GENERAL EMPLOYEES' RETIREMENT SYSTEM

2024 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

We hope that 2024 has been as good a year for you as it has been for us here at the pension office. It has been our pleasure welcoming many new members into the Plan as they start their careers with the City of Pompano Beach, as well as counseling longer term members about their retirements and DROP choices.

The Board of Trustees has achieved consistent investment returns by adhering to its long-term policies and selecting strong partners and advisors. The plan currently utilizes 18 investment specialists who are charged with meeting their respective benchmarks. The Board is responsible for monitoring and, when necessary, replacing advisors to ensure the fund remains on track.

For the fiscal year ending September 2024, the General Employees' Retirement System earned over 19% and exceeded its policy benchmarks. During this year, the plan benefited from domestic equity (up over 32%), international equity (up 25%), private infrastructure (up 11%), and various credit strategies (up 10-12%). The only portfolio segment that did not contribute was domestic real estate (down 5%).

For the decade ending September 30th, 2024, the fund has achieved average annual returns of over 8.5% (each year), as compared to the actuarially assumed goal return of 7.35%. This track record ranks in the top 8th percentile of the national public fund universe of 289 pension systems. The Board's effective stewardship helps ensure each participant's retirement security.

Regardless of investment market activity, be assured, 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.

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

AT A GLANCE

As of September 30, 2024

PLAN PARTICIPANTS

Active Participants	575
Terminated & Vested	34
DROP Participants	66
Disability	8
Retirees	375
Beneficiaries	62

PLAN ASSETS
$ 300,569,682

BENEFIT PAYMENTS MADE IN FY2024 $ 15,195,299

DROP DISTRIBUTIONS MADE IN FY2024 $ 3,696,998

CONTRIBUTIONS TO PLAN IN FY2024

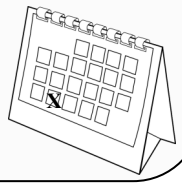
Active Participants	$ 4,430,443
City	$ 18,429,791
BSO	$ 193,852
GERS	$ 34,978

VISIT US ONLINE AT

WWW.POMPGERS.ORG

Forms, Reports, Agendas & more

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.



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

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BOARD ATTORNEY
Lorium Law

PLAN ACTUARY
CavMac Consulting, LLC

PLAN AUDITOR
KSDT CPA

PLAN CUSTODIAN
Regions Bank

ASSET CONSULTANT
Southeastern Advisory Services

TRANSITIONS 2024

RETIREMENT

DUANE GERROW
LAWRENCE JANSSEN
MARTHA LAWSON
JILL MESOJEDEC
MARK RITACCO

VESTED TERMINATION

JACQUELINE BARRETT
BETH DUBOW
STEPHAN GRUETTER
MATTHEW KOCSIS
ANTONIO PUCCI
LESLEY RICKERSON
JO WAGENHALS
STACY WILLIAMS

DROP ENTRY

JOCELYN ALTIMEAUX
JAMES GRIFFIN
BARBARA HARRISON
DAVID MCGIRR
GEORGE PRATT
ANTHONY ROGERS
SIMON SEGURA
MARY SHERMAN
TAMMY THOMPKINS

DROP EXIT

MICHAEL BRAY
ROBIN BURNS
DAVID CARR
JOYCE GRANT
DONALD JACKSON
JESUS LEBRON
KIMBERLY MADDOX
GENE MCCARTHA
DONNA MCLEOD
CATHERINE PAREDES
JEFFREY PARSON
DENA POLL
HUBERT SHAW
TAMMY THOMPKINS
CHERYL VARA

DISABILITY

—

PRE-RETIREMENT DEATH

—

POST-RETIREMENT DEATH

GENNARO CRISCITO
DAVID MACKAY
MICHAEL MCLEOD
DONALD NESLON
DIANA PAOLINI
MYRIS PORTER
BETTY SIX
JIMMY SMITH
JANET THOMPKINS
ANN WILKINS
WALTER YARBROUGH, JR.

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.

FOR YOUR INFORMATION

Planning to Retire or enter DROP 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.

"As in all successful ventures, the foundation of a good retirement is planning."

-Earl Nightingale

BOARD NEWS

A Trustee election was scheduled to be held on December 2nd to elect one member to the Retirement System (active or retired) to serve on the Board of Trustees for the term expiring December 2027. With just one candidate nominated, Robert Lawson was deemed the winner and will serve another three-year term on the Board.

On November 12, 2024 the City Commission re-appointed Trustee Michael Miller to the Board to serve another term as Trustee, which will expire in 2027.

We are grateful for your service to this Board and look forward to you both serving for another 3 years!

DROP

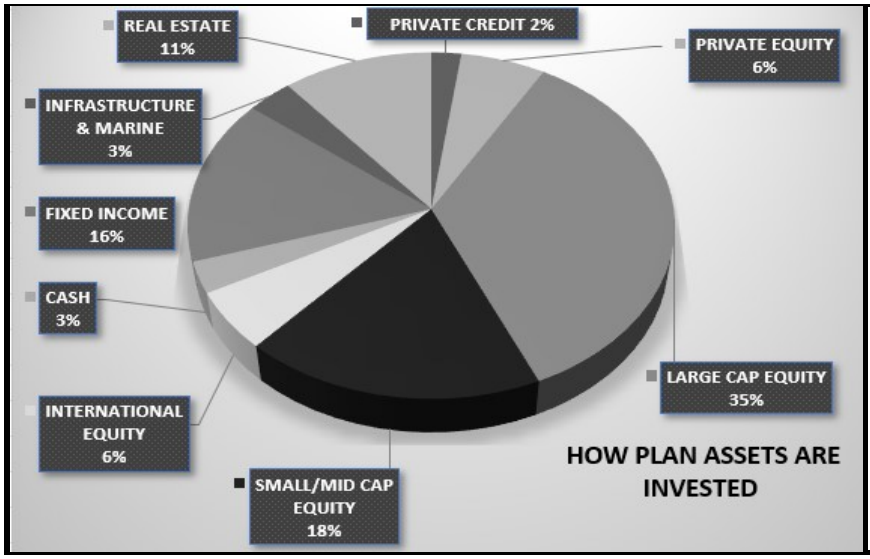
Active Members of the Plan are eligible to enter the DROP upon reaching their normal retirement dates, or at any time after that date. If you are considering entering the DROP please notify the pension office as far in advance as possible to avoid any possible delays in the start of your DROP participation.

Although the Ordinance requires that you provide 30 days' notice to the City, it often takes much longer than 30 days to process DROP applications and prepare the final benefit calculations in time for approval by the Board of Trustees prior to your DROP entry date. Please keep this in mind when making your decision about entering DROP.

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 regular employee contributions made after January 1, 1991.

Once you submit your completed application to us, you should receive your refund check 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.



PORTFOLIO MANAGERS

Large Cap Value	DePrince Race & Zollo
Small/Mid Cap Value	Atlanta Capital
Index Fund	Rhumbline Advisers
Fixed Income	Richmond Capital Management Serenitas Radcliffe
Core Real Estate	Principal Global Investors TA Realty
Strategic Value Real Estate	American Realty Advisors
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 INFORMATION

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. **BY APPOINTMENT ONLY.**

As a reminder, the Pension Office is located at 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 2024. 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, 2025. 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.

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) 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.

Happy New Year