandra Goyes, Deputy Director	
Tanisia Miranda, Senior Administrative Assistant	
Linda Short, Finance Director	
Kyle Campbell, CAPTRUST	
Lindsey Garber, Board Attorney	
Robert Klausner, Board Attorney	

Also Present

Fire Chief Robert Bacic
Brad Heinrichs, actuary, Foster & Foster
Christopher Carita, Police Officer
Freddy Perera Esq., Perera Law Group
Denia Billingsley, Police Department
Human Resources
Keith Costa, President IAFF
Hermes Garzon, CBIZ CPAs Inc. [via
Teams]
Devin Carter, City Controller

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: June 11, 2025

Motion made by Mr. Moseley, seconded by Mr. Hole to approve the minutes of the Board's June 11, 2025 meeting. Motion passed unanimously.

NEW HIRES:

Chair Rudominer welcomed the new hires.

BENEFITS:

FIRE DEPT: **New Retiree:(DROP Termination):** Walter C. Dietz
 DROP Retiree: Ryan D. Gentilcore

POLICE DEPT: **New Retiree:(DROP Termination):** Wesley C. Taylor
 Self-Directed DROP Retiree: Kerri Hagerty
 Robert Macku
 Thomas L. Stenger

Motion made by Mr. Joseph, seconded by Mr. Hole, to approve payment of the benefits as stated. Motion passed unanimously.

BILLS:

CAPTRUST	\$36,194.29
Milliman	\$10,050.00
Dr. Cornel J. Lupu	\$6,300.00
CAPTRUST	\$3,750.00

Motion made by Mr. Moseley, seconded by Mr. Joseph, to approve payment of the bills as presented. Motion passed unanimously.

Service Incurred Disability Hearing: (under separate cover) Christopher Carita

Mr. Klausner had provided a memo summarizing the medical evidence. He said Mr. Carita had been examined by a number of physicians, and Mr. Klausner stated Dr. Goldschmidt, a psychiatrist, had concluded that there was no objective, Workers Comp related causal relationship between his current complaints and PTSD and there were no work-related psychiatric limitations preventing his return to his work. Dr. Kaplan had opined that Mr. Carita met the Diagnostic and Statistical Manual of Mental Disorders V criteria relating to PTSD. Dr. Kaplan said Mr. Carita had not reached Maximum Medical Improvement [MMI] and would benefit from additional mental health care, meaning the disability was not permanent.

Mr. Klausner reminded the Board that the applicant must prove three things: that the disability was service connected; was permanent and was total. He noted that if the city fired someone for non-performance, it satisfied the "total" requirement.

Mr. Klausner continued that Dr. Edison had also concluded that Mr. Carita had PTSD and Major Depressive Disorder and was in partial remission. He believed Mr. Carita had permanent impairment with a guarded prognosis but had not reached MMI and would benefit from additional treatment. Dr. Lupu had opined that Mr. Carita was totally incapacitated and it could be PTSD or "Burnout," which he did not define. Dr. Lupu thought Mr. Carita was capable of performing sedentary work, which the city did not provide for Police Officers. Dr. Lupu also thought Mr. Carita had not attained MMI, that his condition appeared to be consistent with incidents that occurred in the line of duty, and that his PTSD may have occurred on a background of mental health issues dating to high school.

Mr. Klausner said the Board members must judge, since the doctors' opinions were conflicting. He informed the Board that Mr. Carita had brought a civil action against the city for discrimination under the Florida Civil Rights Act, the State equivalent of the Federal Americans with Disabilities Act. Mr. Klausner noted that the Supreme Court had recently ruled that one could not be qualified *and* totally and permanently disabled.

Freddy Perrera, Mr. Carita's attorney, disagreed regarding the conflict between Mr. Carita's lawsuit and application for a disability pension, noting that the City's attorney had brought this up and made a motion to dismiss but the judge had denied the request. Mr. Perrera noted Mr. Carita's lawsuit related to a particular point in time when accommodation could have been granted by the city. He described the events and how Mr. Carita's condition had changed over time and how the City had reacted, eventually putting Mr. Carita back on patrol, which had resulted in adverse mental health reactions.

Mr. Perrera said the only doctor who had seen Mr. Carita multiple times had determined he had PTSD. He stated it was virtually impossible to say how much one could improve with treatment from PTSD. Mr. Perera stated the Board should determine if Mr. Carita could likely offer continuous useful and efficient service as a Police Officer. He noted that Dr. Lupu had judged whether Mr. Carita had PTSD by using the definition of PTSD from Wikipedia. Mr. Perera then discussed possible PTSD-inducing scenarios that were included in the Statute.

Mr. Perera informed Chair Rudominer that Mr. Carita had done well when he was in TRU but once the city rejected his request for accommodation and put him back on patrol, he had suffered other exacerbating events and was no longer able to work as a Police Officer.

Mr. Klausner discussed the difference between a Local Law Service-Incurred Disability and a Chapter 175/185 disability. He said the Board did not need to focus on the medical diagnosis of PTSD because they were not seeking to apply the presumption.

Motion made by Mr. Hole, seconded by Mr. Joseph, to deny the application for a disability pension because it does not meet the criteria for being service connected, permanent and total.

Board members discussed the criteria. Denia Billingsley, Police Department Human Resources, explained that if Mr. Carita was denied the disability pension, the city would put him back on patrol and if he made a request for accommodation the city would consider it. Mr. Klausner described the process if the Board denied the disability pension at this informal hearing: The request would be presented at a formal hearing, with another attorney advocating for the Board and there would be more presentation and cross examination. Mr. Klausner said if the Board wishes for more information, they could table their existing motion to request it. If they denied the request, this would go to a formal hearing.

Motion to deny passed 4-3 with Mr. Cameron, Mr. Moseley and Chair Rudominer opposed.

At 1:46 PM, the Board took a brief break.

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

None

2024 Actuarial Valuation

Brad Heinrichs, actuary
Foster & Foster

Mr. Heinrichs described how they compiled the valuation report every year as of October 1. He noted they went through an experience study every five years to determine if there should be changes to the assumptions they used in the valuation report. The last experience study had been conducted in 2020, and Mr. Heinrichs indicated it was time for a new one.

Mr. Heinrichs discussed the increase in the City's contribution over last year, noting the increase expressed as a percentage of payroll was 2%. The reason was that this year there were 64 new active members. There was also been a substantial increase in salaries last year, more than they had assumed. The assumed rate of return was 7%, just shy of their assumed 7.15%. The funded ratio had fallen but was still 88.1%, which he stated was in the top 20% of public plans in the state of Florida. Relative to their assumptions, this year they experienced a \$29 million loss, which would add \$4.2 million per year to the City's contribution. The biggest component of this loss was the salary increases.

Mr. Heinrichs confirmed they had been reducing the Assumed Rate of Return over a period of time, and their ultimate goal was 7.0%. He reviewed gains versus losses for the last five years. and advised the Board to work with the city regarding contribution volatility and stated perhaps more of the Plan portfolio should be in performing assets.

Motion made by Mr. Hole, seconded by Mr. Moseley to adopt the Valuation Report and the assumptions recommended by the actuary. Motion passed unanimously.

Motion made by Mr. Hole seconded by Mr. Joseph to approve an Experience Study at a cost of not more than \$25,000 to conform with Florida statute requirements and actuarial standards of practice. Motion passed unanimously.

Chair Rudominer wished to move up the Valuation Report to March. Mr. Heinrichs said he and Ms. Wenguer would need to discuss with the city what it would take to make that possible. Ms. Wenguer said she and Mr. Vanden Berge Were working on a schedule so they could create a timeline and get their portion done earlier in the year.

2024 AUDITED FINANCIAL STATEMENTS

Moises Ariza, Hermes Garzon

CBIZ CPAs Inc.

Mr. Garzon said Marcum LLP had been purchased by CBIZ CPAs Inc. and they were now the seventh largest accounting firm in the United States. He provided a presentation on the financial statements.

Ms. Wenguer asked how the self-directed DROP funds would be reflected in the reports. Mr. Garzon said those assets would no longer be Plan assets so they would be removed from the investment balance, with a footnote stating the amount and that they were not part of the investment balance. There would also be a disclosure footnote indicating the self-directed DROP balance and the fact that it had been removed from the investment balance. Chair Rudominer wondered how this would affect the Plan's annual rate of return if they were contributing \$700,000 per month to the self-directed DROP. Mr. Klausner stated they did not have enough history to determine the impact. Ms. Short said this would affect their available cash. She explained they could do a book entry in a memo fund to account for it at the end of the year. Mr. Garzon said once the DROP payments were made they were no longer assets held on the balance sheet. Ms. Wenguer said It would show up on the deductions under "Benefits Paid."

Chair Rudominer discussed the late reporting from some managers and noted that some reports used "net asset value" based on a time certain date. He asked if Mr. Garzon would be comfortable using whatever a manager reported at that date instead of the most current number. Mr. Garzon stated the auditors sent out confirmations for the market value of investments as of September 30 to managers and this was the best source of information they could rely on. He confirmed that this satisfied the auditors' needs. Ms. Short pointed out that 24% of the Plan's investments were in alternatives and asked if this affected audit testing. Mr. Garzon said this would not create a material audit finding if the information was not readily available; they were required to use the most readily available information. He noted that this all would be self-correct.

Motion by Mr. Joseph, second by Mr. Hole to adopt the draft, authorize the issuance of the final report, and transmit it to the city. Motion passed unanimously.

CAPTRUST:

Monthly Investment Review:

Kyle Campbell

Mr. Campbell said they had ended the quarter at an all-time high return for the S&P 500 and NASDAQ. The S&P 500 was up approximately 11%, small caps were up 8.5%, internationals were up double digits. Preliminarily, the fund was up 4.5% for the quarter. He also anticipated positive returns in private real estate.

Mr. Morale asked for a comparison of this Plan to others of the same relative size nationally and Mr. Campbell agreed to research this.

Mr. Campbell said CAPTRUST had a call with Capital Dynamics coming up next week and he would report back to the Board.

Mr. Cameron left the meeting at 3:29.

ATTORNEY'S REPORT

Robert Klausner
and Lindsey Garber

Ms. Garber discussed changes to the Administrative Rule they had discussed at the previous meeting. She had also let Mission Square know they must abide by these provisions as well.

Motion made by Mr. Moseley, seconded by Mr. Hole to approve the changes to the Administrative Rule. Motion passed unanimously.

The changes are related to transition of the account upon separation.

Northern Trust-Class Action Services Proposal

Mr. Klausner said Northern Trust would change how they charged for class action recovery; as of October, it would be 5% for passive and 8% for active.

Motion made by Mr. Hole, seconded by Mr. Joseph to sign the agreement with Northern Trust with the new fees for filing recovery claims. Motion passed unanimously.

Mr. Klausner said the State Legislature had added a provision in 215.4725 that plans must divest from any company that boycotted Israel. This did not apply to passive investments, only public markets. Mr. Campbell stated he would inform their current active managers.

COMMUNICATION DIRECTOR'S REPORT

Fred Nesbitt

Mr. Nesbitt had nothing to report.

EXECUTIVE DIRECTOR'S REPORT:

Ms. Wenguer reported Tanisia had started work and was training.

Ms. Wenguer said they had an approved State report. She and Mr. Vanden Berge were working on deadlines for information they needed.

PENDING ITEMS:

New Business:

None

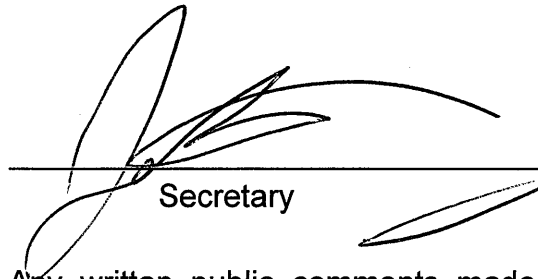
Old Business: Schedule A

There being no further business to come before the Board at this time, the meeting was adjourned at 3:39 p.m.

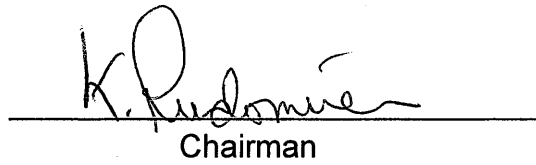
Police and Firefighters' Pension Board of Trustees

July 9, 2025

Page 7



Secretary



Chairman

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