

LEESBURG FIREFIGHTERS PENSION BOARD
SEPTEMBER 11, 2024 QUARTERLY MEETING
9:00 A.M.

Members Present:

Walter Roenbeck, Chairman
Steve Allen, Trustee
Ryan Owens, Trustee
William Middlemiss, Trustee

Absent:

Ronny Goeler, 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:

Q324 Presented September 2024– Administrator Report

1. Member Retirements/Updates (06/24 – 08/24)

- a. Chiariello, Aidan - 3/04/24 - 7/13/24- Refund in process
- b. Crosley, Darius - 3/25/24 - 7/30/24- Refund in process
- c. Yurich, Jason - 3/25/24 - 7/30/24- Refund in process
- d. Hall, Jesse - 7/08/24
- e. Mclain, Tymber (Reentry) 8/03/24
- f. Giese – \$44,317.31 lump sum
- g. Steele – \$18,315.60 released to the estate
- h. Slight decrease to Health insurance premiums for retirees

2. State Premium Tax 2023 - \$237,598.04

3. Accounts Payable Q2

	09/01/23 11/30/23	12/01/23 02/29/24	03/01/24 05/31/24	06/01/2024 08/31/2024
Benefits	\$335,922.03	\$335,922.03	\$335,215.90	\$324,226.53
Lump				
Retiree Share			\$3,437.12	
Reimbursements	\$1,756.18	\$8,922.08	\$24,033.32	
	\$337,678.21	\$344,844.11	\$362,686.34	\$324,226.53
FPPTA	\$	\$750.00	\$	\$
Actuary	\$	\$	\$	\$
Insurance	\$ -	\$ -	\$ -	\$

Legal	\$950.00	\$2,050.00	\$ 5,100.00	\$2,172.85
Fiduciary Mng	\$ 3,296.00	\$ 1,382.66	\$ 4,031.00	\$4,472.45
Auditor	\$2,000.00	\$ 4,500.00	\$ 5,000.00	\$0.00
BCA	\$ 13,380.47	\$ 7,148.02	\$ 7,500.31	\$7,539.47
Highland	\$ 3,336.04	\$ 4,189.75	\$ 4,486.74	\$5,319.31
Polen	\$ 3,835.68	\$ 4,332.80	\$ 4,690.28	\$2,172.85
Admin	\$ 4,050.00	\$4,050.00	\$ 2,700.00	\$4,050.00
Fiduciary Trst	\$ 2,464.94	\$3715	\$1438.66	\$1,599.20
	\$ 33,313.13	\$32,118.23	\$ 34,946.99	\$26,353.28
Total	\$ 370,991.34	\$ 376,962.34	\$ 397,633.33	\$350,579.81

4. Correspondences / Updates (06/24– 08/24)

- a. 06/04/2024 – Rate of Return declaration letter sent to the State
- b. 06/12/2024 – Annual report submitted to the State
- c. 06/18/2024 – Letter of direction to Polen Capital to raise \$1,230,660 from large cap to transfer to R&D.
- d. 06/25/2024 – Engagement letter delivered to Auditor
- e. 06/28/2024 – Letter of direction to Fiduciary Management to raise \$1,463,500 from large cap to transfer to R&D.
- f. 07/16/2024 – Annual budget delivered to sponsor
- g. 07/18/2024 – Notice from sponsor of new pay code-determined to be non-pensionable
- h. On- Line forms portal created and published 08/30/2024

5. Transfers

- a. 06/20/2024 - \$1,230,660 Cash Transfer - Transfer to Another Account To 451045900 CITY OF LEESBURG MUNICIPAL FIREFIGHTERS' PENSION FUND Portfolio-01 (Capital)
- b. 07/08/2024 - \$1,463,500 Cash Transfer - Transfer from Another Account From 451045930 Re Leesburg Municipal Firemen's Retirement Plan – Rebalance

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

Actuary – Chad Little

Presentation of proposed ordinance allowing for a one (1) time COLA of 2% for five (5) year or greater retirees. Liability increases of \$200,000 and would increase the city contribution \$20,721.00 or .75% of payroll.

The Board has asked for the impact of modifying the Plan to include overtime in pensionable pay. Florida Statutes 175.032(5) states that for service earned under collective bargaining agreements entered into on or after July 1, 2011, when calculating retirement benefits, up to 300 hours per year in overtime compensation may be included as specified in the plan or collective bargaining agreement. This study only considers up to 300 hours of overtime per year.

Liability increases of \$2,403,259 and would increase the city contribution \$220,967 or 1.41% of payroll.

Discussion was held regarding an effective date for the potential implementation to ensure members who haven't paid contributions on OT hours do not benefit from those hours. Discussion was held regarding employees who move to salaried positions during the last years of their careers citing that they would lose the ability to benefit from the contributions made on OT throughout their careers.

Trustee Middlemiss advised that discussion was getting convoluted and recommended the Board move forward one step at a time.

Administrator Shaffer requested direction on placing further discussion on a future agenda. Trustee Owens advised he would bring it to the Union Board for discussion and advise the Pension Board of the results of those discussions at a later date.

Performance Consultants (Burgess Chambers & Associates) Q2 Report

Performance Consultant Frank Wan, Burgess Chambers & Associates, presented the quarterly report as follows:

- For the quarter, the Plan earned \$210K or +0.8% (+0.7% net) behind the strategic model (+1.4%). Top performers were: Fidelity 500 Index Fund (+4.3%), Cash (+1.3%) and Highland Fixed Income (+0.6%).
- For the fiscal year-to-date, The Plan earned \$3.5 million or +14.7% (+14.4% net) and ranked in the top 40th percentile.
- For the one-year period, the Plan earned \$2.8 million or +11.5% (+11.1% net), behind the strategic model (+12.2%) and ranked in the top 39th percentile. The top performers were: Fidelity 500 Index Fund (+24.6%), Polen Large Cap Growth (+19.2%), and Fiduciary Large Cap Value (+19.1%).
- For the three-year period, the Plan earned \$1.7 million or +2.4% (+2.0% net). The top performer was the Fidelity 500 index.
- For the five-year period, the Plan earned \$8.8 million or +8.0% (+7.6% net) and ranked in the top 30th percentile.
- A Redemption request was submitted to American Realty Advisors to begin to redeem \$1 million on December 31, 2022. As of the second quarter of 2024, \$312,883 has been 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.
- In June, the plan was rebalanced in line with the IPS in a series of two letters. Polen was directed to raise \$1,230,660 from the large cap growth account and the proceeds were used to purchase additional shares of the Fidelity 500 Index. Two weeks later Fiduciary Management was directed to raise \$1,463,500 from its large cap account and the proceeds were used to purchase additional shares of the Fidelity 500 Index.
- In August, the 2023 Insurance Premium tax distribution of \$237,598 was deposited into the R&D account. This deposit in addition to some existing cash totaling \$500,000 was transferred to the Highland fixed income account to invest.

A motion was made by Trustee Owens to approve the consultant report and seconded (2nd) by Trustee

Middlemiss. All in favor, motion carried.

Pension Attorney - Richelle Levy

Ms. Levy presented the draft Summary Plan Description for review citing the following changes:

- Name changed from Leesburg Fireman Plan to Leesburg Firefighters Pension Plan
- Trustee updates to acknowledge the current make-up of the Board

Ms. Levy requested any Union contract updates and terms of the current contract to add to the SPD. Provided by Trustee Allen and Trustee Owen.

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

Other/Pending/or New Business

Administrator Shaffer notified the Board of new meeting location for future meetings of 204 N 5th St, Leesburg, Fl

Chairman Roenbeck advised that a performance review needed to be completed on the Administrator position to bring it in line with the market.

Administrator Shaffer provided the going rate for the two other City plans. Administrator Shaffer left the room to allow for free discussion.

A motion was made by Trustee Allen to increase the Administrator position to \$1,800.00 and seconded (2nd) by Trustee Owens. All in favor, motion carried.

Administrator Shaffer reentered the room and was advised of the decision to increase the salary of the position with an additional review to be held in a year.

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

Meeting adjourned at 9:35AM

Next Board Meeting – Wednesday, December 11, 2024

Chairman

Date