



City of
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General Employees' Pension Board

November 30, 2023

Regular Meeting Minutes

CALL TO ORDER

General Employee Chair Holly White called the meeting to order at 11:30 a.m. Those present were:

Holly White, Chair
Pat Quezada, Secretary

Joey St. Germain, Trustee
Mark Shaeffer, Trustee
Kathy Younce, Trustee

A quorum was present with all five members.

Also present were Blake Myton with Sterling Capital Management, LLC, Burgess Chambers with Burgess Chambers & Associates, Attorney Sean Sendra with Klausner, Kaufman, Jensen & Levinson, Finance Director Debra Gibson, City Clerk Lynne Fasone and city staff.

INVITE PUBLIC COMMENT

Chair White invited public comment. Hearing and seeing none.

APPROVAL OF MEETING MINUTES

Chair White called for approval of the August 31, 2023 General Employees Board meeting minutes. **Trustee Younce moved to approve the meeting minutes, as written. The motion was seconded by Secretary Quezada.** Hearing and seeing no comments, **the motion to adopt the August 31st meeting minutes was unanimously passed by a (5-0) voice vote.**

Chair White invited Blake to report.

REPORT FROM BLAKE MYTON WITH STERLING CAPITAL MANAGEMENT, LLC

Mr. Myton briefly discussed the quarter generally being strong, except for the month of September. Mr. Myton briefly discussed the "Third Quarter 2023 Market Review and Attributions" in Section 2 of the report. Mr. Myton noted he would reassess after the Federal government stopped adjusting rates, which, in his best guess probably won't be until the beginning of the new year. Mr. Myton expected a soft landing for the Plans as we end 2023. Mr. Myton noted he was not overweighting or underweighting any investments, that everything was distributed evenly. Mr. Myton called for questions on the bigger picture. A brief conversation took place regarding the rate of inflation and wage inflation rate.

Mr. Myton reviewed the third quarter investments beginning with the Police Officers' portfolio on Page 33 – "Portfolio Summary," noting that all three plans performed about the same. Mr. Myton briefly discussed cash flow and noted everything appeared to be in line on Page 34. Mr. Myton reported, all things considered, the third quarter had a solid performance. Mr. Myton reviewed "Risk Statistics" and the "Performance" graph both on Page 35.

Mr. Myton asked the Board to turn to Page 68 and reviewed the “Historical Trailing Returns.” Mr. Myton reported, all things considered, he was happy with the quarter. Discussion regarding the S&P took place.

Chair White called for questions for Mr. Myton. Hearing and seeing none, Chair White thanked Mr. Myton and invited Burgess to report.

REPORT FROM BURGESS CHAMBERS WITH BURGESS CHAMBERS & ASSOCIATES, INC.

Mr. Chambers reviewed the third quarter Police Officers’ pension plan investment performance report, noting that all three plans performed about the same. Mr. Chambers asked the Board to turn to Page 24 “Growth of Investments.” Mr. Chambers reported that Blake had done a marvelous job investing. Mr. Chambers discussed the mostly steady growth reflected by the blue line (Total Fund growth rate) and the dip in March 2020 during the pandemic. Mr. Chambers briefly discussed volatility, dropping rates, and the fear that the Federal government was not finished raising interest rates.

Mr. Chambers asked the Board to turn to Page 1 regarding “De-Risking Your Portfolio.” Mr. Chambers discussed using bonds to de-risk the portfolio to get at or above the expected rate of return of 7%.

Mr. Chambers reviewed Page 4 “Investment Summary.” Mr. Chambers reviewed “Actual vs. Target Asset Allocation” on Pages 8 and 9. Mr. Chambers reviewed “Private Real Estate” on Page 14 and noted that TA Realty was ranked as the top, # 1, private real estate manager.

Chair White called for questions for Mr. Chambers. Chair White recommended adding a line to the Page 24 graph for the DROP growth rate. Mr. Chambers concurred and noted he would introduce that suggestion in the next report.

Chair White called for questions for Mr. Chambers. Hearing and seeing none, Chair White thanked Mr. Chambers and invited Sean to report.

REPORT FROM ATTORNEY SEAN SENDRA WITH KLAUSNER, KAUFMAN, JENSEN & LEVINSON

Mr. Sendra provided a brief update regarding the House Bill 3 reporting requirements. Mr. Sendra reported that the administrative rule was issued and, with that in mind, his firm created a template for reporting. Mr. Sendra added Burgess assisted with the creation of the template and he had gotten with Lynne and making the submissions for all three Plans, a separate submission for each Plan. Mr. Sendra noted that the vast majority of Plans in the State of Florida would be filing the same way, since his firm and two other firms represent the vast majority of the Pension Plans and created the template. Mr. Sendra reported lastly that there was a short window for reporting as the reports were due by December 15. Mr. Sendra noted that he would report back to the Board if an update was required midyear, next year.

Chair White called for questions for Mr. Sendra. Discussion regarding his firm possibly conducting training took place. Chair White called for further questions for Mr. Sendra. Hearing and seeing none, Chair White thanked Mr. Sendra and invited Director Gibson to report.

QUARTERLY REPORT UPDATE BY DEBRA GIBSON, FINANCE DIRECTOR

Director Gibson reviewed **FY2023 Pension Accounts Administrative Expenses**. Chair White called for a motion from each Board to accept the FY2023 Pension Accounts Administrative Expenses. **Trustee Younce so moved. The motion was seconded by Secretary Quezada.** Hearing and seeing no comments, **the motion to accept the FY2023 Pension Accounts Administrative Expenses was unanimously passed by a (5-0) voice vote.**

Director Gibson reviewed the “**Activity in the Pension Accounts 10/1/2022 –09/30/2023**” report. Director Gibson also reviewed the current **DROP Participants Report**.

Chair White called for questions for Director Gibson. A brief discussion regarding actuarial fees and how the Actuary bills the City took place. Chair White called for further questions for Director Gibson. Hearing and seeing none, Chair White thanked Director Gibson.

NEW BUSINESS


Chair White called for an update on any **training classes** planned for this quarter or taken last quarter. Hearing and seeing none from the General Employees’ Board.

Chair White called for further comments. Hearing and seeing nothing further, the November 30th meeting was **adjourned by unanimous consent at 12:21 p.m.**

READ AND APPROVED this 7th day of March, 2024.



Holly White, Chair



Pat Quezada, Secretary