



GENERAL EMPLOYEES' RETIREMENT SYSTEM

2018 NEWSLETTER

Our mission is to ensure the proper management and investment of the Retirement System assets in order to protect the benefits of the members and beneficiaries of the Retirement System, and to provide them with the highest level of administrative services.

CHAIRMAN'S MESSAGE

George Mitchell, Chairman

Employees of the City of Pompano Beach are fortunate to have a pension plan that provides financial security and stability for you and your family. Most of you have worked most of your adult life. Some of you have risked your life at times. You have often given up time with your family. It will be a true joy when the time comes to experience the fruits of your labor.

Recent studies have shown that retirees with a stable source of retirement income, such as a pension, are able to spend more in retirement than their peers who must rely solely on personal investments. Knowing that you have a dependable lifetime income deposited into your bank account every month can make your golden years more enjoyable and a lot less stressful.

The pension board trustees and administrative staff work hard throughout the year to ensure that the pension plan is financially solid and administered with the goal of providing you the benefits promised to you by the city's ordinances.

The pension plan is able to pay you your promised benefits from monies contributed over the years by you and your fellow employees, contributions from your employer, plus investment income earned from a diversified portfolio of stocks, bonds, real estate and other investments. Your plan has a much longer investment horizon than any individual. With that long-term horizon, the plan is better able to weather the inevitable ups & downs of the financial markets. So in good times and bad, you will have a stable financial foundation to enjoy the rest of your life – no matter how long you may live.

Your pension plan is only one part of a successful retirement. As you approach retirement, there are other factors to consider such as health insurance, Social Security, and taxes. Be sure you understand your pension choices and know which one is best for you and your family. Pension decisions are irrevocable once you retire. Please give these decisions the careful consideration they deserve. The staff at the pension office is here to help you explore all of your options such as the DROP plan and benefit payment choices. Our goal is to help you get the most of your hard-earned benefits.

As Chairman of the Board of Trustees, I want to extend our gratitude to you for your trust and confidence in us.

Stay healthy, be strong and plan accordingly.

AT A GLANCE

As of September 30, 2018

PLAN PARTICIPANTS

◆ Active Employees	488
◆ Terminated & Vested	26
◆ DROP Participants	52
◆ Disability	17
◆ Retirees	330
◆ Beneficiaries	43

PLAN ASSETS

\$ 191,219,657

BENEFIT PAYMENTS MADE IN FY2018

\$ 13,342,113

CONTRIBUTIONS TO PLAN IN FY2018

◆ Employees	\$2,663,296
◆ City	\$ 7,953,196
◆ BSO & County	\$ 348,773

NET INVESTMENT INCOME FY2018

\$ 17,032,400

The Board of Trustees meets on the 3rd Tuesday of each month at 1:30 p.m. at the Pension Office, unless otherwise posted. All meetings are public and anyone may attend. Ten days prior to each meeting, notices are sent to all departments throughout the City. Meeting agendas are posted 48 hours prior to each meeting on our website.

VISIT US ONLINE AT

WWW.POMPGERS.ORG

Forms, Reports, Agendas & more

TRANSITIONS 2016-2018

BOARD OF TRUSTEES

George Mitchell, chair	Employee elected
Leeta Hardin, vice-chair	Employee elected
Mark Darmanin	Commission appointed
Mark Eddington	Employee elected
Greg Eickhorn	Commission appointed
John Hackett	Board appointed
Michael Miller	Commission appointed

STAFF

Madelene Klein	Executive Director
Bob Oelke	Assistant Administrator

**555 South Andrews Avenue
Suite 106
Pompano Beach, FL 33060
(954) 782-2660**

BOARD ATTORNEY

Rice, Pugatch, Robinson, Storfer & Cohen
PLLC

PLAN ACTUARY

Cavanaugh MacDonald Consulting, LLC

PLAN AUDITOR

Kabat, Schertzer, De La Torre, Taraboulos
& Co LLC

PLAN CUSTODIAN

Regions Bank

ASSET CONSULTANT

Southeastern Advisory Services

RETIREMENTS

DIANA AQUINO
DAVID I. AYCOCK
DENNIS W. BEACH
CHARLOTTE BURRIE
BARBARA DE LEON
LINDA DENHAM
DONOVAN I. EVANS

MARGARET J. GALLAGHER
GEORGE E. GARRON, JR.
SHARI L. HAMPTON
VINCENT JEAN-PIERRE
GRETCHEN KRONSNABEL
JOHN U. MATCHANICKAL
SHERRY F. MC DANIEL

RICHARD G. MERLINO
JERRY MYERS
GLORIA REED
RONALD P. RICHTER
PAUL A. SHEPHERD
NANCY A. SHERNESKY

VESTED TERMINATION

LAMAR P. FISHER
LINDA G. FRY

CHRISTINE M. KENDEL
JONATHAN G. NASSER

DROP ENTRY

ROSEMARY BAKER
SHELLEY R. BARTHOLOMEW
JERRY D. BURKE
GEORGE E. COX
JIMMIE L. DAVIS
JEFFREY ERVIN
BELINDA P. GRAHAM
FORREST W. HALL
WILLIAM KOPENSKI

PHYLLIS A. KORAB
THEOPHILE LAINE
SHARON L. LE MAY
KIMBERLY MADDOX
KYLE S. MC PHAIL
CATHY W. MOORE
PAUL PARASRAM
PAMELA PHOENIX
JOHN M. POAG, JR.

FAWN POWERS
SALVATOR PRAVATA
EDDIE RAMOS
PEDRO J. RUBIALES
HUBERT SHAW
DIANE TAYLOR
CHERYL J. VARA
GISELLE WISHINSKY

DROP EXIT

ROBIN BIRD
JOSE A. COPA
ZORAIDA H. CRUZ
LINDA C. DYE
HERBERT ENGLISH
ALTON L. EVANS
JAMES GREEN, JR
TRACEY GREEN
TWANNA W. HARRIS

ERNEST KEARSE
GAIL C. KING
ROBERT L. LAWSON
SHARON LEMAY
INGELA C. LOFSTEDT
WALTER MC FADDEN
JOHN MEALER
BRUCE MEST
ROBERT H. MOORE

TERRANCE NELSON
BARBARA J. PALAT
JOHN POAG
DONNA SAMOLEWICZ
BARBARA SCHUBERT
MIKE A. SOTO
DIANE TAYLOR
CHERYL THOMPSON
ANN M. WILKINS

PRE-RETIREMENT DEATHS

DENNIS ALLEN

CYNTHIA VIARD

POST-RETIREMENT DEATHS

BOBBY BLAKELY
DOROTHY CIECHOWSKI
MARGUARITE FOGEL
ALAN J. FRIEDRICH
SHIRLEY GLEASON
JAMES HARRISON

ROOSEVELT JACKSON
JAMES A. MARTIN
EDWARD NELSON
BETSY E. NICKERSON
JUDITH PODPORA

IRENE M. TOMASIELLO
HARVEY VILLA
MICHAEL WALSH
HARRY WILLIAMS, JR.
TOMMIE WRIGHT

HELP US KEEP YOU INFORMED

Have there been any changes in your life lately? Did you move, change your phone number or email? Did you change your name recently? **Keeping your contact information up-to-date at the pension office is the best way for you to get the most from your retirement system.**

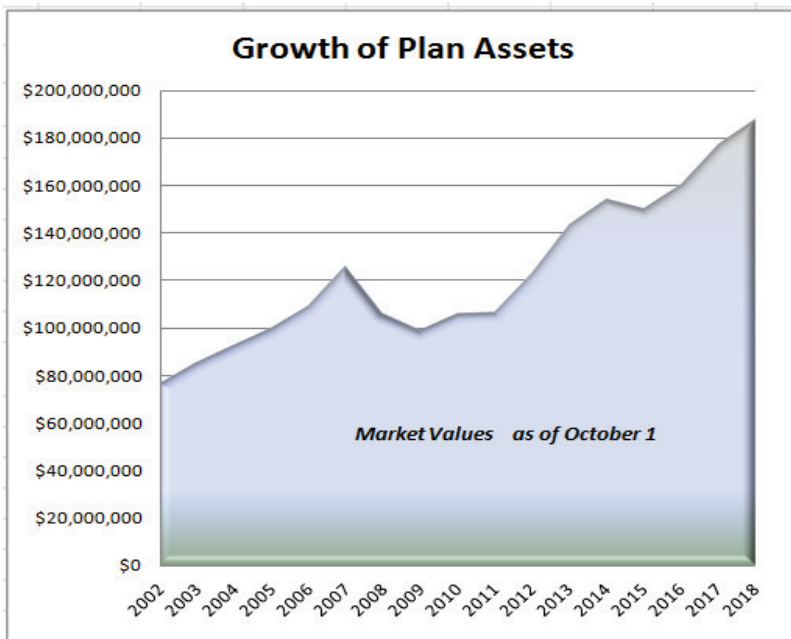
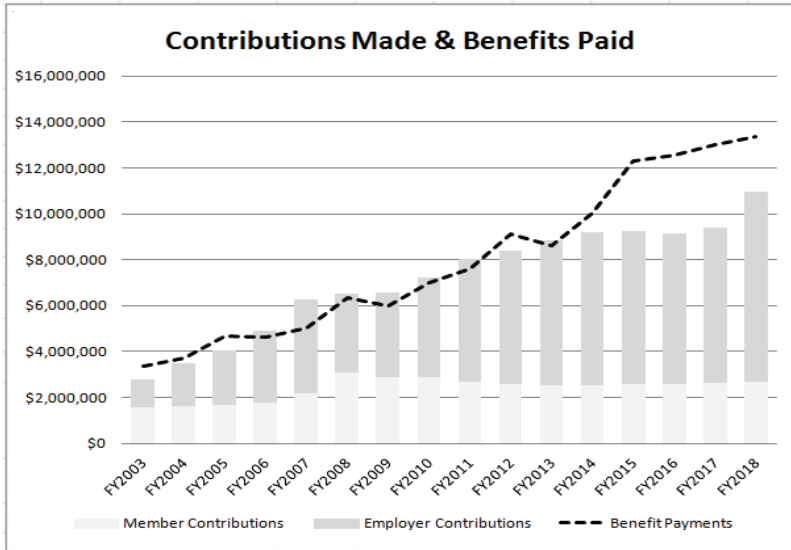
For your protection, all requests for address changes must be in writing. For name changes we need a copy of a marriage license, divorce settlement or other official documentation. A Change of Address Form can be found at our website **POMPGERS.ORG**

DIVORCE?

Municipal pension plans are not governed by the same laws as private sector plans. If you are contemplating a divorce and a split of pension benefits as part of your settlement, please have your attorney contact the pension office. We may be able to provide helpful insights to make the process smoother to enable us to legally comply with the court's directives.

More details are on our website: **POMPGERS.ORG**

FINANCIAL STRENGTH



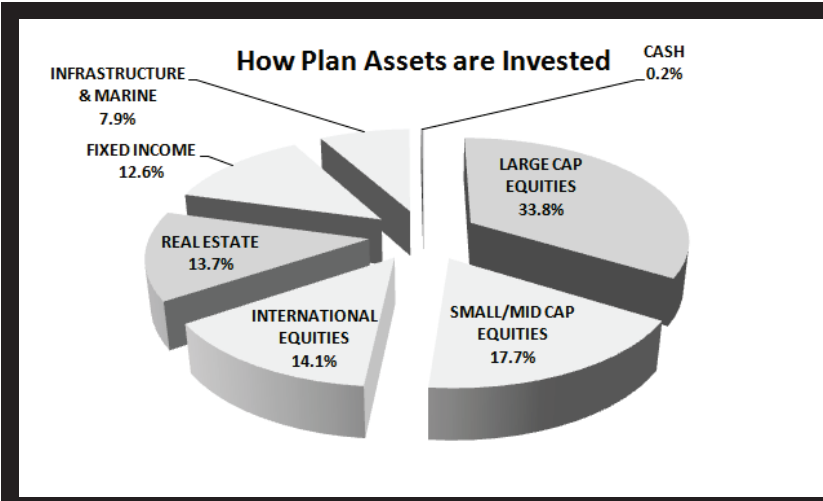
BOARD NEWS

An election was scheduled for November 27th to elect one member of the Retirement System (active or retired) to serve on the Board of Trustees. Trustee Leeta Hardin was the only person nominated as a candidate. As a result, no election was held and Trustee Hardin will serve another three-year term on the Board.

On December 11, 2018 the City Commission re-appointed Trustee Michael Miller to the Board to serve his fourth full term, which will expire December 6, 2021.

At the January 2018 conference of the Florida Public Pension Trustee Association, Trustee Greg Eickhorn successfully completed his Advanced exam earning his Certification as a Public Pension Trustee (CPPT). Congratulations, Greg!

We are very fortunate to have dedicated, experienced and knowledgeable Trustees serving your pension plan. All Board members and staff have earned their CPPT designation. In addition to attending monthly Board meetings, your volunteer Board members spend many hours each year keeping up-to-date on issues ranging from best investment practices to new state laws and regulations.



PORTFOLIO MANAGERS

Large Cap Value	DePrince Race & Zollo
Small/Mid Cap Value	Atlanta Capital
Index Fund	Rhumblin Advisers
Fixed Income	Richmond Capital Management
Core Real Estate	Principal Global Investors
Strategic Value Real Estate	American Realty Advisors
Infrastructure & Global Marine	JPMorgan
International Funds	American Funds Oppenheimer Oakmark

RETIREMENT NEWS

Planning to Retire Soon?: Be sure to contact the Pension Office to schedule an exploratory meeting to discuss all of your options. Everyone's situation is different. What may make sense for a co-worker may not work well for you. Retirement marks a major turning point in your life. Make sure you have all the facts you need to make informed decisions for your unique circumstances. Schedule an appointment with us a couple of months before you plan to retire.

Beneficiary Designations: When was the last time you reviewed your beneficiary designation? Now is a good time to take a look and see if it still reflects your intentions today. Life has a way of getting ahead of us — you may have gotten married or divorced, celebrated the birth of a new child, perhaps your beneficiary has died. Time and circumstances change. Please be sure your beneficiary designation is up-to-date. Forms are available in our office or on our website — **POMPGERS.ORG**. Don't forget to also review your life insurance policies, 457 plan, IRAs and other retirement accounts. **NOTE: If you initially named your spouse as beneficiary and have since divorced, under Florida law we must treat your ex-spouse as though he or she is deceased. If you still intend for your ex-spouse to be your beneficiary after the divorce, you must fill out a new beneficiary designation form reflecting your new relationship.**

Refund of Contributions: If you terminate employment and are not vested or eligible to receive a retirement benefit, you must complete an "Application for Refund of Contributions" before we can process your refund. If you do not receive a form from the Pension Office within a few days of giving your notice to your employer, please contact the Executive Director.

Refunds of contributions can be rolled over into a qualified retirement account, such as an IRA or 457 plan, without tax consequence. If you elect to receive your refund directly, the taxable portion of contributions will be subject to a 20% withholding tax. You may also be subject to a 10% penalty for early withdrawal if you are under age 59½. The taxable portion of your refund includes all employee contributions made after January 1, 1991.

Once you submit your completed application to us, you should receive your refund check in approximately three to four weeks after your termination date (last day on the payroll) — as long as the Pension Office receives all of the required documentation from the Human Resources and Payroll Departments.

PLANNING FOR RETIREMENT

Retirement planning is sometimes referred to as a three-legged stool: your pension, Social Security and personal savings/investments. The Pension Office is here to help you understand the first leg. The Social Security Administration has online tools to help you explore your options at www.SSA.gov. Personal savings are up to you.

In a recent survey by the Certified Financial Planner Board of Standards, one group — "Confident Savers" — exhibited high confidence about their financial future due to their slow and steady approach to saving throughout their lifetime.

"What's remarkable about Confident Savers is that there is very little difference between them and the other groups except for one big difference — they are planners," said CFP Board Consumer Advocate Eleanor Blayney. "They aren't billionaires set for life, but rather take reasonable steps, including meeting with financial planners, to prepare for retirement.

- ◆ **They prioritize savings:** The highest financial prerogative of Confident Savers is saving money. In this regard, they are well ahead of the other groups in terms of what they see as important.



- ◆ **They save regularly:** Eighty-eight percent of Confident Savers save each and every month.
- ◆ **They save early:** On average, this group started saving for retirement around 25 years old — long before most people even start thinking about their retirement years.
- ◆ **They value outside expertise:** Confident Savers are twice as likely as the other groups to hire a financial planner to manage their money.

"These four basic qualities can help anyone reach financial security," according to Blayney. "Confident Savers are the tortoises, not the hares, in life's financial contest. They don't have to push and sweat as retirement comes near — they can take it easy in those final laps." After all, isn't that what retirement is for?

RETIREE NEWS

Tax Time is Coming: Our plan custodian — Regions Bank — will be mailing Forms 1099-R to all retirees and beneficiaries who received benefit payments during calendar year 2018. Anyone who received a distribution of their DROP account, will receive a separate 1099-R for that distribution. Forms should be mailed no later than January 31, 2019. Please call or email the pension office if you did not receive your 1099-R by mid-February.

If you wish to adjust the amount of federal taxes being withheld from your monthly retirement benefits in the future, you must complete a new Form W4-P. You can print a copy of the form from our website — **POMP-GERS.ORG** — or by contacting the Pension Office.

You may want to check with your tax preparer for any recent changes to the tax law that might affect your pension benefits.

Benefit Verifications: To ensure that benefit payments go to only recipients who are rightfully entitled to receive them, we ask each retiree and beneficiary to complete a verification form each year. This form must be signed in the presence of a Notary Public. Please return your completed, notarized form to the Pension Office as soon as possible. For your convenience, Notaries Public at the Pension Office are available to help you complete your form. We are available to notarize your forms between 8:30 am and 4:30 pm., Monday through Friday.

If you are visiting the Pension Office at 555 S Andrews Avenue, please note that there is additional parking behind the building near the rear entrance. You will find us in Suite 106.

Direct Deposits: Monthly benefits are deposited directly into your bank account on the first day of each month. If you change banks, please let the Pension Office know as soon as possible, so that we can have your benefits deposited into your new account. It typically takes about 10 days for our custodian to update bank information. In order to process the change we need written authorization and a copy of a cancelled check from the new account. There is a Direct Deposit Authorization form on our website. Simply print it out, fill in the requested information, attach a cancelled check and send it to the Pension Office. We prefer that you send changes of bank accounts to the Pension Office, rather than directly to our custodian. This allows us to verify that your requested changes have been properly processed. If you do send instructions directly to the custodian, please send a copy to us, too, so that we can monitor the changes.

Protect Yourself From Fraud: Tax season brings out thieves looking to steal your refund — and possibly your identity. Take steps to protect yourself from identity theft:

- ◆ Only give out your social security number when absolutely necessary. Don't carry your social security card in your wallet or write your number on your checks. Don't respond to unsolicited requests for personal information (your name, birthdate, social security number, or bank account number) by phone, mail, or online. ***The IRS will never contact you by phone or email.***
- ◆ Collect mail promptly. Ask the post office to put your mail on hold when you are away from home for several days. Pay attention to your billing cycles. If bills or financial statements are late, contact the sender.
- ◆ Promptly compare receipts with account statements. Watch for unauthorized transactions. Shred receipts, credit offers, account statements, and expired cards, to prevent "dumpster divers" from getting your personal information.
- ◆ Store personal information in a safe place at home and at work. Install firewalls and virus-detection software on your home computer. Create complex passwords that identity thieves cannot guess easily. Change your passwords if a company that you do business with has a breach of its databases.