

**POLICE AND FIREFIGHTERS' PENSION BOARD
REGULAR BOARD MEETING**

888 South Andrews Avenue, Suite 202

Fort Lauderdale, FL 33316

Wednesday, August 12, 2026, 12:30 PM

Communications to the City Commission:

1. The trustees received and approved the performance report for the 3rd quarter of the fiscal year. The return on investments for the quarter is 7.33%, with the return for the fiscal year-to-date of 8.05%. The market value of the portfolio is \$1.4 billion. The trustees approved 7.33% as the return for the quarter.

Board Members

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

Also Present

Lynn Wenguer, Executive Director	Kyle Campbell CAPTRUST
Alexandra Goyes, Deputy Director	Brad Heinrichs, Foster & Foster [via Teams]
Mellisa Vassell-Gayle, Senior Administrative Assistant	Brandon Agostinelli, FoxPointe [via Teams]
Paul Vanden Berge, Deputy Director – Finance	Steven Toll, Julie Reiser, and Cristine Turner, CohenMilstein
Fred Nesbitt, Communication Director	Guillaume Buell, Garrett Bradley, and Ed Javier, Labaton, Keller Sucharow
Lindsey Garber, Board Attorney	Doug Bortz and Adam Savett, Wolf Popper
Deputy Fire Chief Robert Bacic	

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:

Special Meeting: July 8, 2026

Regular Meeting: July 8, 2026

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

Ms. Garber noted a correction to the regular meeting minutes.

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

BENEFITS:

FIRE DEPT: New Retiree:(DROP Termination):

Member Termination:

POLICE DEPT: DROP Retiree:(SD DROP Retiree):

Vested Retirement:

Member Termination:

James Paszkiewicz
Bryan K. Porter
Jocelyn Belusko
Jameson E. Jones
Grant A. Moule
Aaron D. Wright
Christopher Clemons
Solanch Alvarez
Jason Martin
Lazaro Morales
Whitney Ptak
Jeffrey Rodriguez

Ms. Wenguer agreed to provide a date of birth on the reports.

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

BILLS:

Waycross	\$133,360.23
Vaughan Nelson	\$74,673.33
Westfield	\$63,822.68
Boyd Watterson	\$50,596.00
Agincourt	\$49,314.00
Foster & Foster	\$36,641.00
Rhumblin	\$25,734.00
Rhumblin	\$13,301.00
Klausner & Kaufman	\$4,500.00
Klausner & Kaufman	\$4,500.00
Milliman	\$2,105.00
Minuteman Press	\$1,788.75

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

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

None

SECURITIES LITIGATION FIRM PRESENTATIONS:

Board members were provided with printed copies of all presentations and a copy of each is attached to these minutes for the public record.

Ms. Garber noted the Board already had four monitoring firms but were considering adding more. She asked presenters to discuss if/how the change in Delaware laws would affect security monitoring in the future.

CohenMilstein

Steven Toll, Julie Reiser, Cristine Turner

The team provided a presentation. Ms. Turner stated CohenMilstein served over 200 public safety/public pension funds at no cost to the funds. She said they were very selective about the cases they brought. Mr. Toll described how class action securities cases worked. He stated roughly 40% of cases were dismissed at the outset and only perhaps one case per year actually went to trial; the remainder settled. Ms. Reiser described their monitoring process and explained that they had a feed with a fund's custodial bank to identify securities they held. Ms. Reiser said the Delaware statute had made things more difficult in terms of watering down director independence standards, lowering the standard of review for transactions and limiting the scope of "books and records," the investigative stage of a derivatives case. She noted that this had not necessarily been adopted outside Delaware. Depending on the circumstances, she would not be hesitant to file in Delaware. Mr. Toll discussed a few of their most notable cases.

Labaton Keller Sucharow

Guillaume Buell, Garrett Bradley, Ed Javier

The team provided a presentation. Mr. Javier said he had been a Pension Board Trustee in the City of Sunrise and appreciated the need for growth and security. He said Labaton performed everything in-house. Mr. Buell said having multiple firms was very common for pension funds with over a billion dollars in assets. This helped avoid conflicts of interest and provided a divergence of opinion on cases. Mr. Bradley described a case against Meta in which they had prevailed. Mr. Buell agreed with Ms. Reiser regarding the Delaware statute, that it was making things more difficult.

Mr. Bradley explained how they selected cases. Mr. Buell discussed an ongoing case involving General Motors. He said they were looking into the private market.

Wolf Popper

Doug Bortz, Adam Savett

The team provided a presentation. Mr. Bortz discussed the firm's background and the benefits of having multiple monitoring firms at once. He noted how deregulation and changes in the SEC laws could make it more difficult for firms to identify fraud and recover funds. Mr. Savett agreed it was critically important to have multiple monitoring firms, noting that different people looked at things differently. He stated, "With the current administration and their enforcement priorities at the SEC, there are no cops on Wall Street right now."

Mr. Joseph asked if companies' being registered in states other than Delaware would affect these cases and Mr. Savett stated it would not, but it would dramatically change corporate governance. He explained how they investigated and assessed a possible case.

Mr. Hole made argued in favor of hiring all three firms: They were all excellent firms; it was in the fund's best interest; each firm had specialties.

Motion made by Mr. Hole, seconded by Mr. Joseph, to hire all three firms. In a roll call vote, motion passed 7-0.

Ms. Garber stated all three firms were great and there were no downsides to hiring additional monitors.

FOXPOINTE: Cybersecurity Presentation: Brandon Agostinelli

Ms. Garber said the review and best practices were not a requirement of this Plan; they were a requirement for ERISA Plans. She pointed out that if they underwent the review, they would be responsible to make changes to avoid liability.

Mr. Agostinelli said they gathered information about vendors to determine if they followed the Department of Labor's best practices regarding cybersecurity. He described how they gathered the information for the assessment.

Mr. Hole said the Fund's vendors did not change much year-to-year and asked if costs would be reduced in subsequent years. Mr. Agostinelli stated if that were the case, they could remove a vendor from the assessment list for that year. He pointed out that some vendors were so critical that they should be assessed every year. Mr. Heinrichs said some of his clients felt they should assess all vendors at first and then only new and/or critical ones in subsequent years, and/or assess all vendors every few years.

Ms. Grant noted there must be considerable overlap of vendors between investment funds and asked if each questionnaire was specific for each Plan. Mr. Heinrichs said the questionnaire would be the same. They shared response with the Plans that used the same vendors.

Ms. Grant asked if the vendors requested an NDA, due to potentially proprietary information, and how this would be dealt with in a public records request. Ms. Garber said the Board would not receive the raw information, so it would not be subject to a public records request, only the final report would be.

Mr. Joseph asked the benefits to the Board other than informing members they were being fiscally responsible. He asked if the Board could be liable if a vendor did not address a security concern. Mr. Agostinelli said auditors looked at whether organizations were negligent or acted responsibly to assess their vendors by utilizing this type of review. Mr. Heinrichs said all vendors were required to have cyber security insurance as well. This review was a preventative measure. Ms. Grant asked Mr. Agostinelli if the Board could be provided with an assessment conducted for a different Plan on a vendor they were considering hiring and Mr. Agostinelli said having one client pay for an assessment and

providing it to another was not their business model. Mr. Heinrichs said some clients were asking prospective vendors if they would agree to participate in an assessment. A refusal could be considered a bad sign.

Motion made by Mr. Joseph, seconded by Ms. Grant, to hire FoxPointe to review the Plan vendors for one year. In a roll call vote, motion passed 7-0

CAPTRUST:

Quarterly Investment Review

Kyle Campbell

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

Mr. Campbell reported the portfolio had returned over 7.5% for the quarter, driven by large cap equities and small cap stocks. He reviewed individual managers and noted that changes made pursuant to CAPTRUST's advice had saved the fund approximately \$9 million.

Mr. Campbell said in 2022 the Plan had been in the 15th percentile among peers which he attributed to asset allocation. He note the extraordinary amount of investment in AI and how that was driving returns. He pointed out that if AI got cheaper as it was commoditized, there was a question of whether current investors would recover their capital expenditures. If they did not, this could cause a burst bubble as in the dot.com bust.

Mr. Campbell said over the last three years, the fund had averaged over 10% and over the last 10 years, it had averaged 7.98%. He anticipated an increase of approximately 25 basis points once the private markets reported for the quarter.

Ms. Grant asked if any of CAPTRUST's clients were refusing to invest in companies with mandatory arbitration policies. Mr. Campbell said he was not aware of any. Ms. Garber noted the Board deferred to managers on proxy votes.

Motion made by Mr. Hole, seconded by Mr. Joseph to accept the 7.33% quarterly return. In a voice vote, motion passed unanimously.

Mr. Hole asked if AI would be a bubble and Mr. Campbell reiterated that it would become a commodity over time and investors may not make back a trillion dollars in investments over the next few years. He said active management would not help, noting that typically, large market selloffs dragged everything down at once and it would take a few quarters for things to sift themselves out.

Mr. Campbell reported Kona Farms had sold a minority position to CGI, a Japan-based Agricultural firm with large US operations. This allowed them creative ways to refinance the loans out of the fund the Plan was in. Kona had recently repaid half the leverage and

anticipated this deal would allow them to pay down the debt in the portfolio and wind the fund down sooner, in approximately the next 18 months.

Mr. Campbell reviewed the DROP plan balances, noting a year-to-date increase of \$39 million. He stated all of the active managers were within acceptable range and investment score. CAPTRUST had agreed to charge their minimum fee on the DROP plan regardless of how large it got. Mr. Costa said brokerage accounts were on the agenda for August 18. Ms. Garber agreed to revise the administrative rule and waiver to add firefighters, to be available by October.

Mr. Vanden Berge asked Mr. Costa about non-bargaining fire managers' eligibility. Mr. Costa confirmed that they intended brokerage accounts to be available to all members of the Fire Department.

ATTORNEY'S REPORT

Lindsey Garber

Ethics Policy

Ms. Garber said Mr. Klausner would attend the next Ethics subcommittee meeting. She distributed a first draft of the proposed ethics policy. Ms. Wenguer asked Board members to send their comments to her and she would compile them and send them to Ms. Garber.

Ms. Garber said Milliman was being purchased by Empower, which required a consent. She had revised it to include all of the language the Board needed.

Motion made by Ms. Grant, seconded by Mr. Joseph, to accept the consent agreement. In a voice vote, motion passed unanimously.

Ms. Garber recommended another two other securities monitoring firms. Chair Rudominer suggested obtaining their documentation first for the Board to review.

COMMUNICATION DIRECTOR'S REPORT

Fred Nesbitt

Mr. Nesbitt had nothing to report.

EXECUTIVE DIRECTOR'S REPORT:

Ms. Wenguer said they had sent out the newsletter.

Investment Consultant Evaluation

Chair Rudominer said he had use AI to create an evaluation form. Ms. Grant said it seemed they were making a qualitative assessment on something that was quantitative, i.e., returns compared to benchmarks. She agreed to examine the form and provide feedback.

Education and Travel Policy

Chair Rudominer reported the recent conference he and Mr. Morale had attended had been helpful and recommended they add Koried to their list of sanctioned events.

Ms. Wenguer stated the policy had been updated per their discussion at the last meeting.

Motion made by Mr. Joseph, seconded by Ms. Grant, to adopt the new education and travel policy. In a voice vote, motion passed unanimously.

2026/2027 Annual Budget

Ms. Wenguer had included a 5% increase for the rent, and said the lease was up in March 2027. Ms. Grant agreed to ask Angela Salmon, the City's real estate representative, about alternate office space. Mr. Joseph noted they only needed the conference room one day per month and perhaps they could meet in another City building.

Ms. Garber suggested adding a new line item, "Cyber Support Program" for the \$20,000 for FoxPointe.

Motion made by Ms. Grant, seconded by Mr. Joseph, to accept the budget as amended. In a voice vote, motion passed unanimously.

Milliman Contract

Ms. Wenguer said Milliman would charge \$9,000 to add the firefighters self-directed DROP to the website.

Motion made by Ms. Grant, seconded by Mr. Hole, to approve the Milliman software changes for \$15,000, plus or minus \$1,000. In a voice vote, motion passed unanimously.

Ms. Goyes agreed to update the audit on the website.

PENDING ITEMS:

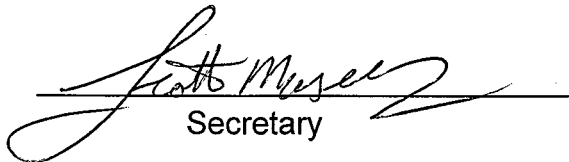
New Business:

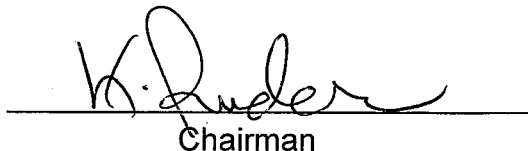
None

Old Business:

Schedule A

There being no further business to come before the Board at this time, the meeting was adjourned at 3:42 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.