City of Clearwater

Main Library - Council Chambers
100 N. Osceola Avenue
Clearwater, FL 33755

Meeting Minutes

Monday, June 15, 2026

1:00 PM

Main Library - Council Chambers

Pension Trustees

Roll Call

Present 4 - Chair Bruce Rector, Trustee David Allbritton, Trustee Lina Teixeira, and Trustee Michael Mannino

Absent 1 - Trustee Ryan Cotton

Also Present: Jennifer Poirrier – City Manager, Al Battle – Assistant City Manager, Owen Kohler – Interim City Attorney, Nicole Sprague – Deputy City Clerk, and Tiffany Makras – Human Resources Director

To provide continuity for research, items are listed in agenda order although not necessarily discussed in that order.

Unapproved

1. Call to Order – Chair Rector

The meeting was called to order at 1:38 p.m.

2. Approval of Minutes

2.1 Approve the minutes of the April 20, 2026 Pension Trustees meeting as submitted in written summation by the City Clerk.

Trustee Allbritton moved to approve the minutes of the April 20, 2026 Pension Trustees meeting as submitted in written summation by the City Clerk. The motion was duly seconded and carried unanimously.

3. Citizens to be Heard Regarding Items Not on the Agenda - None

4. New Business Items

4.1 Accept the January 1, 2026 Annual Actuarial Valuation for the City of Clearwater Employees' Pension Plan.

Per the actuarial valuation report dated January 1, 2026, a minimum City employer contribution of $12.355 million, or 9.61% of covered payroll, is required for fiscal year 2027. This is an increase of approximately $4.1 million from the fiscal 2026 required contribution of $8.34 million, which represented 7.0% of covered payroll. This increase was due to unfavorable actuarial experience including salary increase experience, mortality experience, and investment return experience.

The breakout of the required contribution by group is as follows:

		% of Covered Payroll
Police	$ 4,355,583	15.23%
Fire	$ 4,910,854	21.90%
Non-public safety	$ 3,088,343	3.98%
Total	$12,354,780	9.61%

The calendar year 2025 investment return was 11.40%, versus an assumed rate of 6.50%. The five-year smoothed actuarial investment rate of return was 6.27% versus the 6.50% assumption. Calendar 2021 through 2025 investment returns were 12.90%, (14.02%), 13.72%, 9.92%, and 11.40%, respectively. The plan experienced a net actuarial experience loss of $39.05 million for the year. The loss was primarily due to salary increases of 11.56% versus an expected increase of 5.74%; as well as mortality experience loss. Salary increases were impacted by contractual salary increases, promotions, and additional FTE's. Additionally, the recognized actuarial value investment return of 6.27% was below the 6.5% assumption and contributed to the experience loss. This net actuarial experience loss of $39.05 million had no impact on the required employer contribution but did contribute towards the current year decrease in the funded ratio of approximately 2.5%.

The plan's funded ratio at January 1, 2026 was 107.52% (including the credit balance) versus 110.02% for the prior year. The market value of assets exceeds the actuarial value of assets by $54.3 million as of January 1, 2026. This difference will be recognized as a gradual gain to the plan over subsequent years, in the absence of offsetting losses.

The plan's credit balance, which reflects actual contributions in-excess of actuarially required contributions in prior years, increased from $40.18 million to $44.16 million during calendar 2025, primarily due to interest earned on the credit balance. This credit balance is available to subsidize volatile employer contribution requirements during future investment market downturns. Staff is recommending the annual use of the interest earnings on the credit balance (approx. $2.5 million) to reduce the required employer contribution for the foreseeable future, which would effectively maintain the credit balance near the current $44 million level.

Actuary Pete Strong provided a PowerPoint presentation.

Trustee Mannino moved to accept the January 1, 2026 Annual Actuarial Valuation for the City of Clearwater Employees' Pension Plan. The motion was duly seconded and carried unanimously.

4.2 Approve Investment Advisory Agreement with Driehaus Capital Management LLC, for investment in the Driehaus Small Cap Growth Strategy Account, and authorize the appropriate officials to execute same.

The plan's current small cap growth money manager, Riverbridge Partners, LLC, has been recommended for termination by the pension plan's pension investment committee.

The City's investment consultant, CapTrust Advisors, conducted a manager search for a replacement small cap growth money manager. The pension investment committee reviewed the search results at the February 19, 2026, quarterly committee meeting and unanimously selected Driehaus Capital Management LLC (Driehaus) for recommendation to the Pension Trustees.

The investment will be in Drieahaus' Small Cap Growth Strategy Account, for an initial investment of up to $25 million, or approximately 1.7% of the total plan investment portfolio.

As March 31, 2026, the fund's performance over the past five years has been as follows:

	Performance	Benchmark Index
Last 1 year	39.58%	23.58%
Last 3 years	19.37%	12.27%
Last 5 years	5.33%	1.62%

Investment manager fees will be 0.60% on all assets under management.

The pension plan's outside legal counsel, Klausner, Kaufman, Jensen and Levinson, has reviewed and approved the participation agreement and addendum for execution.

In response to a question, CapTrust representative Mike Malone said Riverbridge, the manager being terminated, has been in the portfolio for approximately 17 years and has performed well. Two years ago, the research team recommended replacing Riverbridge due to changes that impacted performance and because there were better options to optimize results.

Trustee Teixeira moved to approve Investment Advisory Agreement with Driehaus Capital Management LLC, for investment in the Driehaus Small Cap Growth Strategy Account, and authorize the appropriate officials to execute same. The motion was duly seconded and carried unanimously.

4.3 Approve the termination of small-cap growth equity money manager Riverbridge Partners, LLC and authorize the appropriate officials to execute same.

Riverbridge Partners (Riverbridge) was hired as a small-cap growth equity money manager for the plan in October 2010. As of March 31, 2026, the market value of the plan's investment in Riverbridge's small-cap growth product totaled $22.62 million, or 1.62% of the Plan's total investment portfolio.

Riverbridge's performance has declined significantly in recent years, as detailed below. The Pension Investment Committee unanimously recommended termination at their February 19, 2026, quarterly committee meeting.
As of March 31, 2026, the fund's performance over the past five years has been as follows:

	Performance	Benchmark Index
Last 1 year	(14.77)%	23.58%
Last 3 years	(5.33)%	12.27%
Last 5 years	(8.35)%	1.62%

Trustee Allbritton moved to approve the termination of small-cap growth equity money manager Riverbridge Partners, LLC and authorize the appropriate officials to execute same. The motion was duly seconded and carried unanimously.

4.4 Approve the new hires for acceptance into the Pension Plan as listed.

Name/Job Classification/Department	**Pension Eligibility Date**
Gerred Burney, Solid Waste Worker I, Solid Waste & Recycling	03/21/2026
Colin Shea, Recreation Leader I, Parks & Recreation	03/21/2026
Zachary Whittle, Police Cadet, Police Department	03/21/2026
Oswaldo Cruz-Huapilla, Parking, Fac & Sec Aide, Public Works	03/23/2026
Samuel Howard, Parks Service Technician I, Parks & Recreation	03/23/2026
Raegan Johnson, Police Cadet, Police Department	03/23/2026
Michael Mennella, Police Cadet, Police Department	03/23/2026
Paul Swikey, Police Cadet, Police Department	03/23/2026

Jonathon Weaver, Stormwater Technician I, Public Works	03/23/2026
Adam Alicea, Firefighter, Fire Department	04/06/2026
William Bateman, Fire Medic, Fire Department	04/06/2026
Benjamin Boussum, Fire Medic, Fire Department	04/06/2026
Connor Byrd, Parks Service Technician I, Parks & Recreation	04/06/2026
Taylor Byrd, Firefighter, Fire Department	04/06/2026
Joseph Davidson, Firefighter, Fire Department	04/06/2026
Corin Pizzo, Fire Medic, Fire Department	04/06/2026
Jae Segatto, Firefighter, Fire Department	04/06/2026
Michael Shane, Firefighter, Fire Department	04/06/2026
Rashard Stephens, Firefighter, Fire Department	04/06/2026
Jaylin Williams, Solid Waste Worker I, Solid Waste & Recycling	04/06/2026
Leslie Ambs, Accountant II, Finance Department	04/20/2026
Andrea Anderson, Recreation Supervisor, Parks & Recreation	04/20/2026
Enrico Brooks, Recreation Facilities Supp Custodian, Parks & Rec.	04/20/2026
John Hurry, Police Cadet, Police Department	04/20/2026
Rodney Malpass, Fire District Commander, Fire Department	04/20/2026
Timothy O’Shea, Solid Waste Worker I, Solid Waste & Recycling	04/20/2026
Keith Sheets, Parks Service Technician I, Parks & Recreation	04/20/2026
James Sfachios, Parks Service Technician I, Parks & Recreation	04/20/2026
Kyle White, Recreation Facilities Supp Custodian, Parks & Rec.	04/20/2026
Johnny Williams, Solid Waste Equip. Oper., Solid Waste & Recyc.	04/20/2026
Hallie Bushar, Police Telecommunicator I, Police Department	05/04/2026
Arlind Mucka, Plumber, General Services Department	05/04/2026
Michael Piotrski, Water Distribution Oper.Trainee , Public Utilities	05/04/2026
Matthew Sfachios, Skilled Tradesworker I, General Services	05/04/2026
Joseph Tuttle, Custodial Worker, Police Department	05/04/2026
Robert Thurman, Parks Service Tech I, Parks & Recreation	05/18/2026
Lauren Wolf, Planner II, Planning & Development	05/18/2026
Samual Aldrich, Marine Facility Operator, Marine & Aviation	05/18/2026
Fatmire Fejoski, Payroll Tech I, Fire Department	05/18/2026
Edward Galan, Police Officer, Police Department	05/18/2026
James Seabo, Police Officer, Police Department	05/18/2026
James Smaldone, Police Officer, Police Department	05/18/2026

Trustee Mannino moved to approve the new hires for acceptance into the Pension Plan as listed. The motion was duly seconded and carried unanimously.

4.5 Approve the following requests of Salvatore Accomando, Police Department, Jonathan Cappa, Police Department, Pawel Dembinski, Public Works Department, Keith Law, Library Department, Robert Reedy, Public Utilities Department, Philip Ruppel, Public Utilities, and Anthony Tedesco, Fire Department for a regular pension as provided by Sections 2.416 and 2.424 of the Employees' Pension Plan.

Salvatore Accomando, Police Officer, Police Department, was employed by the City on March 3, 2008, and his pension service credit is effective on that date. His pension will be effective June 1, 2026. Based on an average salary of approximately $102,722.00 over the past five years, the formula for computing regular pensions, and Mr. Accomando's selection of the Single Life Annuity, this pension benefit will be approximately $60,289.80 annually.

Jonathan Cappa, Police Officer, Police Department, was employed by the City on January 9, 2006, and his pension service credit is effective on that date. His pension will be effective April 1, 2026. Based on an average salary of approximately $102,945.00 over the past five years, the formula for computing regular pensions, and Mr. Cappa's selection of the Joint & Survivor Annuity, this pension benefit will be approximately $57,486.84 annually.

Pawel Dembinski, GIS Assistant Manager, Public Works Department, was employed by the City on February 22, 1994, and his pension service credit is effective on that date. His pension will be effective July 1, 2026. Based on an average salary of approximately $99,647.77 over the past five years, the formula for computing regular pensions, and Mr. Dembinski's selection of the 66 2/3% Joint & Survivor Annuity, this pension benefit will be approximately $78,422.88 annually.

Keith Law, Librarian I, Library Department, was employed by the City on February 24, 2014, and his pension service credit is effective on October 3, 2015. His pension will be effective July 1, 2026. Based on an average salary of approximately $59,782.64 over the past five years, the formula for computing regular pensions, and Mr. Law's selection of the 100% Joint & Survivor Annuity, this pension benefit will be approximately $12,453.72 annually.

Robert Reedy, Wastewater Treatment Plant Operator A, Public Utilities Department, was employed by the City on June 12, 2006, and his pension service credit is effective on that date. His pension will be effective July 1, 2026. Based on an average salary of approximately $64,682.25 over the past five years, the formula for computing regular pensions, and Mr. Reedy's selection of the Single Life Annuity, this pension benefit will be approximately $35,649.36 annually.

Philip Ruppel, Wastewater Treatment Plant Operator A, Public Utilities Department, was employed by the City on December 22, 1997, and his pension service credit is effective on that date. His pension will be effective July 1, 2026. Based on an average salary of approximately $81,363.62 over the past five years, the formula for computing regular pensions, and Mr. Ruppel's selection of the Single Life Annuity, this pension benefit will be approximately $63,644.52 annually.

Anthony Tedesco, Fire Division Chief, Fire Department, was employed by the City on May 7, 2001, and his pension service credit is effective on that date. His pension will be effective June 1, 2026. Based on an average salary of approximately $132,536.52 over the past five years, the formula for computing regular pensions, and Mr. Tedesco's selection of the Joint & Survivor Annuity with the 10% partial lump sum, this pension benefit will be approximately $82,216.56 annually.

Section 2.416 provides for normal retirement eligibility for non-hazardous duty employees hired prior to the effective date of this reinstatement (1/1/13), a member shall be eligible for retirement following the earlier of the date on which a participant has reached the age of 55 years and completed 20 years of credited service; the date on which a participant has reached age 65 years and completed five years of credited service; or the date on which a member has completed 30 years of service regardless of age. For non-hazardous duty employees hired on or after the effective date of this restatement, a member shall be eligible for retirement following the earlier of the date on which a participant has reached the age of 60 years and completed 25 years of credited service; or the date on which a participant has reached the age of 65 years and completed five years of credited service. Mr. Dembinski, Mr. Law, Mr. Reedy, and Mr. Ruppel have met the non-hazardous duty criteria.

Section 2.416 provides for normal retirement eligibility for hazardous duty employees, a member shall be eligible for retirement following the earlier of the date on which the participant has completed 20 years of credited service regardless of age, or the date on which the participant has reached 55 years and completed ten years of credited service. Mr. Accomando, Mr. Cappa, and Mr. Tedesco have met the hazardous duty criteria.

Trustee Teixeira moved to approve the following requests of Salvatore Accomando, Police Department, Jonathan Cappa, Police Department, Pawel Dembinski, Public Works Department, Keith Law, Library Department, Robert Reedy, Public Utilities Department, Philip Ruppel, Public Utilities, and Anthony Tedesco, Fire Department for a regular pension as provided by Sections 2.416 and 2.424 of the Employees' Pension Plan. The motion was duly seconded and carried unanimously.

5. Director's Report – None.

6. Adjourn

The meeting adjourned at 1:51 p.m.

Chair
Employees' Pension Plan Trustees

Attest

City Clerk