

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

Communication to the City Commission

1. The trustees approved the updated returns of 10.03% for the year and 4.4% for the quarter.

Board Members

Ken Rudominer, Chair	P
Derek Joseph, Vice Chair	P
Scott Bayne, Secretary	P
Jeff Cameron, Trustee	A
Scott Moseley, Trustee	P
Dennis Hole, Trustee	P
John Morale, Trustee	P

Also Present

Lynn Wenguer, Executive Director	Kyle Campbell and Steve Schott, CAPTRUST
Paul Vanden Berge, Deputy Director-Finance	David Makowski, Ag America [by phone]
Alexandra Goyes, Deputy Director	Keith Costa, President, IAFF
Stuart Kaufman, Board Attorney	
Aaron Kendrick, Deputy Director of Finance	

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.

Election Results

Ms. Wenguer reported Mr. Joseph had retained his seat in a 259-138 vote. Keith Costa won 186-140.

Mr. Hole thanked Mr. Bayne for his 15 years of service on the Board. Mr. Hole said he looked forward to working with Mr. Costa.

NEW HIRES:

Chair Rudominer welcomed the new hires.

MINUTES:

Regular Meeting: November 5, 2025

Mr. Hole noted changes to the minutes.

Motion made by Mr. Joseph, seconded by Mr. Hole to approve the minutes of the Board's November 5, 2025 meeting as amended. Motion passed unanimously.

BENEFITS:

FIRE DEPT: DROP Retiree:

Member Termination:

Karl Petersen
Steven Gamboa
Joseph Mabjeesh-Lewis
Robert Chirino
John Bernal Cabrera
Kyle Pierre-Louis
Justin Pujol
Michael Flavin
Andres Herrera
Victor Luquis
Dyland Peritz
Donald E. Gauntner
Edward D. Stewart
Matthew R. Mocerri
Jonathan Bohm
Dorothy Eipper

POLICE DEPT: New Retiree:(DROP Termination):

New Retiree: (SDD Termination)

Self-Directed DROP Retiree:

Survivor Death:

Chair Rudominer noted some of the Fire Department payouts were outdated. Ms. Wenguer said she was aware of this and had reminded the Fire Department to send notices of termination. Chair Rudominer said some numbers did not add up and Ms. Wenguer agreed to look into it.

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

BILLS:

Aon	\$17,134.65
Klausner, Kaufman	\$3,500.00

Mr. Hole referred to the attorney's bill and asked about a possible litigation and/or repayment situation. Ms. Wenguer said a retiree's beneficiary had passed away but the pension office had not been notified. After approximately four months, the bank notified the office that the remittance was being returned. The beneficiary's son had indicated he needed the money to pay the beneficiary's bills. The son had not returned the money, and Mr. Kaufman had sent a letter to recover the funds, and they had a claim in. Mr. Kaufman agreed to follow up with the estate. He said if this came to litigation in the future, the attorney's fees would be based on the hourly structure.

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

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

None

**INVESTMENT MANAGER REVIEW:
AgAmerica Lending Fund LLC**

David Makowski

Chair Rudominer said the Board had noted AgAmerica's underperformance and were now aware of litigation. Mr. Kaufman explained that AgAmerica had filed suit against numerous parties regarding fraudulent misrepresentations about loans to a coffee plantation in Hawaii. Mr. Klausner had suggested they could hire their own expert if they did not receive sufficient answers. Ms. Wenguer said the Plan had invested with AgAmerica in May 2022 and the allegations dated prior to that, and they may want to look at the presentations made to the Board to determine if they had failed to disclose this at the time. Mr. Campbell said this had been a performing loan until recently when they were given the property back by the Michigan Employees Retirement System [MERS]. He explained that MERS originally owned the land via direct deals but had later hired private equity agriculture-based managers to take over. He said AgAmerica had posted a positive quarter this quarter and it was anticipated that as they paid down their debt, this would continue. He stated this had been a one-time loan for which AgAmerica was seeking compensation back.

David Makowski provided a brief review of the company's operations over the past several years. He then described their strategy and discussed the impact the pandemic had on farming. He explained that in early 2025, one of their larger exposures was a Michigan-based pension manager, MERS, which had a direct deal to develop a coffee farm in Hawaii. In 2015, MERS hired Domain Capital to manage some aspects of the project. Problems had arisen with grading and subsequent runoff and flooding that resulted in permit violations, and the property had never been developed properly. Without disclosing the problems at the property, MERS had induced AgAmerica to extend them more money.

Mr. Makowski stated AgAmerica had an independent appraisal indicating the property was worth \$45 million "as is" and up to \$120 million "as completed." The appraisal had relied on false/incomplete financial information and the failure to disclose environmental problems and permit violations on the property. Approximately one year into the loan, AgAmerica had put a freeze on the loan after receiving very vague and inappropriate draw requests. They also learned that Domain Capital had been fired and replaced with Osprey as manager. Osprey disclosed the stormwater remediation problem; said it would cost \$16 million and gave AgAmerica two weeks to decide on another loan. If they refused, Osprey stated they would walk away from the property. Mr. Makowski stated AgAmerica had made a "protective advance" to preserve their ability to foreclose on the property and protect their original \$30 million loan. They had extended an additional \$13 million and MERS had contributed another \$3 million. The new manager has completed the remediation work and provided quarterly financials, which has been progressively

improving. In February, AgAmerica had been informed that the coffee harvest would not be as anticipated because of the prior property manager's mismanagement and they could not make their March payment. AgAmerica had worked with them on restructuring the debt, but Osprey said they did not have authorization to negotiate from MERS and walked away from the property. AgAmerica had visited the property, visited the county offices and discovered the non-disclosure. They had hired Greenberg Traurig to try to recover damage and punitive damages. The case was officially filed on December 1. Recovery could take three to five years. Mr. Makowski then described additional issues with the farm economy that had negatively affected their returns.

Chair Rudominer asked how writing the property value down affected the credit side. Mr. Mackowski said once a loan defaulted, they relied on the value of the collateral to be the source of recovery. Chair Rudominer recalled that AgAmerica had been pitched as "commodity price agnostic" and Mr. Makowski explained how they implemented that principle to protect the portfolio.

Chair Rudominer asked if they had reexamined the rest of the portfolio and Mr. Makowski stated they had discovered three other instances of financial fraud and foreclosed on those properties and recovered all their principal. Given the state of the farm economy, there were borrowers struggling, resulting in a higher-than-average rate of non-performing and defaulted loans. Mr. Kaufman asked about the three other fraud cases and whether this had been disclosed to existing clients and potential investors. Mr. Makowski said they had disclosed them and described the cases. Mr. Kaufman questioned Mr. Makowski about AgAmerica's research and consultants prior to making the coffee farm loan. Mr. Makowski said they had made site visits and had officers experienced it across commodity types.

Mr. Kaufman asked about disclosure to their investors once they discovered the fraud and Mr. Makowski said once they were refinanced, they expected the borrowers would follow through with the project and the loan would be paid off. Mr. Kaufman asked if they disclosed to governmental pension funds that they were in a deal with a partner that was another public pension fund, MERS. Mr. Makowski stated they were not permitted to disclose who their borrowers were.

Aaron Kendrick, Deputy Director of Finance asked if the \$12 billion the administration was discussing as a possible bailout for farmers would help the portfolio. Mr. Makowski said it was not likely; he thought the \$12 billion would go mostly to soybean farmers, to whom they did not make loans because of the risk.

Chair Rudominer asked Mr. Campbell if the bad loan at AgAmerica and what was happening at Capital Dynamics were evidence of the "cockroaches in private credit" Jamie Dimon talked about. Regarding AgAmerica, Mr. Schott said this scenario suggested challenges in the credit market, but Mr. Dimon was not talking about fraud; he was concerned about cross-lending.

Mr. Campbell said the Capital Dynamics issue was a matter of too few loans, so each loan was significantly overweighted in the portfolio. As more money went into private credit and equity, Mr. Campbell believed companies such as Churchill could choose the loans they wanted to build their portfolios. Lower-tier firms without expertise and/or underwriting would be forced to build weaker portfolios. Mr. Schott said the Plan had a 20% target for investment grade fixed income and AgAmerica accounted for 1.26%. Mr. Campbell did not feel there was a systemic issue with private credit.

Mr. Campbell stated AgAmerica was not accepting withdrawals. If they got back to normal returns, they may take off the redemption gate, at which point he would recommend taking it. AgAmerica could also work to wind the fund down, pay down the debt and pay distributions.

Mr. Campbell reported they had received \$10 million back from Capital Dynamics Fund II as part of the secondary sale.

CAPTRUST:

Monthly Investment Review

Kyle Campbell

Mr. Campbell said they had received updated values from Capital Dynamics, Taurus, and Providence, so the returns for the quarter were now 4.4% [up from the preliminary figure of 4.25%.] The yearly return was 10.03%. At the end of the quarter, the portfolio was valued at \$1.283 billion, a gain of \$54 million for the quarter.

Mr. Campbell reported active management had struggled in 2025. They had updated the active/passive study to show the changes in active and passive on the US and international side.

Chair Rudominer recalled the Board had decided to invest more in active than passive based on input from the consultants, but it seemed the consultants were reconsidering. Mr. Campbell said the more studies they ran on active/passive in large-cap US areas, the more they found that the propensity to outperform after fees was harder in certain areas. They still recommend staying all active in small-cap and mid-cap and half of international.

Mr. Morale said switching to passive management for large caps would save them \$500,000 in fees and noted that historically, large-cap active managers had not done well against the index funds. Mr. Schott said active management would "have their day" again; it was cyclical. Chair Rudominer said they should discuss what they expected from alternative investment. When they started, they were seeking a fixed income alternative because they thought bonds were "dead money." He thought perhaps they should reevaluate bonds. Chair Rudominer asked for something actionable to review in January and Mr. Campbell agreed to provide Board members with the Study Suggested Lineup and Fees document and the New Money Portfolio document.

Motion made by Mr. Hole, seconded by Mr. Morale to approve the updated returns of 10.03% net of fees for the year and 4.4% for the quarter. In a voice vote, motion passed unanimously.

Mission Square Fee

Mr. Campbell said they were awaiting a consolidated fee proposal. Waycross had been approved for the Police DROP plan and would be available February 1, 2026.

ATTORNEY'S REPORT

Stuart Kaufman

Retainer Increase

Mr. Kaufman said there had been no increase since 2019. They were requesting an increase to \$4,500, which they felt was fair and reasonable. Mr. Kaufman agreed there would be no increases for three years.

Motion made by Mr. Bayne, seconded by Mr. Hole to approve an increase for the Klausner, Kaufman, Jensen and Levinson retainer to \$4,500 per month. In a voice vote, motion passed unanimously.

Summary Plan Description

Ms. Wenguer explained the surviving spouse and children benefit divisions. She clarified that a child could never receive more than 20%. Mr. Hole requested clarifications in the document regarding when the benefit stopped, i.e., that the benefit continued until a beneficiary died, or remarried, or when a child turned 18, adding *whichever came first*. Mr. Kaufman agreed with adding that. Ms. Wenguer said the language regarding disability mirrored the State Statutes language and Mr. Hole had a question about the words "may not." Mr. Kaufman said it should be changed to "not."

Mr. Hole suggested adding a section on changing beneficiaries, including how many times the beneficiary could be changed and the provision that the estate would be the beneficiary of the lump sum if both the member and the beneficiary died prior to retirement and the rule that the member had 90 days to declare a new joint annuitant if the joint annuitant died,, otherwise, it would be paid as a normal retirement.

Board members discussed other possible edits. Ms. Wenguer agreed to prepare a new draft for January.

COMMUNICATION DIRECTOR'S REPORT

Fred Nesbitt

Mr. Nesbitt was not present.

EXECUTIVE DIRECTOR'S REPORT:

Fiduciary Liability Insurance Renewal

Ms. Wenguer agreed to make the whole policy available for Board members to see. Mr. Kaufman explained the Waiver of Recourse trustees could get. He recommended trustees opt for it and would determine if individuals needed to pay for it or the Plan could. Ms. Wenguer agreed to get a quote from CHUBB for the Waiver of Recourse.

Board members approved the policy Ms. Wenguer presented.

Investment Workshop Update

Ms. Wenguer confirmed that the workshop was on January 15 and the dinner would be the night before.

Deposition

Ms. Wenguer reported she had been deposed for one of their securities litigation cases recently. The Plan was a named plaintiff, not lead plaintiff.

PENDING ITEMS:

New Business:

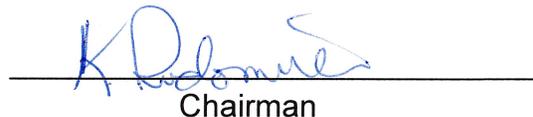
None

Old Business:

Schedule A

There being no further business to come before the Board at this time, the meeting was adjourned at 3:25 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.