

City of Fort Myers General Employees' Pension Plan

Minutes: Meeting of December 18, 2024

1. Call to Order

Chair Donna Lovejoy called a meeting of the Board of Trustees for the Fort Myers General Employees' Pension Plan to order at 9:02 AM. Mr. Scott Baur called Roll.

Trustees Present

Donna Lovejoy, Chairperson
Aurelio Gongora, Vice Chair
Jason Frank
Eloise Pennington
John Lege
Wally Ilczyszyn
McKinley Williams

Others

Scott Baur, The Resource Centers
Stacie Crout, The Resource Centers
Patrick Donlan, Foster & Foster
Paul Murray, Mariner
Jenny Gannon, City of Fort Myers
Rebecca Little, City of Fort Myers (Electronically)
Anita Sloan, City of Fort Myers
Beth Stark

2. Public Comment – None

- 3. Board Officers: Nomination for Secretary** – Chair Lovejoy asked if the Board had a nomination for the Open Secretary position previously held by Rudolfo Rosso.

A motion was made by Trustee Pennington to nominate Trustee Jason Frank for the position of Secretary. The motion was seconded by Trustee Lege. The motion passed unanimously 7 - 0.

4. Approval of Minutes

Mr. Baur presented the Board with the minutes of November 20, 2024, meeting to review.

A motion was made by Trustee Pennington and seconded by Trustee Frank to approve the meeting minutes of November 20, 2024. The motion passed 7 – 0.

5. Actuary Report – Patrick Donlan, Foster & Foster

Mr. Donlan presented the Annual Valuation report. He opened with a review of the funding requirements for next year. The city's contribution went down from 28.1% of payroll to 25.5% of payroll. This is partly due to 25% of new members taking advantage of the additional Tiers. Mr. Donlan reviewed the investments on page 30 of the report. Using a 5-year smoothing technique, the plan experienced gains as stated in the report. Mr. Donlan reviewed page 37 notifying the board that the assumptions changed due to an increase in turnover, more members retiring or entering DROP, younger new employees receiving salary increases and sadly some mortalities. The Board recently completed an experience study keeping the return assumption at 7.25%. The unfunded accrued Actuarial Liability decreased from \$45.2 million to \$42.6 million.

A motion was made by Trustee Ilczyszyn and seconded by Trustee Lege to accept the Valuation report. The motion passed 7 – 0.

A motion was made by Trustee Lege and seconded by Trustee Pennington to Approve the 7.25% investment rate. The motion passed 7 – 0.

6. Investment Consultant Report – Paul Murray, Mariner

Mr. Murray presented the Quarterly Report, reporting strong results from the fiscal year with the S&P gaining 36.4% over the last 12 months. The Bond curve is slowly normalizing. He reviewed the markets and current asset allocations, with assets closely in line with targets. Mr. Murray recommended a rebalance of \$3 million from domestic equities to international equities, but decided to hold the recommendation until the next meeting where he will provide the Board with additional options. Mr. Murray reviewed the individual manager's performance and did not recommend any changes or concerns related to compliance. The Board accepted the report as presented.

7. Attorney Report – Blanca Greenwood, Klausner

Attorney Greenwood reported that the legislature added contracting requirements for service providers. She notified the Board of the affidavit related to countries of foreign concern and human trafficking. These affidavits must be signed by any service providers entering into contract or renewal of existing contract with the pension plan.

8. Administrator Report – Scott Baur & Stacie Crout, Resource Centers

The administrators updated the signature authorization. There were no other reports presented from the administrator.

9. Plan Financials

The Board reviewed the warrant dated December 18, 2024.

A motion was made by Trustee Ilczyszyn and seconded by Trustee Williams to approve the expenses on Warrant dated December 18, 2024. The motion passed 7 – 0.

The Board reviewed the Benefit Approvals presented by the Administrator. Trustee Pennington asked for an explanation regarding the surviving children of Reinaldo Marchany. Stacie provided response that in accordance with the ordinance the benefit must be paid out within 5 years of the death of the member. There was a lengthy process establishing the benefit amount and setting up the estate. The surviving children will receive a monthly benefit until 2027.

A motion was made by Trustee Frank and seconded by Trustee Pennington to approve the Benefits. The motion passed 7 – 0.

10. New Business

Four candidates submitted applications of interest in the open trustee seat vacated upon Trustee Pennington's resignation. The Trustees introduced themselves and gave a brief summary of their interest in the Board seat. The candidates voluntarily left the room while the Board discussed the strengths of the candidates. Several trustees noted that Beth Stark has attended for many years with personal interest as well as providing information to other members regarding their pension. She is also a non-union member.

A motion was made by Trustee Pennington and seconded by Trustee Gongora to nominate Beth Stark. The motion passed 7 – 0.

The board thanked and notified the candidates of their decision. Beth Stark will serve a two-year term and swore in at the next meeting.

11. Other Business –

Trustee Ilczyszyn asked if the Board had considered extending the DROP. Chair Lovejoy provided an explanation stating that a longer DROP may have a slight financial impact, therefore, a longer DROP must be negotiated in bargaining. Mr. Donlan explained the possible impact of a longer DROP based on retirement assumptions. The union is currently in negotiations.

Trustee Pennington thanked the Trustees for the opportunity to serve on the Board.

8. Next Meeting

The next meeting will be held on February 19, 2025, at 9:00AM.

9. Adjournment

There being no further business, a motion was made by Trustee Pennington and seconded by Trustee Frank to adjourn at 10:35 AM. The motion passed 7 – 0.

Respectfully submitted,


Chair Donna Lovejoy

