PENSACOLA
FLORIDA'S FIRST & FUTURE

GENERAL PENSION BOARD WORKSHOP
MAY 8, 2024

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

Members Present:
- Mick Novota
- William "Rusty" Wells
- Laura Picklap

Members Absent:
- Larry Porto
- Amy Miller
- Debra Little

Others Present:
- Priscilla "Cheryl" Jackson
- Todd Green, Cavanaugh Macdonald Consulting, LLC
- Zach Smith, Cavanaugh Macdonald Consulting, LLC
- Larry Cole, Burgess Chambers and Associates
- Gary Leuchtman, Pension Attorney
- Lauren Pride, Attorney
- Richard Russo, Help Desk Technician
- Amy Lovoy, Plan Administrator
- Michelle Madril, Payroll & Retirement Manager
- Alexandra Daily, Executive Assistant to Finance Director

The workshop was called to order by Chairman Amentler at 11:30 a.m. Chairman Amentler stated there was not a quorum present to hold a meeting.

Mr. Todd Green and Mr. Zach Smith, with Cavanaugh Macdonald Consulting, LLC, reviewed the General Pension Board's actuarial report. Mr. Green reminded the General Pension Board that the assumed rate of return is evaluated each fiscal year based on the market value of the assets. No change was made for this valuation report and the assumed rate of return remains at 7.00%. Mr. Green also added that the amortization methodology has changed from a single amortization base over a closed period to a layered amortization over a 15-year amortization period.

Mr. Smith continued the presentation with a review of the valuation results. He stated that the City's required contribution for the Fiscal Year 2025 will be $6,141,842 which increased by $542,572 from the preceding valuation. The total unfunded liability was $22,432,523 as of October 1, 2023. The market value of assets has increased by $3,347,384 to $135,252,670 while the unfunded actuarial accrued liabilities increased by $1,269,149 to $22,432,523 both as of September 30, 2023. The Funded Ratio as of September 30, 2023, is 81.9%.

Mr. Larry Cole with Burgess Chambers & Associates addressed the Board and reviewed the total Fund's performance for the quarter ending March 31, 2024. Mr. Cole stated the total return for the quarter ending on March 31, 2024 was 3.4% net of fees. The return for one-year period ending on March 31, 2024 was 9.4%, the return for the three-year period ending on March 31, 2024 was 1.3% and the return for five-year period ending on March 31, 2024 was 5.8% all net of fees. He stated the total value of the Fund as of March 31, 2024 was $148,937,106. Mr. Cole then reviewed the individual money managers and asset allocation.

The report from Burgess Chambers & Associates is on file.

Mr. Leuchtman reminded the General Pension Board that they needed to file Form 1 electronically by July 1st.

Mr. Leuchtman recommended the General Pension Board adopt a policy regarding attendance by its members. He would be happy to prepare a new policy for the next meeting for the General Pension Board's review.

Mr. Leuchtman also reviewed the Travel Policy with the General Pension Board. He noted that currently the General Pension Board is operating under the same Travel Policy as the City of Pensacola. This policy reimburses travel at the lesser of (a) the cost of a flight(coach) versus (b) the cost of mileage based upon IRS reimbursement rate.

Mr. Leuchtman noted that at the last meeting he passed out a memorandum regarding unfunded liabilities. He has since received some updated information and will revise the memorandum for the next meeting.

The following information items were noted:

- Statement of Changes to Cash Balances for January 2024 and February 2024
- Memorandum – General Pension Cost of Living Increase

There being no further business to come before the Board, the workshop was adjourned at 1:12 p.m.

Amy Lovoy

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Plan Administrator