

**MINUTES OF THE GENERAL EMPLOYEES' PENSION PLAN REGULAR BOARD  
MEETING HELD PHYSICALLY ON MONDAY August 26 ,2024, AT 3:30 P.M.**

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<b>Trustees:</b> Ty Penserga, Mayor Sheryl Claude, Trustee Dan Dugger, City Manager Steven Grant, Secretary Laurie Fasolo Belkis Abaroa	<b>Others:</b> Amanda Kish, Office of the Resource Centers Jeff Swanson, Southeastern Advisory Bonni Jensen, Office of Klausner, Kaufman, Jensen , Levinson Pete Strong, GRS
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**I. Call to Order**

**Ty Penserga called the meeting to order at 3:30 P.M.**

**II. AGENDA APPROVAL:**

A. Additions, Deletions, Corrections.

**III. APPROVAL OF MINUTES**

**A. Regular Quarterly Meeting**

The Board held a discussion regarding the minutes. The Board requested a date change on page four and the removal of the line regarding the appointment of the secretary.

**Motion**

**Steven Grant moved to approve the minutes as amended. Dan Dugger seconded the motion that unanimously passed 4-0**

**A. Southeastern Advisory Services:**

**1. Investment Report:**

Mr. Swanson informed the Board of the current market environment. He addressed the performance of JP Morgan and the termination of JP Morgan. He stated that June 30th had a positive fiscal year return of 11.42%. He continued to review the individual managers' performance. Mr. Swanson stated that real estate will continue to bounce back over the next few quarters. The plan's return for the June 30th quarter was 0.50% (82nd percentile). The plan's total value, including the R&D account, was reported to be \$223,289,733.00. Mr. Swanson reviewed the allocation of assets for the quarter:

He reviewed the market environment for each investment sector. Mr. Swanson recommended putting Garcia Hamilton under performance review.

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The Board held a discussion regarding JP Morgan's performance. Mr. Swanson addressed the distribution and how that was helpful to private credit. Mr. Swanson stated they did not provide any liquidity.

Mr. Strong addressed the investment return rate with the investment consultant. Mr. Swanson stated that the current investment rate of return is responsible and obtainable.

**B. Gabriel Roeder Smith & Company: Pete Strong**  
**2. Actuarial Valuation report as of October 1, 2023**

Mr. Strong introduced himself to the Board. He reported that the estimated required employer contribution as a percentage of payroll for fiscal year ending September 30, 2025, is \$7,545,196, or 22.99% of covered payroll, which increased due to liabilities and the investment rate of return. The DROP extension and the 7.00% interest rate also contributed. The additional loss was due to a higher-than-expected salary increase in addition to mortality. The plan's total loss was \$1,201,192.00. Mr. Strong reviewed the assumption changes, which included the investment return being reduced by 0.10%, from 6.70% to 6.60%. The fund ratio this year is 89.2%, compared to 94.6% last year. Mr. Strong reviewed the main contributions to the plan. He also reviewed the amortization payments and investment rate of return with the plan. Mr. Strong reviewed the smoothing assumption with the Board.

The Board held a discussion regarding the assumed rate of return for the amortization schedule.

**Motion**

**Steven Grant moved to approve of lowering the rate of return and valuation report. Laurie Fasolo seconded the motion that unanimously passed 5-0**

Mr. Strong did not recommend doing an investment return cost study.

**V. CORRESPONDENCE**

**There was no correspondence.**

**VI. OLD BUSINESS**

**There was no Old Business**

**VII. NEW BUSINESS**

**A. Attorney Report**

**1. 2025 Meeting Dates:**

Mrs. Jensen presented the 2025 meeting dates.

**2. : 1099 R Reporting of disability Income.**

Mrs. Jensen presented the 1099-R reporting for disability to the Board. She stated that her firm took the stance that benefits should be marked as taxable, not determined. The IRS revised the memo and stance on disability tax. Mrs. Jensen informed the Board that individuals receiving more than 42% of a disability benefit will receive two 1099-R forms: one for the non-taxable portion and the other for the taxable portion of any benefit above the baseline of 42%.

**3. Investment Policy Guidelines**

February 26,

Mrs. Jensen addressed the ordinance, stating that the investment policy needs to be changed in the ordinance. She stated that the current policy can hinder the decision-making process of the Board. Mrs. Jensen suggested that the Board investigate removing the investment policy guidelines from the ordinance.

## **B. Administrative Report**

### **2.Warrant for Invoices.**

The Board reviewed the Disbursements the plan administrator presented for approval.

#### **Motion**

**Sheryl Claude moved to approve the Warrant dated June 11<sup>th</sup> and February 26, 2024. Steven Grant seconded the motion that unanimously passed 5-0**

### **3.Benefit Approvals**

The Board reviewed the Benefit Approvals as amended presented. The Board requested removing the vested deferred calculations.

#### **Motion**

**Sheryl Claude moved to approve the amended benefit approval. Dan Dugger seconded the motion that unanimously passed 4-0**

Mrs. Kish provided the upcoming conference dates.

#### **Motion**

**Sheryl Claude moved to approve the Trustees attending the upcoming conference. Dan Dugger seconded the motion that unanimously passed 4-0**

## **VIII. PUBLIC COMMENTS**

There were no Public Comments

## **IX. ADJOURNMENT**

There being no other business and the next meeting had been previously scheduled for Monday, November 25, 2024, at 3:30 p.m., the Trustees adjourned the meeting at 4:35 P.M.

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Boynton Beach General Employees' Pension  
Board