

**City of Tallahassee
Retirement System Report
For Fiscal Year Ended September 30, 2024**

Office of the City Treasurer-Clerk
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Angel Charlton, Retirement Administrator

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ADMINISTRATION

Board of Trustees

John Dailey	Mayor
Dianne Williams-Cox	Mayor Pro Tem
Curtis Richardson	Commissioner
Jeremy Matlow	Commissioner
Jacqueline “Jack” Porter	Commissioner
Steven Tiefel	Fire/Police Representative

Investment Advisory Committee

William McCloud	Member
Nan Hillis	Member
Seth Clark	Member

Sinking Fund Commission

Consists of five members of the City Commission and three members of the Investment Advisory Committee.

General Employees’ Pension Advisory Committee

Sharon Ofuani	Chair
Jim Kinneer	Vice-Chair
Josh Jordan	Member
Jamea Browdy	Member
Chris Pandolfi	Member
Vacant	Member

Firefighters’ Pension Advisory Committee

Mike Bellamy	Chair
Vacant	Member
Vacant	Member

Police Officers’ Pension Advisory Committee

Brian Reeder	Chair
Aaron Scott	Member
Vacant	Member

City Treasurer-Clerk's Office

Jim Cooke
Jason Buchholz

City Treasurer-Clerk
Deputy Treasurer-Clerk

Retirement Administration Division

Angel Charlton
Beverly Howie
Stacey Peter
Robbie Burnett-Mendonca
Alvin Black
Anne Romans
Jay Nix

Retirement Administrator
Senior Retirement Benefits Analyst
Retirement Benefits Analyst
Retirement Benefits Analyst
Retirement Benefits Analyst
Administrative Specialist I
Empower Retirement Representative

Consulting Actuarial Firm

Gabriel, Roeder, Smith & Company

Investment Consultant

Segal Marco Advisors

Third Party Administrators

Defined Contribution Plan 401(k) – MAP Empower Retirement

Deferred Compensation Plan 457 – RSVP Empower Retirement

Deferred Compensation Plan 457 – ROTH Empower Retirement

PLAN STATISTICS

Defined Benefit Plan Statistics

FY 2024 Changes	General	Police	Fire	Total
New Participants	254	35	16	305
Participant Terminations	181	15	17	213
Deceased Active Participants	4	1	0	5
Retired Participants	89	15	8	112
Disability Retirees	3	0	0	3
Deceased Retirees	55	8	7	70
Vested Participants	31	5	3	39
DROP Participants	29	9	6	44

Overall Trends	FY20	FY21	FY22	FY23	FY24
Active Employees:					
General Employees	2,041	2,083	2,034	1,997	2,192
Police Officers	356	356	354	351	368
Firefighters	<u>264</u>	<u>269</u>	<u>270</u>	<u>251</u>	<u>274</u>
Total:	2,661	2,708	2,658	2,599	2,834
Terminated & Vested:					
General Employees	250	142	190	387	420
Police Officers	29	19	15	34	46
Firefighters	<u>7</u>	<u>7</u>	<u>6</u>	<u>15</u>	<u>15</u>
Total:	286	168	211	436	481
DROP Participants:					
General Employees	132	166	103	128	105
Police Officers	34	40	25	36	34
Firefighters	<u>28</u>	<u>29</u>	<u>15</u>	<u>17</u>	<u>14</u>
Total:	194	235	143	181	153
Retirees Receiving Benefits:					
General Employees	1,658	1,728	1,822	1,730	1,783
Police Officers	275	290	301	318	333
Firefighters	<u>220</u>	<u>238</u>	<u>241</u>	<u>238</u>	<u>246</u>
Total:	2,153	2,256	2,364	2,286	2,362
Beneficiaries Receiving Benefits:					
General Employees	241	248	263	264	265
Police Officers	20	19	21	29	30
Firefighters	<u>20</u>	<u>22</u>	<u>23</u>	<u>20</u>	<u>19</u>
Total:	281	289	307	313	314
Average Years of Service:					
General Employees	27	28	28	28	27
Police Officers	27	27	26	27	26
Firefighters	28	28	27	27	26

Retirement System Report Fiscal Year 2024

Average Monthly Payment:	FY20	FY21	FY22	FY23	FY24
General Employees	\$3,050	\$3,141	\$3,488	\$3,305	\$3,639
Police Officers	\$5,510	\$5,625	\$5,524	\$5,949	\$6,274
Firefighters	\$5,183	\$5,347	\$5,823	\$5,647	\$5,973

Defined Contribution and Deferred Compensation Plan Statistics

MAP 401(k) Defined Contribution Plan Statistics

	FY20	FY21	FY22	FY23	FY24
Participants with Balances:					
General Employees	2,215	2,215	2,368	2,319	2,538
Police Officers	36	38	55	186	174
Firefighters	17	14	27	36	23
Total:	2,268	2,267	2,450	2,541	2,735
Average Biweekly Contributions (%):					
General Employees Matched	4.68	4.72	4.54	4.23	4.57
General Employees Unmatched	5.70	9.14	9.75	6.34	7.43
Police Officers	4.46	5.35	1.84	2.63	5.75
Firefighters	3.94	5.25	3.92	2.30	3.50
Retirees Receiving Monthly 401(k) Distributions:					
Total	865	880	1,119	1,158	1,040

RSVP 457 Deferred Compensation Plan Statistics

	FY20	FY21	FY22	FY23	FY24
Participants with Balances:					
Total:	2,057	2,087	2,193	2,247	2,323
Average Biweekly Contributions (%):					
General Employees	5.05	6.13	5.66	5.69	6.44
Police Officers	5.24	7.07	7.25	7.63	8.85
Firefighters	4.29	4.86	4.47	4.91	5.21
Retirees receiving Monthly RSVP 457 Distributions:					
Total	*0	*0	*0	154	92
Temporary Participants with Balances:					
Temporary	2,243	2,215	3,849	3,446	2,833

ROTH 457 Deferred Compensation Plan Statistics

	FY20	FY21	FY22	FY23	FY24
Participants with balances:					
Total:	280	326	332	433	440
Average Biweekly Contributions (%):					
General Employees	3.13	3.89	4.90	5.41	6.08
Police Officers	8.44	7.23	7.24	6.87	7.43
Firefighters	5.40	12.40	7.77	5.51	5.85

Other Plan Statistics

	FY20	FY21	FY22	FY23	FY24
Empower Counseling Sessions:					
General Employees	718	1,002	853	872	840
Police Officers	128	117	85	92	62
Firefighters	<u>15</u>	<u>62</u>	<u>49</u>	<u>48</u>	<u>44</u>
Total	861	1,181	987	1,012	946
Empower Orientation Sessions:					
General Employees	*0	*0	26	24	24
Police Officers	*0	*0	2	2	3
Firefighters	<u>*0</u>	<u>*0</u>	<u>2</u>	<u>2</u>	<u>3</u>
Total	*0	*0	30	28	30

*Item was not tracked in this year

ACTIVITY HIGHLIGHTS

Retirement Highlights for Fiscal Year 2024

Education

In 2024, the Retirement Office received positive feedback from active employees with the new educational learning presentation titled “Retirement Readiness Review”. The comprehensive pension calculation which includes a personalized pension calculation, 401k-MAP, 457-RSVP, 457-ROTH, 175/185 Supplemental Share, and DROP account, provides a holistic review of an employee’s retirement status and allows the employee to adjust as they plan to meet their retirement goal.

The Retirement Readiness Reviews were such a hit in 2024, the Retirement Department partnered with Human Resources and launched a Financial Wellness course where employees can receive 2 hours of Financial Wellness leave which would count towards the 8-hour Wellness Leave limit for the fiscal year.

Likewise, the 2024 Retiree Educational Seminar designed to cover areas like Social Security, Medicare, and IRS RMD’s (Required Minimum Distributions) was also a hit. To date, two seminars are slated for fiscal year 2025. The event was held at the City of Tallahassee Smith-Williams Center with approximately 150+ retirees in attendance.

There were 24 New Employee Orientation sessions conducted virtually, and 3 Police and 3 Fire orientation sessions conducted in person during FY 2024 with 305 new or rehired employees in attendance; Retirement is an integral part of these sessions. In addition, pension information was presented during quarterly review sessions that were conducted by our Empower Representative Jay Nix.

Information

Eligible retirees and beneficiaries received an annual Cost-of-Living Adjustment (C.O.L.A) of 3%, and General Employees (Permanent and Vested) were credited 3% interest on their pension accounts. C.O.L.A notices were provided to all eligible retirees via their earnings statement, which included their effective C.O.L.A date.

There were 30 requests for buyback calculations in FY 2024. Of those calculated in FY 2024, eight employees purchased one or more types of service, totaling just over \$261,992. Since inception, \$17,171,908 has been paid to purchase additional service.

During the FY2024 Health Insurance Open Enrollment, educational materials were processed and mailed out to the over 2,000 retirees with approximately 69 retirees enrolling in the City of Tallahassee Medicare Advantage health plan.

In November 2024, a retiree appreciation event was held at the Tallahassee Automobile Museum. Over 355 participants attended this retiree event.

Defined Contribution, Deferred Compensation and Supplemental Share Plans

The Roth 457 was implemented and made available to participants in the spring of 2020. Over the past four years of implementation, there are 440 enrollees.

Supplemental share plan information is as follows:

- Share amounts are contingent upon the amount received from the state each year and the total number of shares that are distributed each October 1st.
- The 2024 amount received for Firefighters was \$1,438,439.48, which included a surplus of \$195,612.82.
- The 2024 amount received for Police Officers was \$2,028,149.50.

FINANCIAL INFORMATION

Defined Benefit Plan

Balance Sheet

September 30, 2024

Assets:

Equity in Pooled Cash	\$14,952,808
Investments	2,278,856,738
Accrued Interest Receivable	6,080,310
Securities Lending Collateral	65,504,000

Total Assets **\$2,365,393,856**

Liabilities and Net Assets:

Obligation Under Securities Lending	65,504,000
Open Purchases/Other Payable	<u>0</u>

Total Liabilities 65,504,000

Net Assets – Reserved for Employee Retirement Plan	<u>2,299,889,856</u>
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Total Liabilities and Net Assets: **\$2,365,393,856**

Statement of Changes in Net Assets

Beginning Net Assets – October 1, 2023	<u>\$2,057,862,400</u>
Increases in Net Assts:	
Change in Fair Value of Investments	274,039,810
Interest and Dividends	47,030,794
Securities Lending Income	0
Commission Recapture Income	0
Less Investment Expense	(6,695,083)
City Contributions	43,164,000
Employee Contributions	14,090,073
Miscellaneous	<u>0</u>
Total Increase in Net Assets:	<u>371,629,594</u>
Decreases in Net Assets:	
Benefit Payments	(126,825,425)
Refund of Employee Contributions/Interest	(1,573,001)
Administrative Expenses	<u>(1,203,712)</u>
Total Decrease in Net Assets	<u>(129,602,138)</u>
Net Change in Net Assets	<u>242,027,456</u>
Ending Net Assets – September 30, 2024	<u><u>\$2,299,889,856</u></u>

Defined Benefit Plan Investment Returns

FY2024

Annual Return

Total Fund 15.7%

Equity

SSGA S&P 500 Index	36.2%
T. Rowe Price	43.5%
Aristotle	29.0%
Times Square Capital Mgmt.	28.3%
Earnest Partners	23.3%
CRM	25.9%
Emerald Advisers	33.0%
Wedge Capital	25.0%
Artisan Partners	25.1%
Alliance Bernstein	24.3%
JP Morgan Emerging Markets	21.7%

Fixed Income

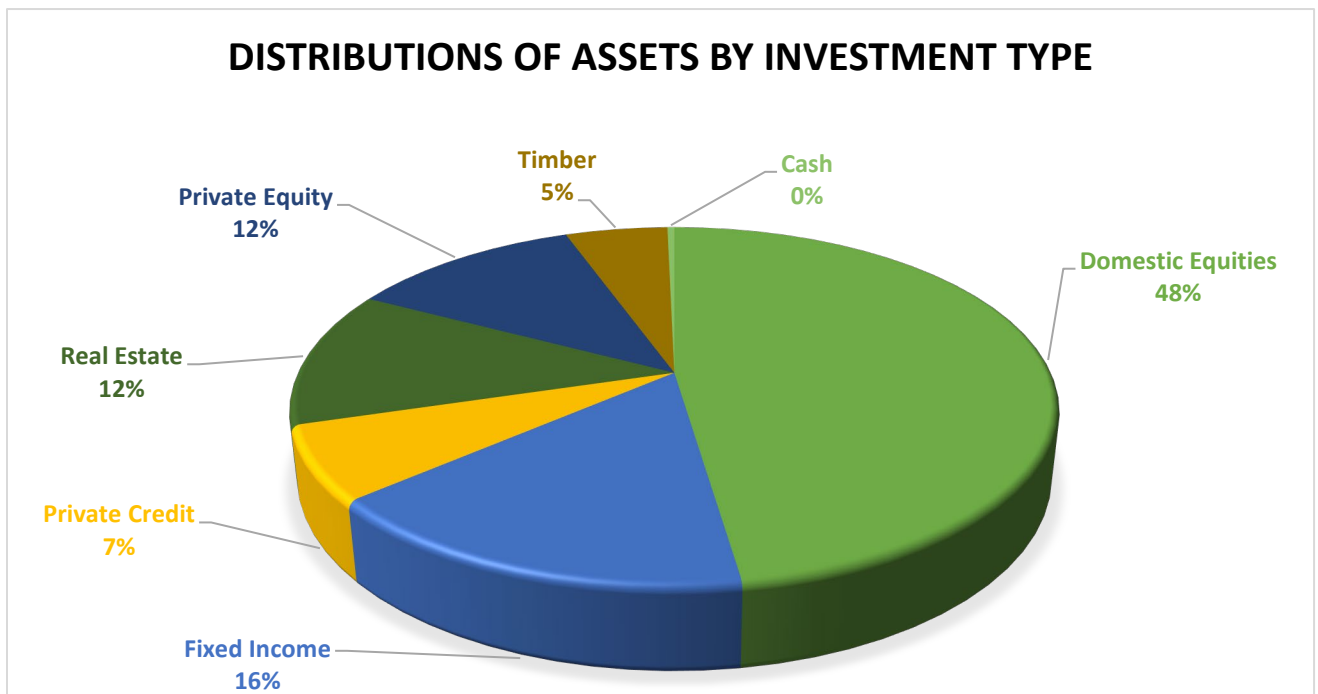
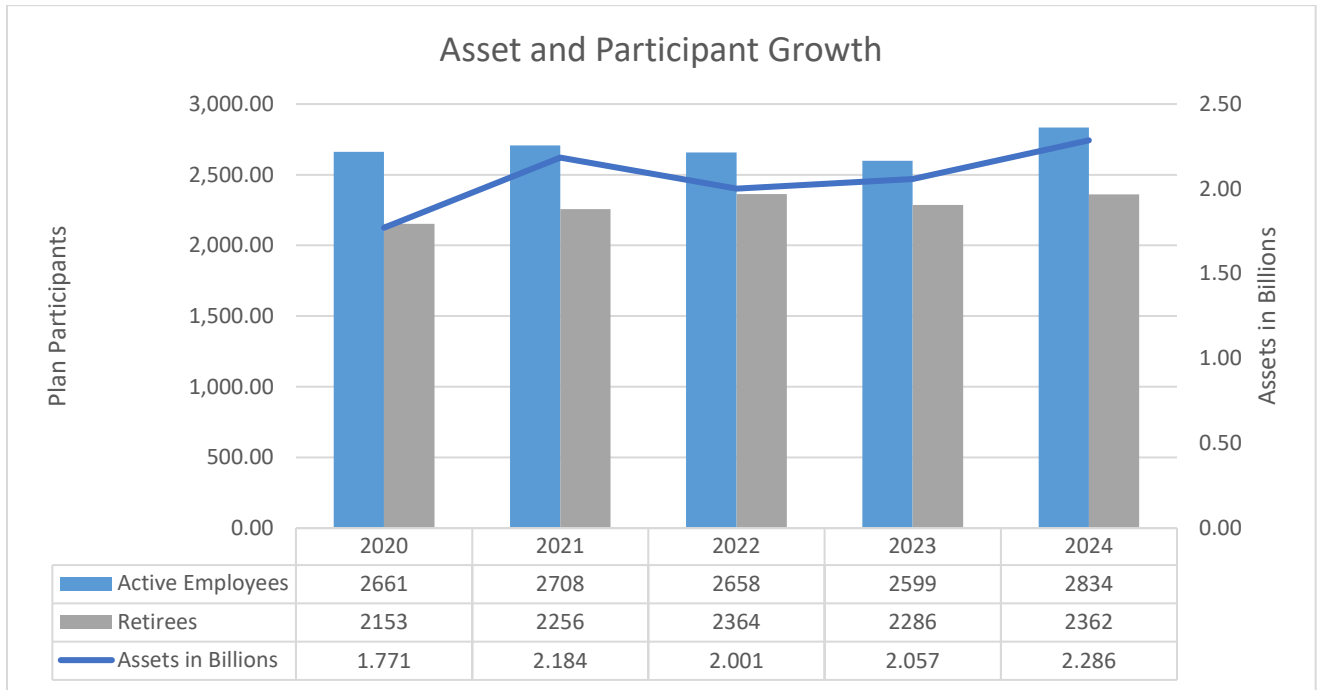
Fidelity	12.2%
Metropolitan West Asset Mgmt.	10.5%
Pugh Capital	12.1%
Nuveen	13.2%

Private Credit

Brightwood Capital Fund V	6.8%
Crescent Private Credit Partners	13.4%
Crescent Credit Solutions VIII	9.0%
Golub Capital Partners 12	8.1%
Golub Capital Partners 14	8.1%
Golub Capital Partners 15	8.1%
Oaktree MMDL Fund	10.0%
Oaktree DLF	11.7%
Neuberger Private Debt Fund IV	10.0%

Neuberger Private Debt Fund V	N/A
Real Estate	
JP Morgan SPF	-10.6%
TA Realty Core Property Fund	-6.3%
AG Core Plus Realty Fund IV	-15.0%
AG Realty Fund IX	-7.8%
AG Realty Value Fund X	-5.8%
TA Realty Fund XI	-7.0%
TA Realty Fund XII	-1.2%
TA Realty Fund XIII	N/A
Northwood Real Estate Partners IV	-3.5%
Northwood RE Partners VIII	-6.4%
Heitman Value Partners V	-2.2%
Westport Real Estate Fund V	4.9%
WCP RC Feeder	17.4%
Private Equity	
BlackRock Diversified Private Equity V	-0.7%
BlackRock Private Equity Partners VII US, LP	7.7%
Lexington Middle Market Investors IV, L.P.	2.3%
Lexington Capital Partners VIII, L.P.	-0.4%
Lexington Capital Partners X, L.P.	6.3%
Horsley Bridge XI Venture, L.P.	-5.8%
Horsley Bridge XII Venture, L.P.	-1.2%
Pomona Capital IX	-2.7%
True Bridge IV	7.1%
True Bridge Fund V	4.0%
Timber	
Molpus Woodlands Fund IV, L.P.	5.1%
Molpus Woodlands Fund V	7.7%
Stafford Int'l Timberland VIII	0.6%
BTG Pactual Open Ended Core US Timberland	5.6%
Eastern Timberland Opportunities III	10.8%
Cash	
Master Account	5.8%

Defined Benefit Plan Summary Charts

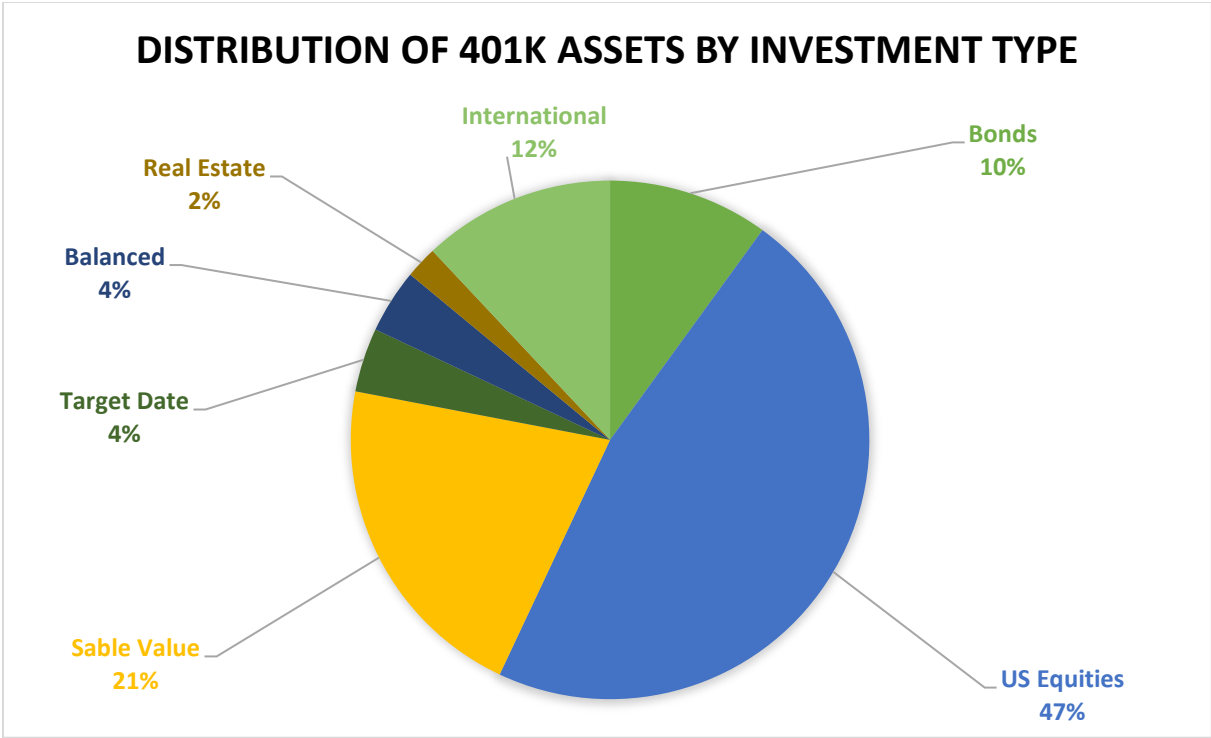
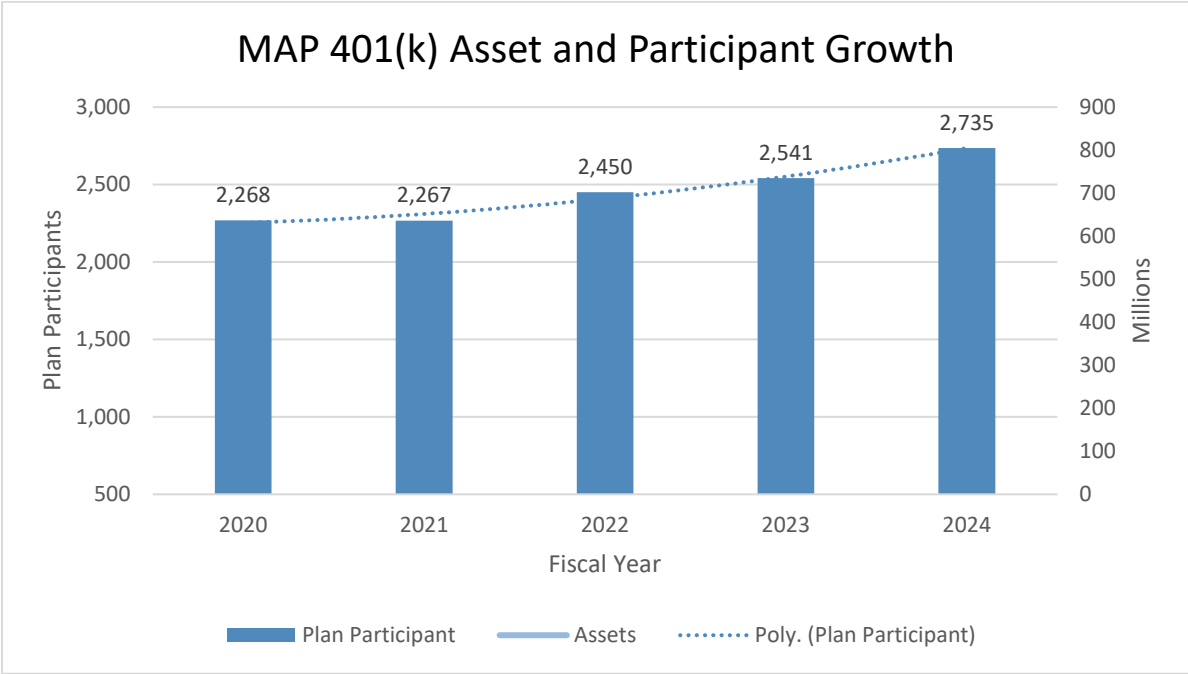


Defined Contribution Plan (401K) – MAP

Statement of Changes in Net Assets

Beginning Net Assets – October 1, 2023	<u>\$684,247,859</u>
Increases in Net Assts:	
Contributions	27,737,332
Change in Fair Value of Investments	150,034,359
Miscellaneous	<u>(128,615,071)</u>
Total Increase in Net Assets:	<u>49,156,620</u>
Decreases in Net Assets:	
Disbursements	<u>(30,575,401)</u>
Fees	<u>(525,414)</u>
Total Decrease in Net Assets	<u>(31,100,815)</u>
Ending Net Assets – September 30, 2024	<u>\$702,303,664</u>

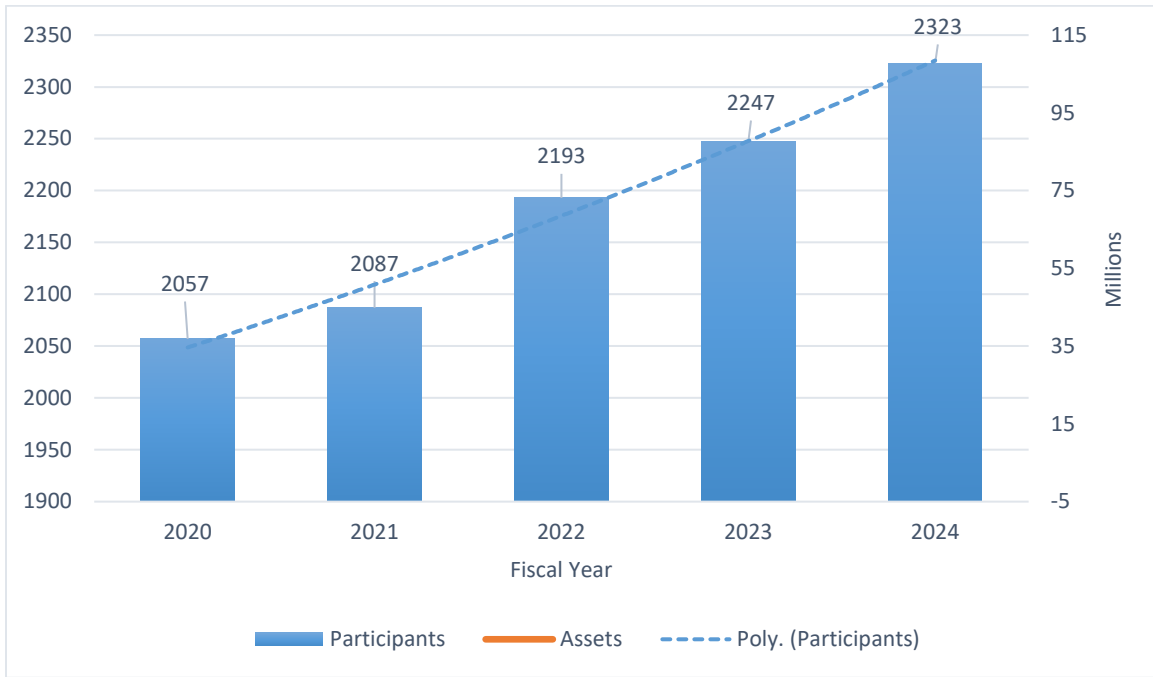
Summary Charts



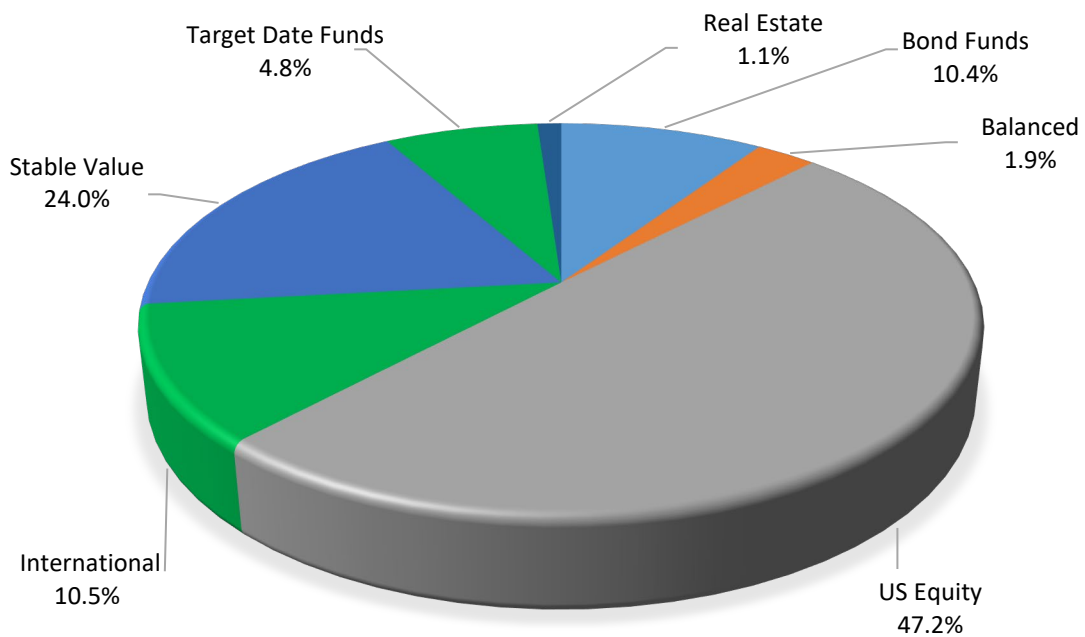
Deferred Compensation Plan (457) – RSVP
Statement of Changes in Net Assets

Beginning Net Assets – October 1, 2023	<u>\$93,978,950</u>
Increases in Net Assts:	
Contributions	10,824,048
Change in Fair Value of Investments	21,743,442
Miscellaneous	(-1,422)
Total Increase in Net Assets:	<u>32,566,068</u>
Decreases in Net Assets:	
Disbursements	(10,590,361)
Fees	(91,208)
Total Decrease in Net Assets	<u>(10,681,569)</u>
Ending Net Assets – September 30, 2024	<u>\$115,863,449</u>

Summary Charts



**Distribution of 457 Assets
by Investment Type**



Defined Contribution Plans Fund Performance

Fund	Rating		Annual Return	Expense Ratio
	Morningstar	Segal Marco		
TARGET DATE				
American Funds 2010 Trgt Date Retire R6	5	N/A	18.60%	0.29%
American Funds 2015 Trgt Date Retire R6	5	N/A	19.40%	0.30%
American Funds 2020 Trgt Date Retire R6	5	N/A	20.50%	0.31%
American Funds 2025 Trgt Date Retire R6	5	N/A	21.40%	0.32%
American Funds 2030 Trgt Date Retire R6	5	N/A	23.60%	0.33%
American Funds 2035 Trgt Date Retire R6	5	N/A	26.20%	0.35%
American Funds 2040 Trgt Date Retire R6	5	N/A	28.90%	0.37%
American Funds 2045 Trgt Date Retire R6	5	N/A	29.70%	0.37%
American Funds 2050 Trgt Date Retire R6	5	N/A	30.10%	0.38%
American Funds 2055 Trgt Date Retire R6	5	N/A	30.40%	0.38%
American Funds 2060 Trgt Date Retire R6	5	N/A	30.50%	0.39%
INDEX				
Vanguard Institutional Index	5	B	36.30%	0.04%
Vanguard Mid Cap Index	4	A	28.80%	0.04%
Vanguard Small Cap Index	4	A	27.40%	0.05%
Vanguard Developed Markets Index	4	A	24.70%	0.06%
Vanguard Total Bond Market Index	3	A	11.40%	0.04%
Vanguard High-Yield Corporate Index	3	B	14.50%	0.12%
Vanguard Real Estate Index	3	B	34.20%	0.11%
ACTIVE				
PGIM Jennison Fund Large Cap Growth	3	A	42.70%	0.36%
T. Rowe Price Large Cap Value	4	B	28.20%	0.46%
AMG TimesSquare Mid Cap Growth Fund	5	A	26.50%	0.65%
JPMorgan Mid Cap Value R6	3	A	28.90%	0.74%
AB Small Cap Growth	3	A	31.40%	0.78%
AB Discovery Value	3	A	26.60%	0.80%
MFS International Growth	5	A	31.10%	0.55%
Harbor International Retirement	3	B	24.60%	0.81%
Invesco Developing Markets	2	B	14.80%	0.88%

**Retirement System Report
Fiscal Year 2024**

Janus Henderson Flexible Bond	3	B	13.00%	0.45%
BALANCED				
PGIM Balanced R6	3	A	25.80%	0.73%
Empower SecureFoundation Balanced	N/A	A	20.80%	0.15%
Tallahassee Guaranteed Income Account	N/A	N/A	3.10%	0.30%