

**CITY OF PORT ORANGE GENERAL EMPLOYEES' DEFINED BENEFIT
RETIREMENT PLAN QUARTERLY MEETING MINUTES
December 2, 2024**

ROLL CALL:

The meeting of the City of Port Orange General Employees' Defined Benefit Retirement Plan was called to order by Chairman Ferreira at 2:02 p.m. on December 2, 2024 in City Council Chambers, City Hall 1000 City Center Circle, Port Orange, FL.

TRUSTEES PRESENT:

Chairman Peter Ferreira, Scott Stiltner, Amanda Bonin, Tim Burman, Linda Truitt and Paul Salerno

ABSENT AND EXCUSED:

OTHERS PRESENT:

Peter Prior and Mei Fang of Benefits USA, Inc.; Brent Chudachek, Fund Attorney; Ademir Zeco of Southeastern Advisory; Dave Leonard and Michael Albino, BPAS Actuary

APPROVAL OF MINUTES:

June 3, 2024 – 2024 Employee Pension Fund Conference

Chairman Peter Ferreira asked the Trustees if there were any corrections, additions, or deletions with the Minutes for the June 3, 2024, Employee Pension Fund Conference. Member Bonin moved to approve the Minutes as presented. Member Stiltner seconded the motion and the motion passed 6-0.

June 3, 2024 – Quarterly Meeting

Chairman Peter Ferreira asked the Trustees if there were any corrections, additions, or deletions with the Minutes for the June 3, 2024, Quarterly Meeting. Member Bonin moved to approve the Minutes as presented. Member Stiltner seconded the motion and the motion passed 6-0.

FINANCIALS:

September 2024 - Dave Leonard

Mr. Leonard reviewed the financials with the Retirement Committee. It was noted that the market value of the Fund is \$39,952,697.62, an increase of \$325,415.18. Receipts for the month totaled

\$1,222,745.09 versus total disbursements of (\$1,124,125.95). Payments to retirees and other participants totaled \$304,976.91. The balance as of September 30, 2024, was \$554,012.36 in the Cash account. Actuary Leonard reported that the yield for the month of September 2024 was 1.42%.

October 2024 - Dave Leonard

Mr. Leonard reviewed the financials with the Retirement Committee. It was noted that the market value of the Fund is \$39,397,328.52, a decrease of \$555,369.10. Receipts for the month totaled \$2,075,584.96 versus total disbursements of (\$1,679,804.17). Payments to retirees and other participants totaled \$234,976.91. The balance as of October 31, 2024, was \$949,793.15 in the Cash account. Actuary Leonard reported that the yield for the month of October 2024 was (0.98%).

Southeastern Advisory – Ademir Zeco and Jeff Swanson

Mr. Ademir Zeco reviewed the investment performance report for the period ending September 30, 2024. The key event in third quarter 2024 was the Federal Reserve's dovish pivot and announcing a "double" 0.50% rate cut. This shift in focus from inflation control to supporting the labor market was well received by investors. The Fed is now expected to reduce interest rates further at its two remaining meetings this year with additional cuts anticipated throughout 2025. In the equity market, stocks ended the quarter higher despite some turbulence including a brief but sharp sell-off in early August. The S&P 500 posted its fourth consecutive quarterly gain +5.9% and ended September near an all-time high. Stock market leadership shifted in Q3 2024. The Equal-Weighted S&P 500 up 9.6%; Small-Cap up 9.3% and value stocks all outpaced the market-weighted S&P 500. Growth stocks lagged their value counterparts across all capitalizations. Interest rate-sensitive sectors such as Utilities up 19.4% and Real Estate up 17.2% saw strong gains as investors anticipated further rate cuts. In contrast, the Technology sector which had led earlier in the year, ended the quarter flat. Energy was the only sectors to decline 2.9%, impacted by multi-year lows in crude oil prices.

Mr. Ademir Zeco reported that the value of the Fund's portfolio as of September 30, 2024, was \$39,721,060. The Total Fund returned 4.25% for the third quarter which was 0.97% lower than the target Index of 5.22% and ranked 86% of Total Public Fund Sponsors, 16.71% for the one year, and 3.37% for the past three years on an annualized basis. The asset allocation is 53.5% Domestic Equity, 13.2% Fixed Income, 14.2% International Equity, 17.8% Real Estate and 1.3% Cash. Total Domestic Equities' return was 5.59%, which was 0.3% below the S&P 500 Index of 5.89%. Total Fixed Income returned 4.11%, which was 1.09% below the Bloomberg U.S. Aggregate Index of 5.20%. Total International Equities' return was 6.16%, which was 1.10% below the MSCI EAFE Index of 7.26%. Total Real Estate's return was (0.05%), which was 0.83% below the NCREIF Property Index of 0.78%.

Mr. Ademir Zeco reported that the Manager Allocation is 17.8% managed by Newton Large Growth, 18.7% managed by Washington Mutual, 13.7% managed by Atlanta Cap, 5.3% managed by Euro-Pacific Growth, 3.4% managed by Vanguard Small Cap Index, 8.8% managed by Vanguard Global, 11.0% managed by Principal Real Estate, 13.2% managed by Integrity, 6.8% managed by TA Realty Core Property Fund and 1.3% in Receipts & Disbursements Account.

Mr. Ademir Zeco recommended that they sell all shares of Euro-Pacific Growth, then purchase an additional \$1 million of Washington Mutual and \$1 million of Newton Large Growth. Mr. Zeco recommended that the remaining cash stay in the R&D account. Member Stiltner moved to accept Mr. Ademir Zico's recommendations, Member Bonin seconded motion and motion passed 6-0.

NEW BUSINESS:

Discussion for BPAS Service Agreement

Mr. Leonard reported that his Firm was acquired by New York, BPAS, which will require a new Actuarial Agreement. Mr. Michael Albino of BPAS thanked Fund Attorney Brent Chudachek for his help in reviewing and revising the New Actuary Service Agreement with New York, BPAS, which is included in today's meeting packets for Board Members review and approval. Fund Attorney Brent Chudachek mentioned new legislation Florida Statute 287.138 – Foreign Countries of Concern and Florida Statute 787.06 – Human Trafficking effective July 1, 2025. Local governments can no longer enter into, extend or renew an existing contract with service providers who do business with foreign countries of concern or use coercion for labor or services. Service providers now need to provide affidavits signed by an officer attesting to that. Attorney Brent Chudachek said he drafted and prepared the required Affidavits and BPAS has agreed to sign the Affidavits pursuant to the new Actuarial Services Agreement being entered into.

After further discussion, Member Stiltner moved to approve the Consent to Assignment of the Actuary Service Agreement to New York, BPAS. Member Bonin seconded the motion and the motion passed 6-0.

Rigoberto Camacho – Normal Retirement Payment for Ratification

Chairman Ferreira reviewed the documents reflecting the payment for Mr. Rigoberto Camacho. Member Stiltner moved to approve the retirement payment for Mr. Rigoberto Camacho. Member Salerno seconded the motion and the motion passed 6-0.

Keith A. Nelson – Early Retirement Payment for Ratification

Chairman Ferreira reviewed the documents reflecting the payment for Mr. Keith A. Nelson. Member Bonin moved to approve the retirement payment for Mr. Nelson. Member Stiltner seconded the motion and the motion passed 6-0.

Election of Vice Chair

Member Stiltner nominated Member Amanda Bonin as a Vice Chairperson. Member Salerno seconded the nomination. After hearing and seeing no further nominations Member Amanda Bonin is elected by acclamation.

CONSENT AGENDA:

For Ratification:

Warrant #199

| | |
|---|-------------|
| Benefits USA, Inc. (Admin Fees 07/2024) | \$ 2,500.00 |
| LORIUM PLLC (Ste 69-70) | \$ 4,290.00 |
| Southeastern Advisory (Investment Consulting Services: INV #2402) | \$ 6,212.00 |
| Integrity Fix Income Management (2 nd Qtr'24; INV #411604) | \$ 3,029.93 |
| First State Trust (2 nd Qtr'24 Custodial Services) | \$ 4,500.00 |
| BPAS (Actuarial Services: INV Qu-2490) | \$ 3,425.00 |

Warrant #200

| | |
|--|--------------|
| Benefits USA, Inc. (Admin Fees 08/2024) | \$ 2,500.00 |
| LORIUM PLLC (Ste 71) | \$ 1,155.00 |
| Newton Investment Management North America, LLC (1-2 Qtrs. 2024; INV #451280&450985) | \$ 17,241.33 |

Warrant #201

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|---|-------------|
| Benefits USA, Inc. (Admin Fees 09/2024) | \$ 2,500.00 |
| LORIUM PLLC (Ste 72) | \$ 660.00 |
| BPAS (Actuarial Services: INV Add-2164) | \$ 4,775.00 |

Warrant #202

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|---|-------------|
| Benefits USA, Inc. (Admin Fees 10/2024) | \$ 2,500.00 |
| LORIUM PLLC (Ste 73) | \$ 935.00 |
| Southeastern Advisory (Investment Consulting Services: INV #2403) | \$ 6,212.00 |
| Integrity Fix Income Management (2 nd Qtr'24; INV #442649) | \$ 3,597.80 |
| First State Trust (3 rd Qtr'24 Custodial Services) | \$ 4,500.00 |

Warrant #203

| | |
|---|-------------|
| Benefits USA, Inc. (Admin Fees 09/2024) | \$ 2,500.00 |
| LORIUM PLLC (Ste 72) | \$ 660.00 |
| BPAS (Actuarial Services: INV Add-2164) | \$ 4,775.00 |

Member Salerno moved to approve Warrant #199 - #203. Member Bonin seconded the motion and the motion passed 6-0.

DISTRIBUTIONS:

For Ratification:

Voluntary Plan

| | | |
|-------------------|--------------------------|---------------|
| Julia Wiggins | Total Withdrawal | \$ 2,652.61 |
| Billy Barnes | Partial Withdrawal | \$ 20,000.00 |
| Rigoberto Camacho | Partial Withdrawal (TWO) | \$ 115,000.00 |

The Members reviewed the paperwork for the above distributions and noted that the paperwork is in order. Member Stiltner moved to approve the distributions as noted above. Member Salerno seconded the motion and the motion passed 6-0.

NEXT MEETING DATE:

DRAFT 2025 Meeting Schedules

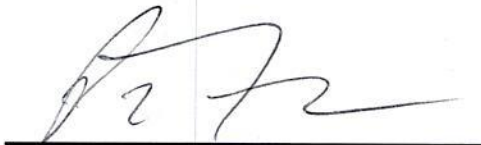
Member Bonin moved to approve 2025 Meeting Schedule. Member Stiltner seconded the motion and the motion passed 6-0.

Next Meeting Date:

March 3, 2025@2:00 p.m. – Quarterly Meeting

ADJOURNMENT:

The meeting adjourned at 2:47 pm



Chairperson



Date