

Board of Fire Commissioners

Greenfield Fire District
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Annual LOSAP Review Meeting – June 26, 2024

Meeting began at 6:15 PM.

Present were: Commissioners Chandler, Chouinard, Russo, and later Commissioners Ellsworth and Etson; D/A-Treasurer Petkus; Nikki Haskins from RBC Wealth Management, and Nicole Meeker from Penflex, Inc. There were no others present.

Handouts from both Penflex and RBC distributed.

Nicole reviewed the following:

- Thanked Joyce and the board for sending in documents in a timely manner; secure client portal is being used.
- Annual Report Commentary; more detailed annual report previously emailed as well.
- \$87,953.00 is this years' required contribution.
- The board's consistent overfunding of the annual contribution has helped with the plan's health, and softens any impacts from bad economic years.
- Anticipated 2025 contribution increase is about \$11,000, to \$99,050.00.
- Investment results are positive at about 5.6%.
- Funding ratio is currently at 87%, up from 85% last year; there are 7 years remaining to pay off the amortization amount from 15 years ago.
- Actuarial smoothing, which is spreading gains and/or losses over a 3-year period, protects the district from extreme highs and lows and will continue over the next several years.
- Board is doing a good job of keeping active members; 5 more members are entitled to benefits this year.

Commissioner Ellsworth questioned if it is a good idea to continue to overcontribute to the plan; Nicole explained that it will help to get the plan fully funded sooner, along with a couple of good market years. The board is at a good funding ratio right now.


Nikki then reviewed the following:

- Money was lost in the market in 2022. 2023 was positive at 5.6%. Markets are still a bit risky, so they are being conservative. Year to date is up 4.14%, with a 12 month return of 12.68%. More changes have been made recently to hopefully be prepared for what might be coming, as indicators are showing that a recession is a little more likely, and the Fed is hinting at lowering interest rates but not saying when or by how much.
- Have been able to lock in guaranteed rates for fixed income, while still having some bond funds with international and government bond exposure.
- Current allocation is to stay close to 40% equity and 60% in fixed income and at this time RBC feels it is appropriate. If the board feels they would like to change the allocations, they can always make changes.
- She will email an updated version of the investment policy statements; auditors are starting to ask if boards have them for their LOSAP.

- Review of portfolio, as well as portfolio holdings on page 5 and fixed income holdings listed on page 7, and they are always monitoring not going over FDIC limits.
- RBC is following many analysts, which assists her and Dave as they make decisions on the investments and investment strategy.
- Pointed out the Market Perspectives document, which gives an idea of what the projected returns should be in each area of the market.
- RBC is trying to balance staying appropriately allocated, as well as also staying conservative. Equity exposure is a little more conservative oriented; dividends and income are currently a consideration in their investment decision making.
- Income over the next 12 months is projected at \$97,000, averaging out to 4.5%.
- Regarding fixed income of CDs, bonds, etc., from yield to maturity they are expecting 5.75%, anchoring the more conservative part of the portfolio.
- Confirmed the board is currently satisfied with the 40/60 investment ratio.
- Also included some basic information about financial planning as they are receiving questions asking if information can be provided to the members if they have questions about personal finances, investments etc. If the board felt it would be beneficial to the membership, she would be happy to schedule a time for an educational meeting to answer questions about personal financial topics; spouses/partners welcome too. Discussion continued. Nikki will put an introductory packet together and send to Joyce to distribute to the membership; if there is interest, a meeting can be set up.

Meeting adjourned at 6:48 PM.

Respectfully submitted,

A handwritten signature in cursive script that reads "Joyce Petkus".

Joyce Petkus
District Administrator/Treasurer