



**POLICE AND FIREFIGHTERS' PENSION BOARD
REGULAR BOARD MEETING
888 South Andrews Avenue, Suite 202
Fort Lauderdale, FL 33316
Wednesday, July 8, 2020, 12:30 P.M.**

Notice is hereby given that due to the state of emergency created by COVID-19, the Pension Board will not be meeting in person; rather, the meeting will be held electronically. Pursuant to Governor DeSantis' Executive Order Number 20-69 issued on March 20, 2020, "Local government bodies may utilize communications media technology, such as telephonic and video conferencing, as provided in Section 120.54(5)(b)2. of Florida Statutes."

Communication to the City Commission:

1. The Board approved a \$5million investment in Affiliated Development, a local developer, focusing on projects in Broward and Palm Beach Counties, by building affordable housing and stimulating the local economy.
2. The plan's assets have rebounded from \$881.7 million at the end of the second quarter to \$956 million at the end of the third quarter of this fiscal year.

Board Members

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

Also Present

Lynn Wenguer, Executive Director
Alexandra Goyes, Deputy Director
Jacqueline Smith, Administrative Assistant
Fred Nesbitt, Communications Director
Robert Klausner, Board Attorney
Susan Grant, Finance Director
Kyle Campbell and Steve Schott, CAPTRUST
Vincent Castiglia
Nick Rojo and Jeff Burns, Affiliated Development
Jamie Opperlee, Prototype Inc. Recording Secretary

ROLL CALL/CALL TO ORDER

The meeting was called to order at 12:30 p.m. Roll was called and a quorum was determined to be present.

MINUTES:

Regular Meeting: June 10, 2020

Motion made by Mr. Joseph, seconded by Mr. Fortunato to approve the Board's June 10, 2020 meeting minutes. In a voice vote, motion passed unanimously.

BENEFITS:	FIRE DEPT:	New Retiree: (Term of DROP):	Nathan Butler Jr.
		DROP Retiree:	Jose E. Fardales Jr. Francisco J. Gonzalez Gene R. Oppy
		Member Termination:	Marc Dudley Luscar
	POLICE DEPT:	New Retiree: (Term of DROP):	John M. Lefferts Pedro L. Cabrera Jeffrey Brull
		DROP Retiree:	Ivan M. Doobrow
		Member Termination:	Evens Torchon
		Survivor Death:	Billie R. Bailey Leslee L. Hoover

Motion made by Mr. Bayne, seconded by Mr. Joseph, to approve payment of the benefits as stated. In a voice vote, the motion passed unanimously.

BILLS:	CAPTRUST	\$27,552.07
	Foster & Foster	\$26,338.00
	Milliman	\$5,375.00
	Klausner & Kaufman	\$3,500.00
	Minuteman Press	\$1,094.00

Motion made by Mr. Joseph, seconded by Mr. Naugle, to approve payment of the bills as stated. In a voice vote, the motion passed unanimously.

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

None

CAPTRUST:

Monthly Investment Review

Kyle Campbell, Steve Schott

Mr. Campbell reported they had bounced back in April after a disappointing first quarter of the year but June had been rocky. As of the previous day's close, the S&P 500 was only down 1.65% for the year. The fund was down 90 basis points for the fiscal year but was up for the plan year.

Mr. Campbell said the Covid-19 pandemic had been causing volatility and the upcoming election would add to it.

Mr. Campbell stated he was comfortable with their current asset allocation.

Mr. Campbell agreed to work with Chair Rudominer and Ms. Wenguer to present some alternative investment recommendations at the next meeting.

Mr. Schott explained that CAPTRUST had taken on an equity inventor, which would take on up to 25% and would hold for seven years. This would allow them to make further acquisitions and provide liquidity for some longer-term people. Those in management positions and key positions had just signed contracts for another five years.

Chair Rudominer asked for an update on Affiliated Development. Mr. Campbell recalled that they had been working with Affiliated to become more of a fund structure instead of single-project. Affiliated had also agreed to reduce fees to the real estate industry average. Mr. Campbell stated he would be comfortable with a small allocation in Affiliated.

Mr. Klausner reported he had looked at Affiliated on behalf of Hollywood Fire and Police. He said from a legal standpoint, all was in order. Mr. Burns stated Hollywood Police had committed \$5 million to the fund and Hollywood's research team would be recommending Affiliated to some of their other clients.

Mr. Rojo confirmed that Affiliated had reduced the management fee from 2% to 1.5% and removed other fees.

Mr. Burns informed the Board that they were in the process of leasing the Fort Lauderdale project and offered to provide tours to interested Board members. He pointed out that they were currently anticipating exceeding their leasing expectations.

Mr. Campbell confirmed that the fees were in line with other real estate managers. He stated there were incoming redemption requests that would bring them back to their target of 15% in real estate.

Motion made by Mr. Bayne, seconded by Mr. Naugle, to invest \$5 million in Affiliated Development. In a roll call vote, motion passed 4-3 with Mr. Fortunato, Mr. Hole and Mr. Joseph opposed.

ATTORNEY'S REPORT

Robert Klausner

Hector A. Loiz Jr - Service Incurred Disability

Ms. Wenguer reported Mr. Loiz had already seen Dr. Lupu for an evaluation.

Jason Mammarelli – Non-Service Incurred Disability

Ms. Wenguer stated Dr. Lupu would use telemedicine to evaluate Mr. Mammarelli.

Mr. Klausner had asked Governor Desantis's general counsel about the status of virtual meetings after the order expired next month. He had requested a relaxation of the physical quorum requirement until the end of the year.

The Board discussed their options for the next meeting, depending on whether or not the Governor's order was extended and decided to make the meeting all-virtual, unless the order expired.

COMMUNICATION DIRECTOR'S REPORT Fred Nesbitt

Mr. Nesbitt mentioned an article regarding the City's bond rating and the impact this had on pension obligation bonds.

Mr. Nesbitt stated the FPPTA had held four virtual learning programs of a total of 12. For every six sessions a member attended, he/she would receive five continuing education credits. The status of the October FPPTA conference was still up in the air.

Regarding the City's bond rating and the pension obligation bonds, Ms. Grant said they had anticipated \$900,000 in savings per year but would save a total of \$16 million, \$1.5 million per year for the next 12 years

EXECUTIVE DIRECTOR'S REPORT:

Ms. Wenguer hoped to have Mr. Loiz's report from Dr. Lupu at their next meeting.

Dr. Lupu had agreed to use telemedicine for Mr. Mammarelli's evaluation and Ms. Wenguer said she would probably have this for the Board's September meeting.

Trustee Seats - Notice of Elections

Ms. Wenguer said Mr. Fortunato and Chair Rudominer's seats were up, as was the seventh member seat, for which Mr. Hole had applied.

Retirement Seminar - Update

Ms. Wenguer reported this was going forward but would probably be virtual.

Benefit Suspension – S. Arnal - Update

Ms. Wenguer informed the Board that they had successfully contacted Ms. Arnal.

PENDING ITEMS:

Old Business:

Schedule A

Regarding the ordinance re-write, Ms. Grant agreed to look into this and report back.

New Business:

Mr. Klausner reported Stephen Cypen's mother had passed away recently. He suggested the Board send a note expressing sympathy and Ms. Wenguer agreed.

Mr. Hole informed everyone that 17,000 firefighters had been exposed to Covid-19 and eight had died.

There being no further business to come before the Board at this time, the meeting was adjourned at 1:25 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.