

**POLICE AND FIREFIGHTERS' PENSION BOARD
REGULAR BOARD MEETING
888 South Andrews Avenue, Suite 202
Fort Lauderdale, FL 33316
Wednesday, May 13, 2026, 12:30 PM**

Communications to the City Commission

1. Trustees received and approved the Audited Financial Statement as of September 30, 2025.
2. Trustees received and approved the Actuarial Valuation Report as of October 1, 2025.
3. Trustees received and approved the Second Quarter Fiscal Year Performance Report, showing an investment return of negative 1.26%, with a FY to date return of 0.73%.
4. Trustees approved a negative 1.26% return for the quarter.

Board Members

Ken Rudominer, Chair	P
Derek Joseph, Vice Chair	P
Keith Costa, Trustee	P
Susan Grant, Trustee	P
Scott Moseley, Secretary	A
Dennis Hole, Trustee	P
John Morale, Trustee	P

Also Present

Lynn Wenguer, Executive Director	Linda Short, Director of Finance
Alexandra Goyes, Deputy Director	Brad Heinrichs, Foster & Foster
Mellisa Vassell-Gayle, Senior Administrative Assistant	Deputy Fire Chief Robert Bacic
Paul Vanden Berge, Deputy Director - Finance	Sean Reddish, FLPD
Lindsey Garber, Board Attorney	Jacqueline Sanchez, FLPD
Fred Nesbitt, Communication Director	Hermes Garzon, Director, CBIZ CPAs
	Kyle Campbell, CAPTRUST [virtual]
	Michael Goldsworthy, FLPD [virtual]

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: April 8, 2026

Motion made by Mr. Joseph, seconded by Mr. Hole to approve the minutes of the Board's April 8, 2026 meeting. Motion passed unanimously.

BENEFITS:

FIRE DEPT:	New Retiree:(DROP Termination):	Thomas E. Fillyaw Jacob Snowwhite
	New Retiree:(Service Retirement):	David Reynolds
	DROP Retiree:	Brian J. Dunn Gary Roberts Dustin Royer Daniel Scanlon Jason Sheehan
POLICE DEPT:	New Retiree:(SD DROP Termination):	Thomas J. White Jr.
	New Beneficiary: (Retiree Death):	Vanessa Fithian
	Member Termination:	Marialejandra Cervantes Kenna Mclendon Timothy Skaggs Shamar Stephenson

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

BILLS:

Waycross	\$124,097.54
Vaughan Nelson	\$79,327.41
Westfield	\$58,655.77
Boyd Watterson	\$49,375.00
Agincourt	\$48,508.00
Rhumblin	\$19,109.00
Rhumblin	\$13,422.00
Total Ortho. Care	\$3,600.00
BIOS Orthopedics	\$3,250.00
CBIZ	\$3,000.00
South FL Intl Ortho.	\$2,275.00
Milliman	\$2,105.00
South FL Intl Ortho.	\$1,425.00

Motion made by Mr. Hole, seconded by Ms. Grant to approve payment of the bills as stated. Motion passed unanimously.

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

None

2025 ACTUARIAL VALUATION:

Foster & Foster

Brad Heinrichs

Mr. Heinrichs described how the actuarial valuation was created and how it was used. He noted that investments had performed better than assumed in 2025 and the mortality tables had changed, reducing the liability. He then explained some details of the Valuation Report.

Mr. Heinrichs said more people had entered the DROP or retired this year than anticipated and the amounts they were receiving were a little higher than the valuation had projected. He wanted to schedule an experience study over the summer. He also wished to get several recent benefit calculations from Ms. Wenguer to ensure benefits were being calculated in alignment with the way they were programmed to be calculated in the valuation.

Mr. Heinrichs said the funded ratio for the Plan was in the top half or quartile of his clients in the State of Florida. Ms. Grant said part of the reason for this was the Pension Obligation Bonds the City had issued in 2012. Mr. Heinrichs informed Mr. Morale that this year, they had decreased the assumed rate of return from 7.1% to 7.05. Mr. Hole asked if everything was consistent with the funding policy and Mr. Heinrichs confirmed it was.

Regarding a COLA, Mr. Heinrichs explained that once the cumulative losses got to zero, they could offer a COLA. If they continued to outperform the assumed rate of return, the number could reach zero.

Motion made by Ms. Grant, seconded by Mr. Joseph, to approve the Actuarial Valuation Report. Motion passed unanimously.

Motion made by Ms. Grant, seconded by Mr. Joseph, to determine a total effective rate of return of 7.05% for the current year, for each of the next several years and the long term thereafter. Motion passed unanimously.

Mr. Heinrichs said the FOP had questioned how benefits were calculated. He explained the various benefit options and how the Plan software calculated the different benefits, citing numerous scenarios. He said he had verified a couple of benefit calculations that had been presented to Ms. Wenguer and members had questioned.

Mr. Heinrichs distributed a memo regarding a new cybersecurity initiative his firm was offering. Foster & Foster had contracted with FoxPointe to conduct security screenings of Plans' contractors and provide a report on how well they were following the Department of Labor cybersecurity best practices. The program would cost the Plan \$20,000 per year through Foster & Foster.

Motion made by Mr. Joseph, seconded by Mr. Hole to hire Foster & Foster for a cybersecurity vendor assessment for one year. [Tabled because Board members wanted additional information.]

Ms. Garber recommended signing a contract and getting affidavits from FoxPointe and said she had been provided a contract from another client to review. Mr. Heinrichs said a few clients had spoken directly with FoxPointe regarding the service. Mr. Morale wanted time to look into the company. Mr. Heinrichs agreed to schedule a Zoom call with FoxPointe during the Board's next meeting.

**2025 AUDITED FINANCIAL
STATEMENTS: CBIZ CPAs**

Hermes Garzon

Mr. Garzon reviewed the Independent Auditor's Report and said CBIZ had issued a clean, unmodified opinion. The only minor change was to delete any mention of Marcum LLP, since they had been acquired last year. Mr. Garzon reported a significant increase in receivables due to the timing of the trades. Liabilities had increased \$3 million, also due to the timing of trades. Net investment income had decreased by \$51 million, due to that fact that 2024 had been a very fruitful year. Ms. Grant asked to see the regular DROP and self-directed DROP separated out. Chair Rudominer pointed out that the 230 DROP participants in the report included everyone who had retired and were no longer in the DROP. Ms. Wenguer confirmed that this included everyone who was in the DROP at any point during the year. Mr. Garzon agreed to revisit the schedule to ensure the number was correct for the end of the year. The report included that self-directed DROP funds were held by a third party. Ms. Grant asked for the number of people in the self-directed DROP at the end of the year.

Mr. Garzon confirmed that the additional independent auditor's report had also concluded there were no issues or compliance matters.

Motion was made by Ms. Grant, seconded by Mr. Hole to accept the Independent Auditor's Report, subject to review of the number of DROP participants. Motion passed unanimously.

CAPTRUST:

Quarterly Investment Review

Kyle Campbell

Mr. Campbell provided the update. He said April and May had been very strong. He opined the market appeared to be "looking past" the war in Iran. On the scorecard, he said they were not recommending any changes.

Mr. Campbell said 9% of the portfolio had not provided returns yet but all indications were that they were trending in the right direction. He reviewed individual managers and said they were in line with the benchmarks.

Motion made by Mr. Morale, seconded by Ms. Grant to accept the Quarterly Investment Report and the -1.26% rate of return for the quarter. Motion passed unanimously.

Mr. Campbell recommended reducing real estate by putting in some redemption requests, from American Realty and/or pro rata across the board to get to a 5% allocation, noting that going from 48 basis points to 35 basis points would save over \$1.6 million in fees per year. He also recommended moving the money from Aristotle to the Rhumblin Large Cap S&P 500 index. He said Aristotle's underperformance was due to style drift and stock selection. Mr. Morale asked about the funds still with Waycross and Mr. Campbell acknowledged they were a bit overweight but did not recommend any change now. Mr. Hole asked what they should do with the American Realty redemption and Mr. Campbell recommended adding to private credit/equity. Mr. Morales asked if Mr. Campbell could request a further fee rollback from Bloomfield. Mr. Campbell said their fees were market for their space but he could push them.

Motion made by Mr. Morale, seconded by Mr. Hole, to move the total account from Aristotle to the Rhumblin Large Cap S&P 500 index per CAPTRUST's recommendation. In a roll call vote, motion passed 6-0.

Motion made by Mr. Morales, seconded by Mr. Hole to put in total redemption requests for both American Realty accounts, per CAPTRUST's recommendation. In a roll call vote, motion passed 6-0.

Mr. Morales informed Mr. Campbell that he had recently had dinner in London with Boris Johnson and the former Secretary of the Exchequer. They had reported that CAPTRUST was well received in Europe.

ATTORNEY'S REPORT

Lindsey Garber

Agreement for Legal Services

Ms. Garber recommended the Board hire Paul Derigotti for the Carita disability case. Ms. Grant said the contract lacked reimbursement for lodging and travel expenses and Ms. Garber agreed to check. Ms. Wenguer said Mr. Carita had been terminated and had purchased the remainder of his prior service but he was still going through with the disability claim.

Motion made by Ms. Grant, seconded by Mr. Joseph to approve the contract with Paul Derigotti as special counsel for the Carita case, subject to the reimbursement for a hotel, per the Board attorney's recommendation. Motion passed unanimously.

Ms. Garber reminded Board members that their Form 1s were due July 1 and they were all done online now.

Ms. Garber said the DOJ had pushed back the deadline for websites being ADA compliant by one year. Ms. Wenguer said they had already done it.

Ms. Garber had provided a securities litigation memo from Saxena White regarding Commvault Systems Inc. regarding misrepresentations about their performance and said the Plan had suffered a \$300,000 loss. She recommended the Board move forward with

the litigation. Chair Rudominer asked that future memos include the name of the manager that held the investment.

Motion made by Mr. Joseph, seconded by Mr. Morale to support being lead plaintiff for the litigation against Commvault Systems. Motion passed unanimously.

Ms. Garber said her firm had been approached by Labaton, a securities monitoring firm similar to Saxena White about serving the Plan. She said there was never a cost to the Plan for this.

Mr. Costa suggested they could evaluate the monitors they currently used and Ms. Garber agreed to provide a memo regarding those five firms.

Ms. Garber reported that the Board's liability insurance included a waiver of recourse. She stated the Plan should not be paying for it and she would further research if this was a line item on the policy. If it was, she would recommend the trustees split the cost. If it was not a line item, common law provided that a minimum payment was necessary and it could be as low as \$1 per trustee.

Ms. Garber informed the Board that Providence had contacted her with changes to the Limited Partnership Agreement [LPA] that dealt with how dividend capitalizations were treated for management fees. CAPTRUST was comfortable with the language and because there was a deadline, recommended Ms. Wenguer execute the form for the Board to ratify at this meeting.

Motion made by Ms. Grant, seconded by Mr. Joseph to ratify the action Ms. Wenguer had taken to execute the changes to the Providence LPA, per the Board attorney's recommendation. Motion passed unanimously.

Ms. Garber and Ms. Wenguer had met with Howard Brezak from Mission Square regarding the Self-Directed DROP. Ms. Garber said upon logging in, a member could do the Mission Square mutual funds or the Self-Directed DROP. The only requirement was they must leave at least \$35,000 in the Mission Square account to participate in the brokerage account. Mr. Garber had updated the administrative rule to note what the Board had approved at the last meeting to follow as closely as possible the FRS options and to remove ETFs as an option. Ms. Grant suggested a change to the Self-Directed DROP language regarding assets that the Board had "chosen" because it seemed the Board was selecting stocks. Ms. Garber agreed to write some language and bring it back.

Ms. Garber said the Self-Directed DROP with Schwab would require each member to sign an agreement and a power of attorney. She noted that Schwab had mandatory arbitration as part of the agreement but she was working with Mr. Brezak to get this removed.

Mr. Nesbitt had nothing to report.

EXECUTIVE DIRECTOR'S REPORT:

Affidavits

Ms. Wenguer said 137 affidavits had not been returned. She asked the Board's advice for how many notifications the members should get and when to stop paying the benefits. Ms. Goyes said in past years, there were approximately 40 unreturned affidavits and she had called them personally. Ms. Garber said most of their clients sent a regular mail letter, a certified letter and a third letter indicating that benefits would be stopped if they did not respond. Ms. Wenguer agreed to follow that process. Mr. Costa asked that he and Mr. Bayne be provided the name of any Fire retirees who had not responded.

Mr. Morale wished to add the National Public Pension Fund Association [NPPFA] in Wisconsin to the list of conferences Board members could attend and receive reimbursement. Mr. Morale stated he had been asked to speak at the conference and the conference would cover the hotel. Ms. Wenguer noted that because Mr. Morale was speaking at the event, this would not count toward the annual attendance limit.

Motion made by Ms. Grant, seconded by Ms. Morale, to add the NPPFA to the list of conferences Board members could attend and receive reimbursement. Motion passed unanimously.

PENDING ITEMS:

New Business:

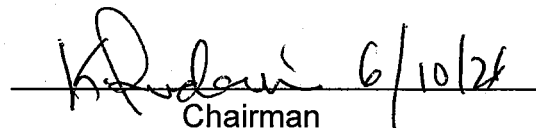
None

Old Business:

Schedule A

There being no further business to come before the Board at this time, the meeting was adjourned at 4:01 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.