PENSACOLA

FLORIDA'S FIRST & FUTURE

MINUTES OF THE MEETING
FIRE PENSION BOARD
MAY 8, 2024

The trustees of the City of Pensacola Firefighters' Pension Fund met this date.

Members Present:
- Samuel A. Horton, Chairman
- Jeff Wilmoth
- Charles (Chuck) Good, Jr.
- Charles Clark, II

Members Absent:
- Veronica Dias

Others Present:
- Joe Griffin, Foster & Foster
- Larry Cole, Burgess Chambers and Associates (by Teams Meeting)
- Gary Leuchtman, Pension Attorney
- Lauren Pride, Attorney
- Richard Russo, Help Desk Technician
- Michelle Madril, Payroll & Retirement Manager
- Alexandra Daily, Executive Assistant to Finance Director (by Teams Meeting)

Chairman Horton called the meeting to order at 2:00 p.m. Chairman Horton stated there was a quorum present.

Mr. Wilmoth made a motion to approve the minutes of the February 14, 2024 meeting. Mr. Clark seconded the motion and it passed unanimously.

Mr. Joseph Griffin, Foster & Foster, reviewed the Actuarial Impact Statement with the Fire Pension Board. Mr. Griffin then presented the Actuarial Valuation Report for Fiscal Year ending September 30, 2023. Mr. Griffin stated that the City's contribution for Fiscal Year 2023 will be $1,682,786 which has increased by $736,045 since last year. The total unfunded liability was $11,901,218 as of October 1, 2023. The market value of assets increased by $3,434,807 to $120,071,406 while the actuarial accrued liabilities increased by $2,228,757 to

$142,885,386 both as of October 1, 2023. The Funded Ratio as of October 1, 2023 is now 91.7%.

After some discussion, Mr. Wilmoth made a motion to accept the Actuarial Report. Mr. Clark seconded the motion and it passed unanimously.

Mr. Wilmoth made a motion to send a letter to the State of Florida stating that the Fire Pension Board finds 7.75% a reasonable assumption rate for this year and the next few years. Mr. Clark seconded the motion and it passed unanimously.

Mr. Larry Cole, with Burgess Chambers & Associates, addressed the Board and provided a review of the performance for the Fund for the period ending March 31, 2024. He stated the total value of the Fund as of March 31, 2024, was $132,644,148 with a 4.1% investment return for the quarter ending on March 31, 2024, the one-year investment return of 12.1% for the period ending on March 31, 2024, the three-year return for the period ending March 31, 2024 was 2.5% and the five-year return for the period ending on March 31, 2024 was 7.6%. (All net of fees).

The report for Burgess Chambers Associates is on file.

Ms. Pride reminded the Fire Pension Board that they needed to file Form 1 electronically by July 1st.

Mr. Leuchtman recommended the Fire Pension Board adopt a policy regarding attendance by its members. He would be happy to prepare a new policy for the next meeting for the Fire Pension Board's review.

Mr. Leuchtman also reviewed the Travel Policy with the Fire Pension Board. He noted that currently the Fire Pension Board is operating under essentially the same Travel Policy as the City of Pensacola with the major exception being that travel is reimbursed based upon the actual mode of transportation used by the Trustee as opposed to the City Policy which reimburses travel at the lesser of (a) the cost of a flight (coach) versus (b) the cost of mileage based upon IRS reimbursement rate (regardless of the mode of transportation used). This Travel Policy was adopted by the Board on 4/12/2017.

Chairman Horton inquired about additional continuing education classes or conferences offered to the trustees. Mr. Leuchtman stated that the Fire Pension Board has a policy that allows the trustees to attend any FPPTA or State continuing education class or conference. Any other continuing education regarding pensions would have to be approved by the Fire Pension Board before attendance. Chairman Horton noted that he was not in favor of attending any continuing education classes or conferences that are sponsored by investment managers. He feels like it could be a potential ethics violation.

Mr. Wilmoth made a motion to approve payment of the following invoices for the quarter ending March 31, 2024:

- Advent Capital Management, LLC in the amount of $13,046.53
- Baron Capital Management, Inc. in the amount of $17,927.75
- DePrince Race & Zollo, Inc. in the amount of $16,617.00
- Garcia Hamilton & Associates, L.P. in the amount of $5,723.97
- Integrity Fixed Income Management, LLC in the amount of $13,909.80
- Polen Capital in the amount of $18,229.27
- Sawgrass Asset Management in the amount of $11,739.00
- SSI in the amount of $11,933.00
- Wedge Capital Management in the amount of $12,358.70
- Burgess Chambers & Associates, Inc. in the amount of $12,500.00
- Foster & Foster in the amounts of $5,000.00 and $34,011.00
- Leuchtman Law in the amount of $14,809.00

Mr. Clark seconded the motion and it passed unanimously.

Chairman Horton noted the following information items:

- Statement of changes to cash balances for January 2024 and February 2024
- Memorandum – Fire Pension Cost of Living Increase.

There being no further business to come before the Board, the meeting was adjourned at 2:58 p.m.

Amy Lovoy
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Fund Administrator