

**BOYNTON BEACH POLICE OFFICERS' PENSION FUND
MINUTES
FEBRUARY 03, 2026**

10:30 AM

The regular meeting of the Board of Trustees of the City of Boynton Beach Police Officers' Pension Fund was called to order on behalf of the Board by Chairman Jason Llopis on February 03rd, 2026 at 10:32 AM. This meeting was held at Boynton Beach City Hall Commission Chambers 100 East Ocean Avenue, Boynton Beach, Florida.

TRUSTEES PRESENT:

Mr. Jason Llopis -Chairman

Ms. Rachel Moccia-Trustee

Mr. Matthew Zeller – Trustee

Mr. Russell Faine-Trustee

TRUSTEES ABSENT:

Mr. Brian McDeavitt-Trustee

OTHERS PRESENT:

Mr. Louis Penque – Plan Administrator

Ms. Lindsey Garber, Board Attorney – Klausner, Kaufman, Jensen & Levinson

Mr. Chuck Landers, CPA, CIT – Saltmarsh

Mr. Zachary O'Grady - Russell Investments

Mr. Brian Casey – Cohen & Steers

Mr. Frank Wan – Burgess Chambers & Associates

PUBLIC COMMENT:

None

CONSENT AGENDA:

APPROVAL OF THE MINUTES:

The Board reviewed the Minutes from the Pension Meeting held on November 17th, 2025. Trustee Russell Faine made a motion to approve the minutes, which was seconded by Trustee Rachel Moccia. All Trustees voted yes, and the motion was passed 4-0.

WARRANTS:

The Board reviewed Warrants 946 through 964. After review and consideration, Trustee Russell Faine made a motion to approve as presented, which was seconded by Trustee Matthew Zeller. All Trustees voted yes, and the motion was passed 4-0.

AUDITOR'S REPORT:

Mr. Chuck Landers CPA, CIT made the presentation to the Board on behalf of SALTMARSH, CLEVELAND & GUND With a review of FY 24-25 Financial Statement.

Mr. Landers began his presentation by thanking the Board, City employees and personnel who assisted with providing the necessary information for completing this year's audit.

Mr. Landers then provided the Board with the company's opinion on preparing the financial statements for FY 24-25:

We have audited the financial statements of the City of Boynton Beach Police Officers' Pension Fund (the "Plan") as of and for the year ended September 30, 2025, and have issued our report thereon dated February 3, 2026. Professional standards require that we advise you of the following matters related to our audit.

In our opinion, the accompanying financial statements present fairly, in all material respects, information regarding the fiduciary net position of the Plan as of September 30, 2025 and 2024, and the changes in fiduciary net position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Mr. Landers then reviewed the statements of fiduciary net position from September 30th, 2025, and 2024:

**CITY OF BOYNTON BEACH POLICE OFFICERS' PENSION FUND
STATEMENTS OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2025 AND 2024**

	2025	2024
Assets:		
Cash	\$ 75,546	\$ 50,640
Receivables:		
Employer	38,996	-
DROP loans	197,857	169,035
Broker-dealers	3,100,164	1,753,286
Total receivables	3,337,017	1,922,321
Prepaid expenses	15,407	15,223
Investments:		
Domestic equity investment funds	89,544,562	73,596,175
International equity investment fund	35,636,642	33,270,677
Fixed income investment funds	52,560,589	48,434,948
Real estate investment funds	4,485,961	3,408,256
Temporary investment funds	29,241	158
Total investments	182,256,995	158,710,214
Total Assets	185,684,965	160,698,398
Liabilities:		
Accounts payable	93,603	87,146
Due to broker-dealers	2,454,095	48,266
Total Liabilities	2,547,698	135,412
Net Position Restricted for Pensions	\$ 183,137,267	\$ 160,562,986

Mr. Landers continued with a review of statements of changes in fiduciary net position from September 30th, 2025, and 2024:

**BOYNTON BEACH POLICE OFFICERS' PENSION FUND
STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION
YEARS ENDED SEPTEMBER 30, 2025 AND 2024**

	<u>2025</u>	<u>2024</u>
Additions:		
Contributions:		
Employer	\$ 8,555,476	\$ 7,863,802
Plan members	1,611,782	1,444,751
Buy back	213,974	182,734
Rollover to DROP	175,289	100,125
Total contributions	<u>10,556,521</u>	<u>9,591,412</u>
Intergovernmental revenue:		
Chapter 185 state excise tax rebate	<u>1,271,069</u>	<u>1,187,462</u>
Investment income:		
Net appreciation in fair value of investments	19,618,898	32,372,962
Interest	26,414	4,562
Dividends	1,419,104	792,981
Total investment income	<u>21,064,416</u>	<u>33,170,505</u>
Less investment expenses	<u>381,995</u>	<u>391,903</u>
Net investment income	<u>20,682,421</u>	<u>32,778,602</u>
Total additions	<u>32,510,011</u>	<u>43,557,476</u>
Deductions:		
Benefits:		
Age and service	8,541,735	8,233,006
Disability	406,174	380,051
DROP payments	650,734	481,049
Refunds	145,673	108,810
Administrative expenses	191,414	180,606
Total deductions	<u>9,935,730</u>	<u>9,383,522</u>
Net Increase in Net Position	22,574,281	34,173,954
Net Position Restrictred for Pansions:		
Beginning of year	<u>160,562,986</u>	<u>126,389,032</u>
End of year	<u>\$ 183,137,267</u>	<u>\$ 160,562,986</u>

Mr. Landers reviewed the DROP accounts and supplemental benefit reserve:

A portion of the Plan's net position restricted for pensions is designated for benefits that accrue in relation to the DROP accounts and the supplemental benefit reserve. Allocations to the DROP accounts and the supplemental benefits as of September 30, 2025 and 2024 are as follows:

	<u>2025</u>	<u>2024</u>
Restricted for DROP accounts (fully funded)	\$ 30,345,414	\$ 26,164,797
Restricted for the supplemental benefit reserve	<u>3,476,662</u>	<u>3,122,463</u>
	33,822,076	29,287,260
Restricted for defined benefits	<u>149,315,191</u>	<u>131,275,726</u>
Total net position restricted for pensions	<u>\$ 183,137,267</u>	<u>\$ 160,562,986</u>

Mr. Landers reviewed over the plan amendment changes for the FY:

The Plan was amended during the fiscal year ended September 30, 2025 as follows:

Effective October 1, 2024, members hired on or after October 1, 2019, may retire with normal benefits with 20 years of service regardless of age, instead of 25 years of service regardless of age.

As a result, the actuarially determined employer contribution for the fiscal year ended September 30, 2025, increased by \$38,996 and the unfunded actuarial liability increased by \$56,629.

There were no amendments during the fiscal year ended September 30, 2024.

Mr. Landers reviewed the net pension liability of the city:

The components of net position liability of the City as of September 30, 2025 and 2024, were as follows:

	<u>2025</u>	<u>2024</u>
Total pension liability	\$ 223,021,425	\$ 209,770,651
Plan fiduciary net position	<u>(183,137,267)</u>	<u>(160,562,986)</u>
City's net pension liability	<u>\$ 39,884,158</u>	<u>\$ 49,207,665</u>
Plan fiduciary net position as a percentage of total pension liability	<u>82.12%</u>	<u>76.54%</u>

Mr. Landers also provided the Board with examples regarding the sensitivity of the net pension liability to change in the single discounted rate; the following presents the plan's net liability if the rate is either lowered or raised by just one percentage point:

	1% Decrease 5.9%	Current Single Discount Rate 6.9%	1% Increase 7.9%
City's net pension liability	<u>\$ 62,009,934</u>	<u>\$ 39,884,158</u>	<u>\$ 21,615,712</u>

Mr. Landers concluded his presentation with a review of the scheduled investment and administrative expenses as shown below. Mr. Landers advised that administrative costs are acceptable, staying below 1%. The Fund's administrative expenses in 2025 was 0.10% well below the acceptable level:

	2025		2024	
	Investment*	Administrative	Investment*	Administrative
Actuary fees	\$ -	\$ 42,662	\$ -	\$ 50,502
Administrator fees	-	54,269	-	52,689
Audit fees	-	27,250	-	24,300
Bookkeeping fees	-	6,100	-	4,950
Education and dues	-	3,402	-	7,067
Fiduciary insurance	-	22,877	-	22,567
Investment expenses	381,995	-	391,903	-
Legal fees	-	29,489	-	10,752
Office expenses	-	3,143	-	3,084
Seminar and travel expenses	-	2,222	-	4,695
Total investment and administrative expenses	<u>\$ 381,995</u>	<u>\$ 191,414</u>	<u>\$ 391,903</u>	<u>\$ 180,606</u>
 Percentage of Plan net position	 <u>0.21%</u>	 <u>0.10%</u>	 <u>0.24%</u>	 <u>0.11%</u>

After some brief discussion and review, Trustee Matthew Zeller made a motion to approve the financial statements as presented, which was seconded by Trustee Rachel Moccia. All Trustees voted yes, and the motion was passed 4-0.

The Board was then presented with the letter of representation to be presented to SALTMARSH. After review and consideration, Trustee Matthew Zeller made a motion to approve as presented, which was seconded by Trustee Rachel Moccia. All Trustees voted yes, and the motion was passed 4-0.

At this time Mr. Landers provided the Board with the completed special audit review for all expenditures and assets for July and August of 2024. The Board agreed and acknowledged that the procedures performed are appropriate to meet the intended purpose of identifying any misappropriation of assets of the plan during the period from July 1 2024 to August 9 2024. The report may not be suitable for any other

purpose. Mr. Landers did advise the Board of a \$1,000.00 distribution to Salem Trust to an account ending in 0088. Mr. Landers advised the Salem Trust account ends in 7968 and is questioning the account ending in 0088. The Pension Administrator advised that he would follow-up with Salem Trust on this matter. Mr. Landers advised that they did not question Salem Trust on this matter.

(Side Note: On 2/5/2026 Administrator Penque did speak with Karen Russo from Salem Trust. Ms. Russo advised this their quarterly payment for services render and the account ending in 0088 is an internal account that holds the monies which is transferred to account 7968. This \$1,000.00 payment was captured on warrant 803.)

Mr. Landers advised that there were letters sent to every retiree confirming their pension payments were received for the months in review for this audit. Mr. Landers advised that there were 25 retirees that did not respond to the letters. Administrator Penque advised that he spoke with these members and received a variety of reasons for their non-compliance. Administrator Penque did supply supporting documentation to SALTMASH verifying the correct amounts were received by the retirees.

After some brief discussion, Trustee Matthew Zeller made a motion to approve the Special Audit as presented, which was seconded by Trustee Rachel Moccia. All Trustees voted yes, and the motion was passed 4-0.

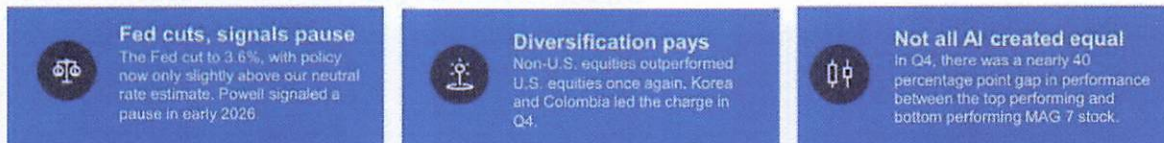
The Board was then presented with the letter of representation to be presented to SALTMARSH. After review and consideration, Trustee Matthew Zeller made a motion to approve as presented, which was seconded by Trustee Rachel Moccia. All Trustees voted yes, and the motion was passed 4-0.

At this time Mr. Landers concluded his presentation and Mr. Zachary O'Grady began the Investment presentation.

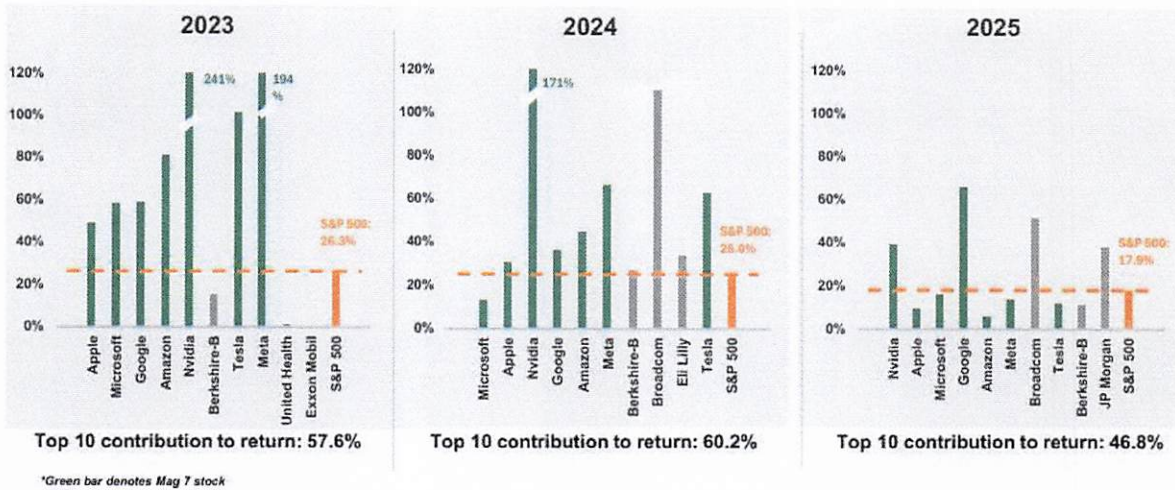
INVESTMENT REPORT:

Mr. O'Grady began by providing an executive summary for 2025 Q-4:

MARKET REVIEW: KEY THEMES FROM THE FOURTH QUARTER



Mr. O'Grady reviewed over how the top 10 stocks drove less than half the index returns for the first time since 2021:



- › The top 10 stocks drove less than half of index returns for the first time since 2021
- › Magnificent 7 dominance faded as only 2 of the 7 beat the S&P 500 in 2025
- › Broader leadership may create more opportunities for active management beyond mega-cap stocks

Mr. O’Grady advised there were no changes made with the manager lineup and moved into a review of the Market Value Reconciliation of the fund:

	One Month	Three Months	Year to Date	FYTD 09/30
Beginning Market Value (\$)	101,337,346	91,531,465	105,331,342	91,531,465
Inflows (\$)	145,167	9,564,275	14,023,760	9,564,275
Outflows (\$)	-1,494,461	-3,108,919	-32,472,975	-3,108,919
Net Inflows / Outflows (\$)	-1,349,294	6,455,356	-18,449,215	6,455,356
Appreciation / Depreciation (\$)	323,710	2,322,874	13,426,909	2,322,874
Income Earned (\$)	7	2,074	2,733	2,074
Net Market Gain/Loss (\$)	323,716	2,324,947	13,429,642	2,324,947
Ending Market Value (\$)	100,311,768	100,311,768	100,311,768	100,311,768

Mr. O’Grady then moved into a review of the fund’s performance acknowledging the Russell Fund outperformed the benchmark which he attributed to the recent change made to the asset allocation:

Boynton Beach Police Officers Retirement Trust - Composite Account - QU7W, QU7X

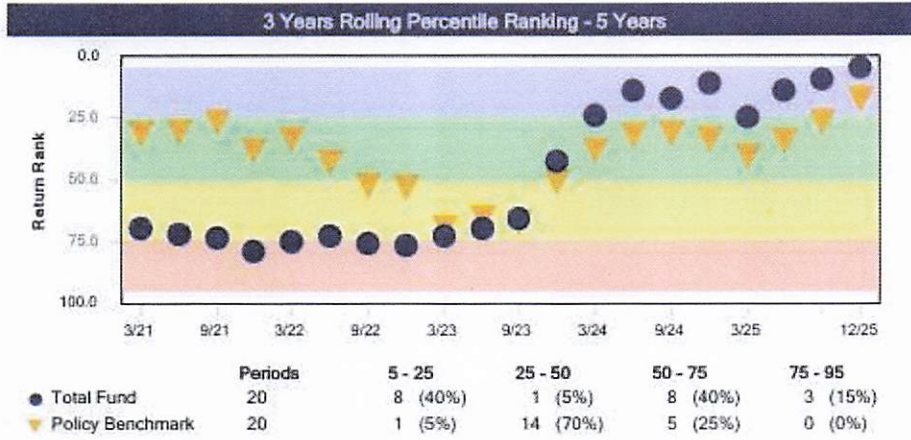
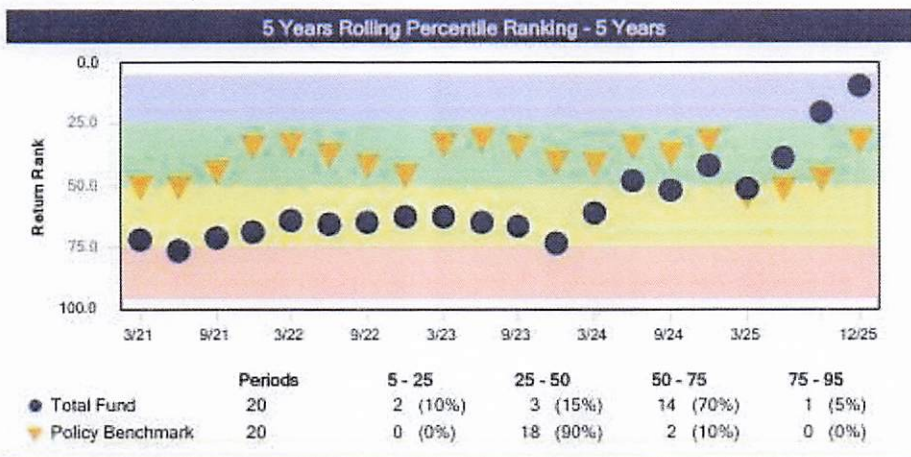
	Market Value	One Month	Three Months	Year to Date	FYTD 09/30	Annualized					Inception Date
						One Year	Three Years	Five Years	Ten Years	Since Inception	
Total Assets - Gross ⁽²⁾	\$100,311,768	0.33%	2.39%	16.04%	2.39%	16.04%	14.22%	8.08%	8.70%	7.47%	07/01/2002
Total Assets - Net ⁽²⁾	100,311,768	0.30	2.28	15.59	2.28	15.59	13.73	7.55	8.03	6.73	07/01/2002
Russell Custom Benchmark ⁽²⁾	--	0.29	2.23	14.60	2.23	14.60	14.22	7.92	8.80	7.29	--
Consultant Benchmark ⁽⁴⁾	--	-0.00	2.19	14.75	2.19	14.75	15.70	8.40	8.79	7.22	--
Total Assets ex Private Credit - Net ⁽²⁾	95,445,185	0.23	2.32	15.89	2.32	15.89	13.92	7.65	8.08	6.75	07/01/2002
Total Liquid Return Seeking	58,425,254	0.79	3.34	19.58	3.34	19.58	19.93	12.18	11.58	11.47	08/31/2012
Russell Invest R1000 Idx Fd - I (DB)	18,516,621	0.01	2.42	17.36	2.42	17.36	22.76	13.61	--	14.65	11/19/2020
Russell 1000 Index	--	0.01	2.41	17.37	2.41	17.37	22.74	13.59	--	14.63	--
Small Cap Fund	5,071,276	0.46	3.32	9.92	3.32	9.92	--	--	--	6.66	07/18/2024
Russell 2000 Index	--	-0.58	2.19	12.81	2.19	12.81	--	--	--	8.77	--
International Index Fund I (DB)	4,761,874	2.84	4.74	--	4.74	--	--	--	--	5.91	09/09/2025
MSCI EAFE Index Net Dividend	--	3.00	4.86	--	4.86	--	--	--	--	6.01	--
World Equity Fund	30,075,483	1.00	3.66	23.22	3.66	23.22	--	--	--	20.22	09/05/2023
MSCI World Net Dividend Index	--	0.81	3.12	21.09	3.12	21.09	--	--	--	20.10	--
Total Fixed Income	26,248,750	-0.25	1.10	8.16	1.10	8.16	4.88	-0.42	2.51	4.08	09/01/2002
Bloomberg US Aggregate Bond Idx	--	-0.15	1.10	7.30	1.10	7.30	4.66	-0.36	2.01	3.39	--
Multi-Manager Bond Fund	26,248,750	-0.25	1.10	8.16	1.10	8.16	4.88	-0.42	2.51	4.04	09/30/2008
Bloomberg US Aggregate Bond Idx	--	-0.15	1.10	7.30	1.10	7.30	4.66	-0.36	2.01	3.01	--
Total Real Assets	10,142,552	-1.45	0.29	--	0.29	--	--	--	--	2.24	09/09/2025
Global Real Estate Securities Fund	5,071,276	-1.46	-0.55	--	-0.55	--	--	--	--	0.41	09/09/2025
FTSE EPRA Nareit Developed Net	--	-1.18	-0.73	--	-0.73	--	--	--	--	0.03	--
Global Listed Infrastructure Fund	5,071,276	-1.44	1.13	--	1.13	--	--	--	--	4.07	09/09/2025
S&P Global Infrastructure Index Net	--	-0.73	2.20	--	2.20	--	--	--	--	4.70	--
Total Alternative Investments	4,866,583	1.60	1.60	8.90	1.60	8.90	1.28	5.79	6.22	5.76	07/01/2006
Private Credit Fund I LLC ⁽²⁾	4,866,583	1.60	1.60	9.78	1.60	9.78	6.97	--	--	5.38	09/01/2022
Bloomberg US Aggregate Bond Idx 3 mo lag	--	1.09	2.03	2.88	2.03	2.88	4.93	--	--	2.42	--
Multi-Manager Bond Fund	26,248,750	-0.25	1.10	8.16	1.10	8.16	4.88	-0.42	2.51	4.04	09/30/2008
Bloomberg US Aggregate Bond Idx	--	-0.15	1.10	7.30	1.10	7.30	4.66	-0.36	2.01	3.01	--
Total Real Assets	10,142,552	-1.45	0.29	--	0.29	--	--	--	--	2.24	09/09/2025
Global Real Estate Securities Fund	5,071,276	-1.46	-0.55	--	-0.55	--	--	--	--	0.41	09/09/2025
FTSE EPRA Nareit Developed Net	--	-1.18	-0.73	--	-0.73	--	--	--	--	0.03	--
Global Listed Infrastructure Fund	5,071,276	-1.44	1.13	--	1.13	--	--	--	--	4.07	09/09/2025
S&P Global Infrastructure Index Net	--	-0.73	2.20	--	2.20	--	--	--	--	4.70	--
Total Alternative Investments	4,866,583	1.60	1.60	8.90	1.60	8.90	1.28	5.79	6.22	5.76	07/01/2006
Private Credit Fund I LLC ⁽²⁾	4,866,583	1.60	1.60	9.78	1.60	9.78	6.97	--	--	5.38	09/01/2022
Bloomberg US Aggregate Bond Idx 3 mo lag	--	1.09	2.03	2.88	2.03	2.88	4.93	--	--	2.42	--

Mr. O'Grady concluded his presentation advising the Board he will be in communication with BCA to conduct a strategic review of the fund. Mr. O'Grady was questioned if there were any changes being considered and he advised there are none at this time.

At this time, Mr. O'Grady concluded his presentation and had no recommended changes to the fund at this time.

INVESTMENT MONITOR REPORT:

Mr. Frank Wan presented to the Board on behalf of Burgess Chambers & Associates. He began the report by remarking on how the Fund has been improving since adopting the Salem Index Strategy and Asset Allocations changes made by Russell Investments over the past 4 years:



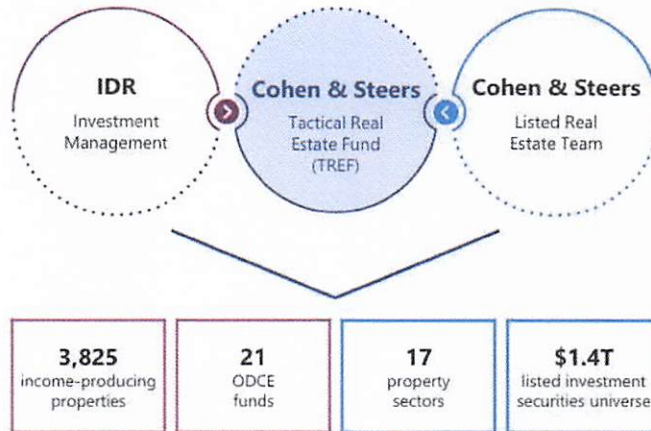
Mr. Wan went into the fund's performance over the past Quarter, pointing out that Russell Investments outperformed the Salem Strategy for both the quarter and year:

COHEN & STEERS

- **Pioneer** in listed real estate investing
- **39-year** track record
- **\$56 billion** real estate AUM
- US Total Return REIT strategy

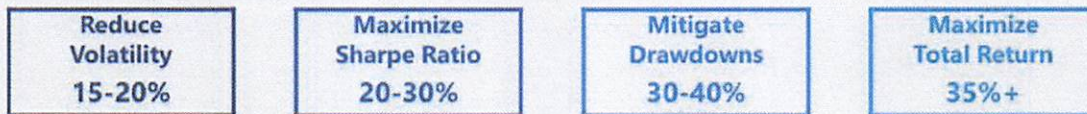


- **First and only** U.S. patent to index private real estate
- **13-year** track record
- **\$8.5 billion** firm AUM
- IDR Core Property Index Fund



Strategic design optimizes potential benefits of blending listed and private

Optimal listed real estate allocations according to objective



Performance characteristics of listed/private real estate blends (since 4Q89 annualized)⁽¹⁾

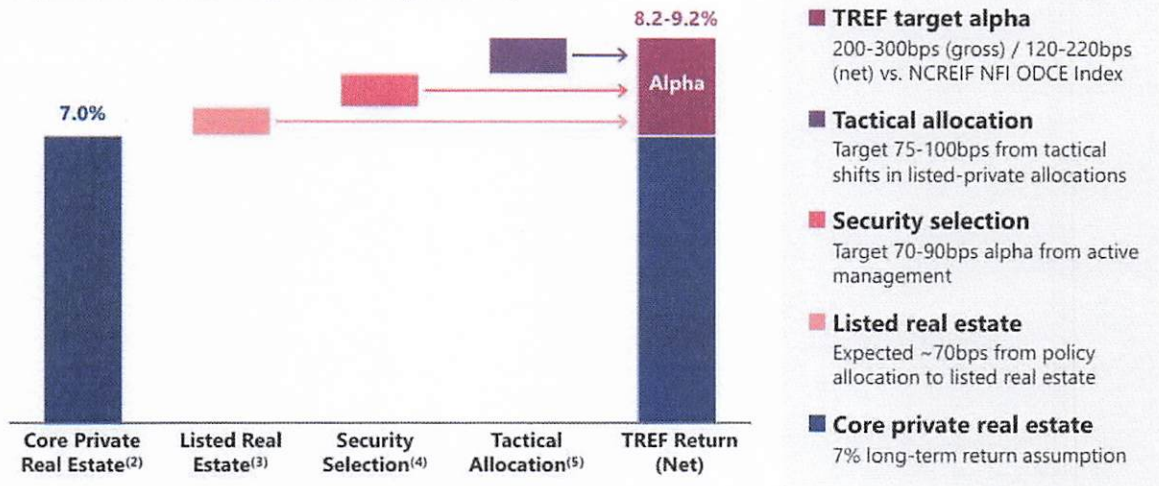
		← More Private → More Listed →										
Blended allocations	Listed Real Estate ⁽¹⁾	--	15%	25%	35%	45%	50%	55%	65%	75%	85%	100%
	Private Real Estate ⁽²⁾	100%	85%	75%	65%	55%	50%	45%	35%	25%	15%	--
	Total Return (%)	5.7	6.6	7.1	7.6	8.0	8.2	8.4	8.8	9.1	9.4	9.7
Performance characteristics	Standard Deviation (%)	6.0	6.1	6.9	8.1	9.5	10.3	11.1	12.8	14.6	16.4	19.2
	Sharpe Ratio	0.49	0.62	0.63	0.60	0.55	0.53	0.51	0.47	0.44	0.40	0.36
	Maximum Drawdown (%)	-38.6	-34.0	-34.4	-38.0	-42.3	-44.4	-46.4	-51.0	-55.5	-59.7	-65.4

→ **35%/65% benchmark allocation**
+/-20% tactical ranges

Mr. Casey reviewed over their multiple diversified sources of return:

Multiple diversified sources of return

Expected return decomposition % (gross/net)⁽¹⁾



Mr. Casey advised their product improved liquidity potential compared to direct investing:

Drivers of enhanced liquidity compared to direct investing

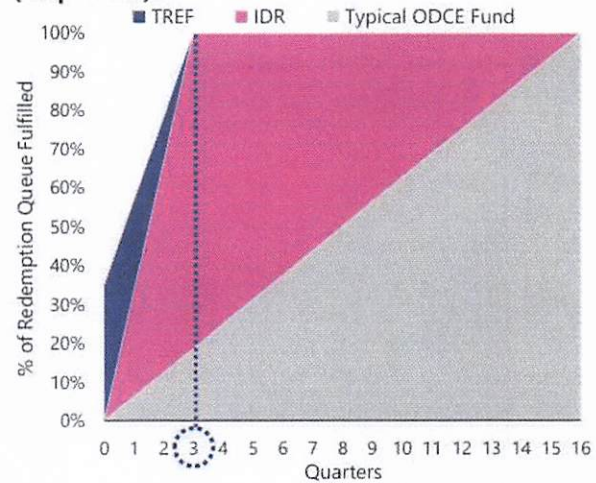
U.S. Realty Total Return

- Daily liquidity
- \$1.4 trillion investment universe

IDR Index Fund

- Scale provides higher pro rata redemption opportunities
- 21 component funds provide more access points for liquidity
- Quarterly cashflows
- Inflows/outflows of investor capital

Estimated time required to fulfill redemptions (in quarters)⁽¹⁾

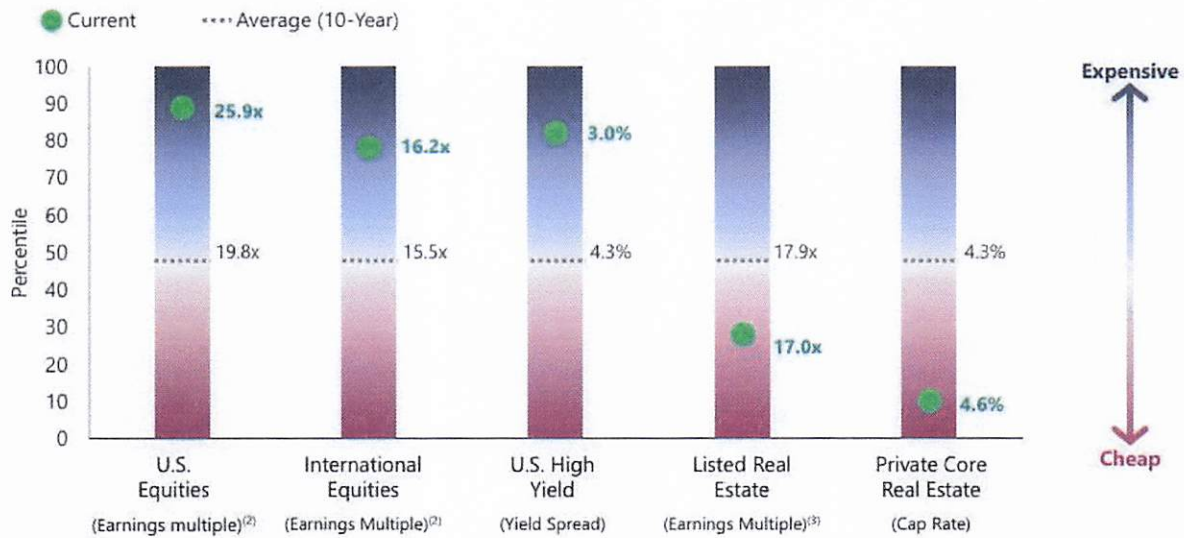


3 quarters of liquidity compared to 16 quarters for the typical ODCE fund

Mr. Casey concluded his presentation showing they are low in fees when compared with others:

Valuations are cheap versus other risk assets

Valuation percentile ranks of key asset classes relative to history⁽¹⁾



After Mr. Casey presentation, the Board engaged in conversation with Mr. Wan. After a brief discussion a motion was made by Trustee Matthew Zeller to transfer 5 million dollars from the Salem Strategy fund to the Tactical Real Estate Fund. This motion was seconded by Trustee Russell Faine and the motion passed 4-0.

Mr. Wan will work with the Cohen & Steers, Attorney Garber, and Salem Trust to facilitate the transfer.

After the motion passed. Mr. Wan presented the Board with a revised Investment Policy Statement to reflect the change in the Asset Allocation resulting from this investment. A motion was made By Trustee Matthew Zeller to accept the revised IPS as presented. The motion was seconded by Russell Faine and all Trustees voted yes and the motion passed 5-0.

Administrator Penque will send the revised IPS to the state as required.

For purposes of transparency please visit the following link to view the entire investment report.

[http://bbpdp.org/docs/investments/2018-09-30%20Boynton%20Beach%20Police%20\(Quarterly%20Report\).pdf#zoom=100](http://bbpdp.org/docs/investments/2018-09-30%20Boynton%20Beach%20Police%20(Quarterly%20Report).pdf#zoom=100)

ATTORNEY REPORT:

Ms. Garber reviewed memos that were presented to the Board.

- 1) Required Documents for Posting by Plan Sponsor.
- 2) IRS Mileage rate
- 3) A review of a drafted ordinance allowing the Chief of Police to opt out of the Police Pension Plan and join the General Employee Plan. After some discussion, it was decided to table this and Chairman Llopis was going to have a discussion with the police union attorney.

PLAN ADMINISTRATOR REPORT:

Administrator Penque reported the following updates since the last Board meeting:

Administrator Penque presented the Board with the June 2026 special distribution amount, which was reviewed and approved by the Actuary on 12/15/2025. The Distribution amount for this year's June special pay will be \$639,847.84. After review and discussion, Trustee Rachel Moccia made a motion to approve as presented, which was seconded by Trustee Matthew Zeller. All Trustees voted yes, and the motion was passed 4-0.

Administrator Penque presented the Board with the December 2026 special pay distribution amount, which was reviewed and approved by the Actuary on 12/15/2025. The Distribution amount for this year's December special pay will be \$560,068.20. After review and discussion, Trustee Matthew Zeller made a motion to approve as presented, which was seconded by Trustee Rachel Moccia. All Trustees voted yes, and the motion was passed 4-0.

Administrator Penque advised the Board the SB 534 Investment report for FY- 23-24 was completed and posted to the Web Site.

Administrator Penque advised the Board the GASB 67 & 68 reports were received by the Actuary.

The Board was advised that the Trustee position of Matthew Zeller was expired. This position is held by the 5th Trustee and is appointed by the other four Board members. Trustee Russell Faine made a motion to re-appoint Matthew Zeller to another four-year term, this motion was seconded by Rachel Moccia. All Trustees voted yeas and the motion passed 3-0. New expiration date for Trustee Matthew Zeller 12/2029.


NEW/UNFINISHED BUSINESS:

Administrator Penque presented the Board with a revised DROP loan application, which clarified some language on hardship refunds. After some brief discussion, Trustee Rachel Moccia made a motion to accept the application as presented, the motion was seconded by Trustee Matthew Zeller. All Trustees voted yes and the motion passed 4-0

ADJOURN:

The meeting was adjourned at 12:08 PM.

Next Regular Scheduled Meeting: May 05, 2026, at 10:30 AM.



Jason Llopis, Chairman
FOR THE BOARD