PENSACOLA
FLORIDA'S FIRST & FUTURE

General Pension and Retirement Plan

MINUTES OF MEETING
GENERAL PENSION BOARD
NOVEMBER 22, 2024

The trustees of the City of Pensacola General Pension Plan held a meeting this date.

Members Present:
Mick Novota
William "Rusty" Wells
Laura Amentler
Debra Little
Amy Miller
P. Cheryl Jackson

Members Absent:
None

Others Present:
Earl Denney, Integrity Fixed Income Management (by Teams meeting)
Larry Cole, Burgess Chambers and Associates (by Teams meeting)
Gary Leuchtman, Pension Attorney (by Teams meeting)
Richard Russo, Help Desk Technician
Amy Lovoy, Plan Administrator
Michelle Madril, Payroll & Retirement Manager
Alexandra Daily, Executive Assistant to Finance Director

The meeting was called to order by Chairman Amentler at 11:31 a.m. Chairman Amentler stated there was a quorum present.

Ms. Little made a motion to approve the minutes of the August 14, 2024 meeting. Mr. Wells seconded the motion and it passed unanimously.

Ms. Lovoy updated the General Pension Board on the review of the current Cavanaugh Macdonald Consulting, LLC actuarial report. The Plan Administrator just received the contract back from Foster and Foster who should be providing the Board with their draft report to be reviewed at the next meeting.

Ms. Miller made a motion to ask Cavanaugh McDonald to provide the General Pension Board a cost estimate for investigating the potential revisions to the General Pension Plan and the General Pension DROP of each of the following:

- Increase the COLA for Retirees from a maximum of 1%
- Increasing the DROP term for all General Pension and Retirement Fund (GPRF) employees currently enrolled in the DROP and any future GPRF DROP participants from the current maximum of up to 5 years to a maximum of up to 8 years.
- Increasing the interest accrual rate on DROP retirement savings accounts from 1.3% to 2%, 3% or 4%.
- Increasing the pension benefit calculator for all active employees enrolled in the General Pension and Retirement Fund from the current 2.1% of average monthly salary x years of service credited prior to 10/1/2012 and 1.75% of average monthly salary x years of service credited after 10/1/2012 to a flat rate of 2.1% for all years of service. This would constitute a reversion back to the calculation rate that existed before it was reduced in 2012.

After some discussion, Mr. Wells made a friendly amendment to also include an additional revision of adding a health insurance subsidy for all current and future retirees in the plan. However, it was not accepted.

Therefore, the original motion to ask Cavanaugh McDonald to provide the General Pension Board a cost estimate for investigating the potential revisions to the General Pension Plan and the General Pension DROP mentioned above remains on the table for a vote. Ms. Little seconded the motion and it passed unanimously.

Mr. Larry Cole with Burgess Chambers & Associates addressed the Board and reviewed the Fund's performance for the quarter ending September 30, 2024. Mr. Cole stated the total return for the quarter ending on September 30, 2024 was 6.1% net of fees. The return for one-year period ending on September 30, 2024 was 16.6%, the return for the three-year period ending on September 30, 2024 was 1.3% and the return for five-year period ending on September 30, 2024 was 6.4% all net of fees. He stated the total value of the Fund as of September 30, 2024 was $149,880,606. Mr. Cole then reviewed the individual money managers and asset allocation.

The report from Burgess Chambers & Associates is on file.

Earl Denney with Integrity Fixed Income Management addressed the Board and provided a review of the quarterly performance of the Fixed Income portfolio for the period ending September 30, 2024. Mr. Denney stated that the portfolio had a 6.71% rate of return (net of fees) for the quarter ending September 30, 2024. The trailing one-year return for the period ending on September 30, 2024 was 8.60% (net of fees), the trailing three-year return for the period ending on September 30, 2024 was 0.19% (net of fees) and the return since inception for the period ending on September 30, 2024 was 3.03% (net of fees).

The report from Integrity Fixed Income Management is on file.

Ms. Miller made a motion to approve payment of the following invoices for the quarter ending September 30, 2024:

- Advent Capital Management, LLC in the amount of $11,780.15
- DePrince, Race & Zollo, Inc. in the amount of $8,282.00
- Fiduciary Management, Inc. in the amount of $8,751.00
- Frontier Capital Management in the amount of $10,607.19
- Integrity Fixed Income management, LLC in the amount of $22,914.79
- Polen Capital in the amount of $16,435.36
- Sawgrass Asset Management, LLC in the amount of $11,064.75
- SSI in the amount of $11,407.00
- Vulcan Value Partners, LLC in the amount of $13,148.10
- Burgess Chambers & Associates, Inc. in the amount of $12,500.00
- Cavanaugh Macdonald Consulting, LLC in the amount of $5,445.00
- Leuchtman Law in the amounts of $10,793.50 and $3,237.48
- FPPTA 2025 Membership for the General Pension Board of Trustees in the amount of $750.00
- FPPTA 2025 CPPT Recertification for Debra Little and James Novota in the amount of $100.00

Mr. Wells seconded the motion and it passed unanimously.

Ms. Jackson made a motion to approve the:

- Winter Trustee School on January 26-29, 2025 at Renaissance Orlando at Sea World
- 41st Annual Conference and Expo on June 22-25, 2025 at the Omni Champions Gate, Orlando
- Fall Trustee School. On October 5-8, 2025 at the Sawgrass Marriott Golf and Spa Resort, Ponte Vedra Beach

Mr. Wells seconded the motion and it passed unanimously.

Ms. Jackson made a motion to approve the following Notices of Pension:

Ashley N. Joyner
Type of Pension: Normal
Effective Date: 8.30.24
Monthly Pension: $2,044.48
Annual Pension: $24,533.76

Janice M. Lyons
Type of Pension: Widow
Effective Date: 7.14.24
Monthly Pension: $2,739.78
Annual Pension: $32,877.38

Sandra F. Averhart
Type of Pension: Widow
Effective Date: 7.20.24
Monthly Pension: $1,781.12
Annual Pension: $21,373.44

Barbara L. McWaine
Type of Pension: In-Service
Effective Date: 10.28.24
Monthly Pension: $2,195.10
Annual Pension: $26,341.20

Tom Lucia
Type of Pension: In-Service
Effective Date: 8.19.24
Monthly Pension: $2,663.70
Annual Pension: $31,964.40

Deanna Lucia
Type of Pension: In-Service
Effective Date: 8.19.24
Monthly Pension: $3,474.36
Annual Pension: $41,692.32

Kristy Wilson
Type of Pension: DROP
Effective Date: 10.28.24
Monthly Pension: $2,798.68
Annual Pension: $33,584.16

Ms. Little seconded the motion and it passed unanimously.

The following information items were noted:

- Statement of Changes to Cash Balances for August 2024, September 2024 and October 2024

There being no further business to come before the Board, the meeting was adjourned at 12:27 p.m.

Amy Lovoy
Amy Lovoy
Plan Administrator