



GENERAL EMPLOYEES' RETIREMENT SYSTEM

2023 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.

EXECUTIVE DIRECTOR'S MESSAGE

Madelene L. Klein

It's been another busy year for your Retirement System Board of Trustees and Administrative Staff, with over 70 new members, 10 retirements, 6 vested terminations, 13 new DROP participants and 7 DROP exits during the past fiscal year. The Board of Trustees has also added two additional investment managers, Partners for Growth and Radcliffe, as part of the Plan's repositioning towards alternative investment strategies which began in 2021.

This year brought two changes to the Plan as a result of Memorandums of Understanding between the Federation of Public Employees and the City. The first applies to those Members who had previously elected to convert their prior Tier 2 service to Tier 1 and are still in the process of paying down the additional required employee contributions. Two more windows of opportunity were provided for these Members to utilize accrued sick and/or vacation time to pay down their remaining balances. Eligible Members were allowed to apply up to 100 hours for fiscal year 2022/2023, based upon certain sick/vacation accruals as of December 30, 2022, providing they submitted their election form no later than September 30, 2023. Twenty individuals took advantage of this opportunity and of those ten were able to pay their remaining balances in full. The next window of opportunity for the 2023/2024 fiscal year will apply to those with the same accruals as of December 30, 2023. Members wishing to take advantage of this second opportunity must submit their election forms to the Pension Office no later than September 30, 2024. Year-end statements containing the election form are included with this mailing for those Members with outstanding balances. Eligible Members should complete and return their election forms to the Pension Office at their earliest convenience to take advantage of this opportunity.

The second change to the Plan applies to the Deferred Retirement Option Plan (DROP). All new entrants into the DROP may now remain in the DROP for up to eight years (96 months). Those participants who are currently participating in the DROP but entered DROP with less than 20 years of service prior to the passage of this Ordinance on September 12, 2023 will continue to have a five year (60 month) DROP, unless they submit their written election form to the Pension Office to extend their DROP periods from five years to eight years. This form must be submitted to the Pension Office no later than January 31, 2024. Failure to do so will result in the Member's DROP period remaining at five years. Final notice election forms are included with this mailing for those of you to whom this applies. Even if you have no intention at this time of remaining with the City beyond your original five year DROP period, submitting the DROP extension election form will allow you the opportunity to stay longer if your plans should change in the future, but it in no way obligates you to stay longer.

AT A GLANCE

As of September 30, 2023

PLAN PARTICIPANTS

◆ Active Participants	559
◆ Terminated & Vested	30
◆ DROP Participants	67
◆ Disability	8
◆ Retirees	363
◆ Beneficiaries	59

PLAN ASSETS
\$ 243,710,176

BENEFIT PAYMENTS MADE IN
FY2023 \$ 14,519,654

DROP DISTRIBUTIONS MADE IN
FY2023 \$ 1,450,042

CONTRIBUTIONS TO PLAN IN FY2023

◆ Active Participants	\$ 4,338,774
◆ City	\$ 17,331,437
◆ BSO	\$ 270,042

Participation in the DROP program has become more and more popular among our eligible Members. There are currently over 70 active DROP participants, with more Members already scheduled to begin their participation within the next few weeks. As a reminder, Members may choose to enter DROP upon becoming eligible for Normal Retirement. DROP is a personal choice, and what is right for some is not always right for everyone. If you are getting close to Normal Retirement and wish to find out more about DROP or wish to discuss your options, please call the Pension Office for an appointment. Please keep in mind that the Ordinance requires 30 days' notice before entering DROP, so please plan well in advance.

On behalf of the Board of Trustees and our administrative team, I wish you and your families a safe, healthy and prosperous new year.

TRANSITIONS 2023

BOARD OF TRUSTEES

George Mitchell, Chair	Employee elected
Robert Lawson, Vice Chair	Employee elected
Frankie Chevere	Employee elected
Mark Darmanin	Commission appointed
Greg Eickhorn	Commission appointed
Michael Miller	Commission appointed
Mark Eddington	Board appointed

STAFF

Madelene Klein	Executive Director
LeReva Mathis	Assistant Administrator

**2255 S.W. 2nd Street
Pompano Beach, FL 33060
(954) 782-2660**

info@PompGERS.org

BOARD ATTORNEY
Lorium Law

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

RETIREMENT

SUSAN B. ANTHONY
WINSOME BAKER
EDDIE BEECHER
CYNTHIA DICINTIO
GREGORY GOSIER

ASCELETA HAMMOND
MARIA LOUCRAFT
DANIEL MARINELLI
CHRISTINA MCCOY
ROBERT MOORE

DANIEL NEWELL
GREGORY SCHWEIKERT
CARLA SMITH

VESTED TERMINATION

SHANA COOMBS
KATHRYN DONOHUE
ROBERT FULLER

JENNIFER GOMEZ
DANIEL KEESTER-O'MILLS
JASHONA MCGEE

EDWARD MURPHY
MARK RITACCO

DROP ENTRY

SHARON ALLEN
EDWARD BARTLETT
ROGER BATTIE
CAREL BENT
BOBBY BUSH
DAVID CARR
THIRIN CARTER

JEFFREY GUIDISH
LESTER HOWLAND
MICHAEL KEYES
MARK KITTS
BONITA LAGANA
NICK LAZZARA
CHARLES LOWNDES

ANNIE MANN
DENNIS PANICO
MIKHAIL SIROTINSKIY
LAURIE THOMPSON
MICHAEL TOWNS

DROP EXIT

DOMINIQUE ALEZI
MARTIN DURBIN
THOMAS MOHORN

CATHY MOORE
OCTAVIAN ONUC
PAMELA PHOENIX

FAWN POWERS
SALVATORE PRAVATA
EDDIE RAMOS

DISABILITY

PRE-RETIREMENT DEATH

JONATHAN EDWARDS

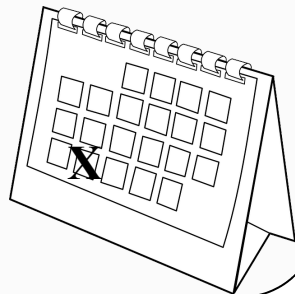
POST-RETIREMENT DEATH

JACQUELINE GARRON
VINCENT JEAN-PIERRE
VALERIE KLEISS
PETE LITTLE
IRENE MEYER

WILLIS MORMAN
SALVATORE PRAVATA
RONALD ROLLE
ELLEN SAVAGE
ERNEST SIEGRIST

JESSIE SMITH, JR.
ROBERT SPURGEON
WILLIAM WADE, JR.

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.



Regardless of the market volatility, your pension is secure. Because this is a Defined Benefit Plan, once you retire from the Plan your benefits will be paid monthly for the rest of your life. Your benefits will continue to grow thanks to annual cost of living adjustments, which are paid in accordance with the provisions of the Ordinance governing the Plan. Vested members who leave City employment but who choose to leave their employee contributions in the Plan can also be assured of a secure monthly benefit upon reaching their normal retirement dates.

FOR YOUR INFORMATION

Who is YOUR Beneficiary?

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 married or become 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.

BOARD NEWS

An election was held on November 29th to elect one member of the Retirement System (active or retired) to serve on the Board of Trustees for the term expiring December 2026. Two candidates, Carel Bent & Frankie Chevere, were nominated. A total of 215 votes were cast, & Frankie was declared the winner with 137 votes.

On December 12, 2023 the City Commission re-appointed Trustee Mark Darmanin to the Board to serve his third full term, which will expire December 2026.

We are very fortunate to have dedicated, experienced and knowledgeable Trustees serving your pension plan.

Did You Know...

Effective with retirements on or after October 1, 2021 the new benefit multiplier for active members is 3% for all Tier 1 service. (The multiplier for Tier 2 service remains at 2%). Because benefits cannot exceed 100% of average earnings, this may become an issue for some members with long-term credited service who were hired at a young age. Some members may reach this maximum before they become eligible for normal retirement or for entry into the DROP at age 55. Using the 3% benefit multiplier, this will occur at approximately 33 1/3 years of credited Tier 1 service. Employee contributions must continue until the member either retires or enters DROP, even though no additional service credit will be earned. Please keep this in mind when planning for your retirement.

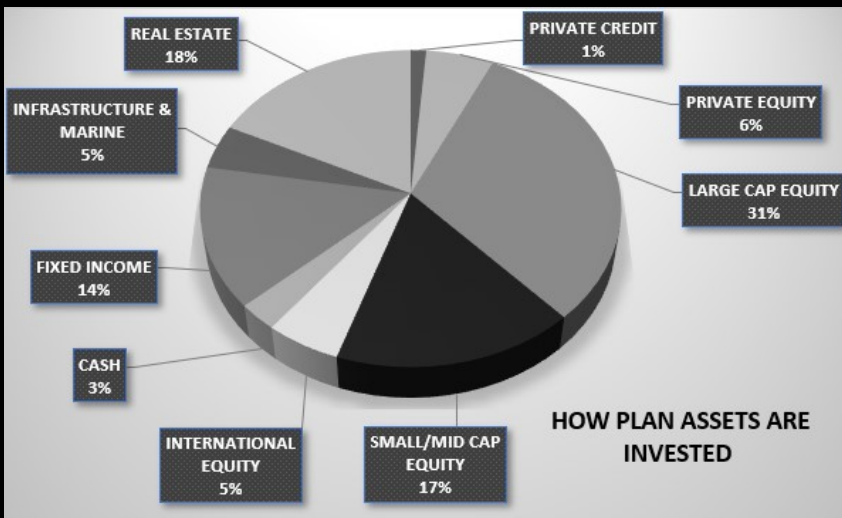
VISIT US ONLINE AT

WWW.POMPGERS.ORG

Forms, Reports, Agendas & more

PORTFOLIO MANAGERS

Large Cap Value	DePrince Race & Zollo
Small/Mid Cap Value	Atlanta Capital
Index Fund	Rhumblin Advisers
Fixed Income	Richmond Capital Management Serenitas Radcliffe
Core Real Estate	Principal Global Investors TA Realty
Strategic Value Real Estate	American Realty Advisers
Infrastructure & Marine	JPMorgan
International Funds	Euro Pacific Invesco / Oppenheimer
Private Equity	Capital Dynamics Taurus Private Markets Constitution Capital Partners
Private Credit	Pennant Park Atel Partners for Growth



RETIREE NEWS

Benefit Verifications: To ensure that benefit payments go only to 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. Weather permitting, we will try to provide “drive-thru” service again this year. Call ahead to let us know you are coming and we’ll meet you at your vehicle in the parking lot to sign the form. **Please note: all visits to the Pension Office are BY APPOINTMENT ONLY – and we will be limiting the number of visitors in the office at any one time.**

Please remember, the Pension Office has moved to 2255 SW 2nd Street – just east of the Walmart parking lot.

Address Change: Have you moved recently? If so, please provide our office with your new address. For your protection, all requests for address changes must be made in writing. A Change of Address form can be found on our website: **POMPGERS.ORG**.

Direct Deposit: All retirement benefit payments are issued via direct deposit. If you wish to make any changes to your bank information, you must complete a new Authorization for Direct Deposit form and submit the form to us with a voided check for your new account. Forms are available on our website **POMPGERS.ORG**, or from the pension office. Please note, the deadline to make changes effective for the following month’s payment is the 15th of each month.

1099-R Our plan custodian — Regions Bank — will be mailing a Form 1099-R to all retirees and beneficiaries who received benefit payments during calendar year 2022. 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, 2023. Please call or email the Pension Office if you did not receive your 1099-R by mid-February.

What is in Box 5? Some retirees may notice that some income on their 1099-R is listed in Box 5 as “Employee contributions”. If you see an amount in Box 5 on your 1099-R, this represents return of after-tax contributions that you made to the plan. In effect, this portion of your benefit is not taxable — you have already paid taxes when you contributed to the plan. You only need to pay taxes on the Taxable Amount in Box 2a.

Required Minimum Distributions are back. In 2020, Congress passed the CARES Act that allowed retirees to forgo taking Required Minimum Distributions (RMDs) from IRAs or other defined contribution plans, such as 401(k)-type plans. Congress granted a one-year hiatus for 2020 only — RMDs are back in 2021 – but the date you need to begin withdrawing funds has been delayed from age 70½ to 72. Generally speaking, if you are 72 or older, you will need to withdraw a portion of your retirement accounts and pay taxes on the withdrawal. Otherwise, you’ll face a 50% penalty. You may want to discuss recent changes with your tax preparer to see how these might affect your pension benefits, other retirement income and your taxable income.

Withholding: The IRS will be issuing new tax withholding tables in January. You may see a small difference in your monthly benefit deposit once the new tables are issued, but usually the difference is only a few cents.

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 that form from our website: **POMPGERS.ORG**. The form is also available from the Pension Office, the IRS ([irs.gov](https://www.irs.gov)) or your tax preparer. Simply complete the form and return it to the pension office. It takes about 10 business days to update your withholding instructions. If you submit a new W4-P to the pension office by the middle of the month, we will be able to adjust your withholding for the next benefit deposit.

Beware of Scams: Phishing is a scam typically carried out through unsolicited email and/or websites that pose as legitimate sites and lure unsuspecting victims to provide personal and financial information. You can report all unsolicited email claiming to be from the IRS or an IRS-related function to **phishing@irs.gov**

If you suspect that something is “just not right” about an unsolicited email from your financial institution or tax preparer, don’t respond to it directly online. Instead, contact your institution at a phone number or email address that you know to be legitimate.