

LEESBURG FIREFIGHTERS PENSION BOARD
JUNE 12TH, 2024 QUARTERLY MEETING
9:00 A.M.

Members Present:

Walter Roenbeck, Chairman
Ryan Owens, Trustee
William Middlemiss, Trustee
Ronny Goeler, Trustee

Absent:

Steve Allen, Trustee

Others Present:

Chad Little, Actuary
Frank Wan, BCA
Richelle Levy, Pension Attorney-via phone

The meeting was called to order at 9:00 A.M. Chairman Roenbeck requested comments from the public. No comments were brought forth.

Approval of Minutes

A motion was made by Trustee Middlemiss to approve the minutes from the December 2023 quarterly meeting and seconded (2nd) by Trustee Owens - All in favor, motion carried.

Sonja Vicchiollo, Fund Administrator, provided the administrator report for the quarter as follows:

Q224 Presented June 2024– Administrator Report

1. Member Retirements/Updates (03/24 – 05/24)

- a. Retirements – None
- b. Separations
 - i. Gary Rice, last day 04/04/19, total refund of \$18716.90 distributed.

2. Member Deaths

- a. Raymond Steel – Date of Death 05/13/2024 – No beneficiary / benefit terminated

3. Accounts Payable Q2

	06/01/23 08/31/23	09/01/23 11/30/23	12/01/23 02/29/24	03/01/24 05/31/24
Benefits	\$336,003.03	\$335,922.03	\$335,922.03	\$335,215.90
Lump	\$	\$		
Retiree Share				\$3,437.12
Reimbursements	\$2,450.00	\$1,756.18	\$8,922.08	\$24,033.32
	\$338,453.03	\$337,678.21	\$344,844.11	\$362,686.34
FPPTA	\$	\$	\$750.00	\$
Actuary	\$ 39,550.00	\$	\$	\$
Insurance	\$3,592.44	\$ -	\$ -	\$ -
Legal	\$1,925.00	\$950.00	\$2,050.00	\$ 5,100.00
Fiduciary Mng	\$1,312.16	\$ 3,296.00	\$ 1,382.66	\$ 4,031.00
Auditor	\$ -	\$2,000.00	\$ 4,500.00	\$ 5,000.00
BCA	\$6,534.70	\$ 13,380.47	\$ 7,148.02	\$ 7,500.31

Highland	\$ 3,375.35	\$ 3,336.04	\$ 4,189.75	\$ 4,486.74
Polen	\$ 4,042.82	\$ 3,835.68	\$ 4,332.80	\$ 4,690.28
Admin	\$ 4,050.00	\$ 4,050.00	\$4,050.00	\$ 2,700.00
Fiduciary Trst	\$ 3,377.00	\$ 2,464.94	\$3715	\$1438.66
	\$ 67,759.47	\$ 33,313.13	\$32,118.23	\$ 4,946.99
Total	\$ 406,212.50	\$ 370,991.34	\$ 376,962.34	\$ 397,633.33

4. Correspondences / Updates (03/19 – 05/19)

- a. 03/01/2024 – legal opinion requested re: one time cola issuance for Board authority
- b. 03/03/2024 – Representation ltr for auditor signed and filed
- c. 03/05/2024 – Rebalance authorization ltr delivered to invest excess cash
- d. 03/05/2024 – Share plan roll over received
- e. 03/05/2024 – Draft actuary report delivered to Sponsor
- f. 03/05/2024 - Change of direct deposit processed for beneficiary Karen Marshall
- g. 03/18/2024 – Retiree Share distribution authorization for 32 payments processed
- h. 03/22/2024 – Member address update for beneficiary Deborah Kirby
- i. 04/10/2024 – Provide member Sim Honer with 1099
- j. 04/11/2024- Retirement benefit estimate delivered to Member Ryan Sapp
- k. 05/08/2024 – legal opinion requested-re 10-year certain member deceased no beneficiary.
- l. 05/13/2024- notice of cease payment for member Raymond steel
- m. 05/16/2024 – Sponsor inquiry received on annual report submittal. Not received from actuary to date.

A motion was made by Trustee Middlemiss to approve the administrative report and seconded (2nd) by Trustee Owens. All in favor, motion carried.

Actuary – Chad Little,

Chairman Roenbeck advised the Board that Mr. Little was requested to develop a report that would show overtime included as pensionable pay and how that change would impact Plan costs. Mr. Little advised he is working through the data.

Mr. Little advised that all data was received for the State report and that it would be filed accordingly.

Mr. Owens open discussion on using the best three of career earnings over using the best three of the last five years if overtime is included. Mr. Little advised that its possible, however the State limits the Plan to three hundred (300) overtime hours. The State limited it to 300 hours due to people getting toward towards the end of their career and taking more overtime to boost their pension.

Performance Consultants (Burgess Chambers & Associates) Q2 Report

Performance Consultant Frank Wan, Burgess Chambers & Associates, presented the quarterly report. Mr Wan presented the Board with a market update report showing that shows that the Magnificent 7, which is largely driven by Namedia and Goon, is still doing better than the S &P 500.

Mr Wan advised that we changed our investment policy around last September and that timing worked out really favorably.

- For the quarter, the Plan earned \$1.4 million or +5.3% (+5.2% net) and ranked in the top 24th percentile. Top performers were: Fidelity 500 Index Fund (+10.6%), Fidelity Mid Cap (+8.6%) and Fiduciary Large Cap Value (+8.5%)
- For the one-year period, the Plan earned \$3.5 million or +15.0% (+14.5% net), ahead of the strategic model (+14.5%) and ranked in the top 26th percentile. The top performers were: Polen Large Cap Growth (+32.4%), Fidelity 500 Index Fund (+29.9%) and Fiduciary Large Cap Value (+25.9%)
- For the three-year period, the Plan earned \$2.9 million or +4.0% (+3.6% net). The top performer was the Fidelity 500 index
- For the five-year period, the Plan earned \$9.2 million or +8.6% (+8.1% net) and ranked in the top 29th percentile.
- A Redemption request was submitted to American Realty Advisors to begin to redeem \$1 million on December 31, 2022. \$198.7K was received in 2023. In the first quarter of 2024, \$38K was received. The redemption process will continue in 2024, providing liquidity for expenses. In September 2023, the dividend reinvestment option was turned off so that all dividends would be received in cash to provide additional liquidity
- The Plan was rebalanced to invest some excess cash in-line with the investment policy target allocations. In March, \$450K was transferred to Highland Capital from the R&D account and invested in the Highland fixed income account

Mr. Wan recommended liquidation of Polen Capital and Fiduciary Trust companies by 50 % and then to move those assets into the S & P 500 index to strengthen the Plans middle and reduce the risk in the event anything pulls back in the foreseeable future.

A motion to liquidated 50% of Polen Capital and then to move those assets into the S & P 500 index was made by Trustee Owens and seconded (2nd) by Trustee Middlemiss was made. All in favor, Motion carried.

A motion to liquidated 50% of Fiduciary Trust and then to move those assets into the S & P 500 index was made by Trustee Owens and seconded (2nd) by Trustee Middlemiss was made. All in favor, Motion carried.

Trustee Owens advised concerns over the S&P currently being at its height. Mr. Wan advised that the Plan pays fiduciary 0 .62 % in management and Fidelity, 0 .015%. and believes that that's the draw for a lot of investors in attempting to lower the cost and at least having a 0 .75 % gain.

Pension Attorney - Richelle Levy

Mrs. Levy advised that all Trustees had submitted their form 1 with the exception of Trustee Owens. Mrs. Levy advised that she did contact the Commissioners regarding Trustees sitting multiple Boards and advised only one form was required for all Boards.

SPD draft is in progress.

Other/Pending/or New Business

None

A motion to adjourn the meeting was made by Trustee Owens and seconded (2nd) by Trustee Middlemiss. All in favor, Motion carried.

Meeting adjourned at 9:35AM

Next Board Meeting – Wednesday, September 11, 2024

Chairman

Date

Prepared by SV