



General Pension and Retirement Plan

Laura Amentler, Chairman
Amy Miller, Vice Chairman
William "Rusty" Wells, Secretary
Mick Novota, Trustee
Larry Porto, Trustee
Debra Little, Trustee

MINUTES OF MEETING GENERAL PENSION BOARD June 12, 2024

The trustees of the City of Pensacola General Pension Plan met this date.

Members Present:

Mick Novota
William "Rusty" Wells
Laura Picklap
Amy Miller
Debra Little

Members Absent:

Larry Porto

Others Present:

Priscilla "Cheryl" Jackson
Gary Leuchtman, Pension Attorney
Lauren Pride, Attorney
Hunter Green, Help Desk Technician
Richard Russo, Digital Media 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 11:32 a.m. Chairman Amentler stated there was a quorum present.

Mr. Novota made a motion to approve the minutes of the April 10, 2024 and May 8, 2024 meetings. Ms. Little seconded the motion and it passed unanimously.

Ms. Miller made a statement regarding the discussion about the attendance at the General

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Pension Board meetings. She noted that in the past ten years, she has only missed a grand total of five meetings due to primarily work-related conflicts. It was purely coincidence that several of those missed meetings occurred recently.

Mr. Leuchtman noted that several meetings ago he passed out a memorandum regarding unfunded liabilities. He has since received some updated information and has revised the memorandum to include a few technical and actuarial terminology changes.

The General Pension Board then discussed last actuarial report for the year ending September 30, 2023 that showed that the annual required contribution would increase to \$2,400,000 for plan year 2028. After some discussion, the General Pension Board has taken the information under advisement and put the memorandum in the file.

Mr. Leuchtman stated that in the southern District of Florida, a federal judge has issued a temporary injunction indicating that SB 774, which created order Form 6, violated the 1st Amendment rights of candidates and City Council members. This injunction has stopped the Commission on Ethics from taking any further actions to enforce that law until further order of the court.

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

At the last meeting, a recommendation was made that the Board adopt a policy regarding attendance by its members. Mr. Leuchtman provided a sample policy for the Board's review and consideration. After some discussion, it was decided that an Attendance Policy was not necessary or desirable.

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 stated that the Police and Fire Pension Boards' Travel Policy allows the trustees to make the decision whether they are going to travel to a conference via a private vehicle or aircraft and they are reimbursed for travel based upon mode of transportation method they used.

After some discussion, Mr. Novota made a motion to have the same Travel Policy as the Police and Fire Pension Boards' policy that allows those trustees to make the election whether they are going to travel to a conference via a private vehicle or aircraft and they would be reimbursed for whichever method they take. Ms. Little seconded the motion.

Ms. Miller made a friendly amendment to limit that choice to travel within the State of Florida. Ms. Little seconded the amendment.

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After some more discussion, Ms. Miller made a proposed edit to make a change to clarify travel from "tourist class" to "economy class."

Mr. Novota amended his original motion to limit the Travel Policy to within the State of Florida or 600 miles radius from the Pensacola City Hall. Ms. Little seconded the motion and it passed 3-2 with Chairman Amentler and Rusty Wells dissenting.

Ms. Miller made a motion to approve payment of the following invoices for the quarter ending March 31, 2023:

- DePrince, Race & Zollo, Inc. in the amount of \$8,162.00
- Fiduciary Management, Inc. in the amount of \$8,533.00
- Integrity Fixed Income management, LLC in the amount of \$22,013.12
- Polen Capital in the amount of \$17,875.75
- Sawgrass Asset Management, LLC in the amount of \$10,585.03
- SSI in the amount of \$10,814.00
- Vulcan Value Partners, LLC in the amount of \$13,030.98
- Burgess Chambers & Associates, Inc. in the amount of \$12,500.00
- Cavanaugh Macdonald Consulting, LLC in the amounts of \$4,121.25, \$9,587.50 and \$6,157.50
- Law Office of Gary B. Leuchtman, PLLC in the amount of \$7,364.50
- Award Masters, Inc. in the amount of \$154.50

Ms. Little seconded the motion and it passed unanimously.

Ms. Miller made a motion to approve the following Notice of Pension:

Winston Brown
Type of Pension: Normal
Effective Date: 2.24.24
Monthly Pension: \$1,609.72
Annual Pension: \$19,316.64

Mr. Wells seconded the motion and it passed unanimously.

Ms. Miller made a motion to approve the actuarial valuation. Mr. Wells seconded the motion and it passed unanimously.

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

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Joseph F. Brown
Type of Pension: DROP
Effective Date: 4.29.24
Monthly Pension: \$2,969.84
Annual Pension: \$35,638.08

Amy S. Miller
Type of Pension: DROP
Effective Date: 4.29.24
Monthly Pension: \$4,253.44
Annual Pension: \$51,041.28

Mr. Wells seconded the motion and it passed unanimously.

Ms. Little made a motion to approve the following Notice of Pension:

Mary H. Smith
Type of Pension: Normal
Effective Date: 4.29.24
Monthly Pension: \$1,756.76
Annual Pension: \$21,081.12

Ms. Miller seconded the motion and it passed unanimously.

Ms. Miller made a motion to discuss the engagement of Cavanaugh MacDonald Consulting, LLC, the Board's existing contracted actuary, to develop actuarial estimates of the cost to the City of Pensacola and/or to the General Pension and Retirement Fund 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.

Ms. Amentler seconded the motion and it passed unanimously.

After some discussion about DROP not being under the auspices of the Board, Ms. Miller made a motion to table the engagement of Cavanaugh MacDonald Consulting, LLC, until the next meeting. Ms. Wells seconded the motion and it passed unanimously.

The following information items were noted:

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- Statement of Changes to Cash Balances for March 2024 and April 2024

There being no further business to come before the Board, the workshop was adjourned at 12:52 a.m.



Amy Lovoy
Plan Administrator