

**CITY OF OCOEE  
MUNICIPAL POLICE OFFICERS AND FIREFIGHTERS' RETIREMENT TRUST FUND  
BOARD OF TRUSTEES QUARTERLY MEETING MINUTES  
City Hall, Commission Chambers  
1 N. Bluford Avenue, Ocoee, FL 34761**

Wednesday, February 5, 2025 – 1:00PM

**TRUSTEES PRESENT:** Bryan Pace  
Trey Littlefield  
Joe Moy  
William Maxwell  
William Wagner

**TRUSTEES ABSENT:** None

**OTHERS PRESENT:** Pedro Herrera, Sugarman, Susskind, Braswell & Herrera  
Jorge Friguls, Mariner Institutional  
Lisa Bowman, Mar Vista  
Brian Massey, Mar Vista  
Jonathan Davidson, Foster & Foster  
Doug Lozen, Foster & Foster  
Pete Prior, Benefits USA, Inc  
Patrick Smith, Saltmarsh, Cleaveland & Gund

1. **Call to Order** – Roll call and determination of quorum: The roll was called and a quorum declared present.
2. **Roll Call** – As reflected above.
3. **Public Comments** – None.
4. **Approval of Minutes**
  - a. May 1, 2024, quarterly meeting
  - b. November 6, 2024, quarterly meeting

**The May 1, 2024, quarterly meeting minutes were approved as discussed, upon motion by Trey Littlefield and second by Joe Moy; motion carried 5-0.**

**The November 6, 2024, quarterly meeting minutes were approved as discussed, upon motion by Trey Littlefield and second by William Wagner; motion carried 5-0.**

5. **Public Comments** – None

6. **Reports (Attorney/Consultants)**

- a. Salt Marsh, Cleveland, and Gund, Patrick Smith, Auditor
  - i. Presentation of September 30, 2022 Financial Statements
    1. Mr. Patrick Smith addressed the Board and thanked all the vendors that helped gather the information. Mr. Smith reported that they audited the financial statements for Ocoee Police and Fire Pension Fund which comprise the statements of fiduciary net position as of

September 30, 2024 and 2023 and statements of changes to the net position. An unmodified opinion was issued. Mr. Smith noted that in their opinion, the statements presented fairly in all material respects, information regarding the fiduciary net position of the Plan and the changes in the fiduciary net position for the ended in accordance with the accounting principles generally accepted in the USA. He noted that they are presenting a DRAFT to the Board and that they are still waiting on information for the share plan from Foster to complete that section but the final figures should not materially change.

2. The total contributions to the Plan were \$3,037,142 consisting of \$2,082,817 from the city and \$954,325 from the employees. The 175/185 contributions were as follows: Chapter 175 supplemental of \$172,562, Chapter 175 tax rebate of \$461,646 and Chapter 185 tax rebate of \$624,604. The total investment income was \$12,905,811; the interest was \$602,014 and the dividends were \$1,299,478, class action revenue of \$114 and other income of \$309 for a total investment income of \$14,807,726 less the investment expenses of \$188,945 resulting in net investment income of \$14,618,781. The benefit payments including refunds of contributions were \$3,280,004 and the administrative expenses were \$170,823. The breakdown of the administrative expense is as follows: actuary \$58,754, administrator \$30,000, custodian \$20,900, liability insurance \$6,949, dues & membership \$874, IME fees \$2,567, legal fees \$33,532 and Trustee travel and education \$17,247. The net position restricted for pensions as of September 30, 2024 is \$84,261,468 and increase from last year of \$64,648,869.

**The Board voted to approve the September 2023 and 2024 Financial Audit, upon motion by Joe Moy and second by Trey Littlefield; motion carried 5-0.**

- a. Foster & Foster, Doug Lozen, Board Actuary
  - i. October 1, 2024, actuarial valuation
    1. Doug provided the report noting the city contribution will increase for the next year from 32.66% for September 30, 2025 to 33.60% for September 30, 2026. The required contribution from the combination of City and State sources for the year ending September 30, 2026, is 25.60% of the actual payroll realized in that year.
    2. As a budgeting tool, the city may contribute 19.90% of each Member's Salary and then make a one-time adjustment to account for the actual State Monies received. Please note that the city has access to a prepaid contribution of \$1,405,304.99 that is available to offset a portion of the above stated requirements for the fiscal year ending September 30, 2025. the first \$223,377.02 received annually will offset the City's contribution requirement. Future State Monies received for the Police Officers' portion in excess of \$223,377.02 will be split 50/50, with 50% allocated to the Membership Share Plan, and 50% allocated as a credit to the City's annual contribution requirements.
    3. Effective October 1, 2021, the Chapter 175 base premium tax revenue is increased to \$282,130.75, with 50% of amounts in excess of \$282,130.75 allocated as a credit to the Unfunded Actuarial Accrued

Liability (UAAL). In absence of a positive UAAL, the 50% excess will also be applied as a city funding credit. The remaining 50% of annual amounts in excess of \$282,130.75 will be reserved for additional Firefighter benefits, per a discussion between the actuary and a Union representative. There have been no changes in benefits or assumption or method changes since the prior valuation. That concluded Mr. Lozen's report.

**The Board voted to approve the October 1, 2024 actuarial valuation, upon motion by William Wagner and second by William Maxwell; motion carried 5-0.**

**The Board voted to approve the rate of return of 7% for this year, the next several years, and the long term thereafter, upon motion by William Wagner and second by William Maxwell; motion carried 5-0.**

b. Mariner Institutional, Brad Hess, Investment Consultant

i. Quarterly Report as of December 31, 2024

1. Mr. Friguls reported on the economy noting that The US Federal Reserve (the Fed) continued its policy stance during the quarter with two fed funds rate cuts totaling 0.50%, to a range of 4.25%-4.50%. The Fed now projects only two quarter-point rate cuts in 2025, down from the anticipated four cuts and the Chairman Jerome Powell noted that the timing of these cuts is unclear. US equities returns were higher for quarter with the S&P returning 2.4% and the Russell 2000 small cap returning 0.3%. Large cap equity benchmarks continued their heavy concentration as the top 10 stocks in the S&P index exceeded 35%. Domestic equity continued to climb during the quarter as large cap stocks outperformed small cap stocks with the Russell 3000 returning 2.6 for the quarter. The Bond market indexes were mixed with investment grade corporate bonds leading the index and returning 2.1% for the year. International Equity markets were positive for the year as the MSCI EM index was the best performer returning 7.5%, while the MSCI EAFE and the ACWI ex US indexes posted returns of 3.8% and 5.5% respectively.

2. Mr. Friguls reported on the fund's performance noting that the total fund return for the quarter was -1.02% vs. the fund policy of 0.88%. The total equity returned -0.02% vs. the equity policy of 0.07%; domestic equity returned 2.05% vs. the policy of 2.63%.

The value composite returned -2.43% as Brandywine and DePrince value returned 2.41% and 2.45% respectively vs. the Russell 1000 value index of -1.98%. The growth composite returned 6.38% and Alger and Mar Vista returned 11.57% and -0.34% vs. the Russell growth index of 7.07%. Vanguard growth index returned 6.97% vs. the CRSP US LC growth index of 6.98%.

The Vanguard total stock market index returned 2.63% in line with the CRSP US total market index. The international equity fund returned -7.85% vs. the international equity policy of 7.50%. American Funds Europacific returned -7.03% vs. the MSCI AC World ex USA growth index of -7.84%. Dodge & Cox returned -8.51% vs. the MSCI AC World ex USA value index of -7.15%. The fixed income fund returned

-3.81% vs. the policy of -3.06%. The domestic fixed income returned -4.58% and Garcia Hamilton returned -4.61%. Baird Aggregate Bond fund return was not available. The Global fixed income returned -0.38% vs. the policy of -5.44% and the Global Bond median of -5.27%. PIMCO Diversified returned -0.64% vs. the Blmbg Global Credit index of -1.15% and the Global Bond fund returned -0.13% vs. the Bloomberg Global Agg index of -0.95%. The real estate composite returned 0.73% vs. the NCREIF index of 0.84%. American Realty and Harrison Street returned 0.69% and 0.99% vs. the NCREIF of 0.84%. Mr. Friguls reported that the fund is doing well and he had no recommendations at this time.

- ii. Mar Vista, Brian Massey and Lisa Bowman, Investment Consultant
  1. Mr. Friguls introduced Brian Massey and Lisa Bowman to the Board. Mr. Massey reported on the firm noting that he is the President of Mar Vista and has 33 years of experience in the industry and has directed the philosophical foundation for 20 years. Their investment process focuses on identifying competitively advantaged businesses that compound above market rates and they invest in those businesses with management teams that are capable of optimizing returns and maximizing growth. Trustee Littlefield asked Mr. Massey what he would do based on the history. Mr. Massey noted that they are consistent in what they invest with. Currently they do not own Tesla or Nvidia which drove the market higher but they have stayed with their discipline. Trustee Moy asked when the change would happen. Chairman Pace replied the market may make the change but they are not sure when. However, if the market does go lower, their portfolio should go higher.
  2. Ms. Bowman reported that she is the head of distribution and marketing. She reported on the returns noting that the fund return for the quarter was -0.4% and 14.6% for the 1-year period vs. the Russell 1000 index of 2.7% and 24.5% respectively. For the 3 and 5-year periods, the fund returned 3.5% and 10.7% vs. the Russell 1000 of 8.4% and 14.3% respectively and since inception of February 22, 2018, the fund returned 11.4% vs. 13.7% respectively. Ms. Bowman noted that in addition to the Russell 1000 index, the secondary benchmark for this fund is the S&P 500. Mr. Massey noted that the reason for their underperformance was that they did not have the top performing stocks in the portfolio. That concluded the Mar Vista report. Mr. Massey and Ms. Bowman thanked the Board for the opportunity to present. After a brief discussion the Board decided to terminate Mar Vista. Mr. Friguls said he would prepare the termination letter and send it to the Administrator to garner the signature.

**The Board voted to terminate Mar Vista, upon motion by Trey Littlefield and second by Joe Moy; motion carried 5-0.**

- c. Sugarman & Susskind, Pedro Herrera, Board Attorney
  - i. Plan Restatement
    - 1. This item was tabled until the next meeting.
  - ii. Summary Plan Description
    - 1. Attorney Herrera reported that he made the changes discussed previously to the Summary Plan Description and that a motion was in order for the Board to accept the revised SPD.

**The Board voted to approve the changes to the summary plan description, upon motion by Joe Moy and second by Trey Littlefield; motion carried 5-0.**

- iii. Board iPads
  - 1. Attorney Herrera noted that he has a standard policy that the board can use should it wish to purchase tablets for Trustee use for pension fund business. Trustee Moy stated that he would like to see the board get tablets so they can review the documents and meeting materials more easily. Joe said he likes the idea of having the policy. Attorney Herrera noted that tablets are being utilized more today, and should a Trustee want paper copies instead of a table that could certainly be arranged. It was noted that this item should be placed on the agenda for next meeting.
- iv. New DROP agreement
  - 1. Attorney Herrera reviewed the application with the trustees and Trustee Moy noted that there was an error in the months, which the Attorney agreed and noted that he would make the change. Trustee Moy moved to approve the new DROP agreement with the respective change and Trustee Littlefield seconded motion, and it passed.

**The Board voted to approve the new DROP agreement with corrections to the months, upon motion by Joe Moy and second by Trey Littlefield; motion carried 5-0.**

7. **New Business** - None

8. **Old Business** - None

9. **Consent Agenda**

- a. Payment ratification
  - i. Warrants #265 & #266
- b. New invoices for payment approval
  - i. Warrant #267
- c. Pension Payments for Ratification/Fund activity report
  - i. Kalen Lilly (Refund of Contributions-Cash out) \$10,054.69
  - ii. Zachary Waterman (Refund of Contributions-Cash out) \$19,842.23

**The consent agenda was approved as presented, upon motion by William Wagner and second by Joe Moy; motion carried 5-0.**

**10. Staff Reports, Discussion, and Action**

a. Benefits USA Inc, Pete Prior, Plan Administrators

i. Third Party Administrator

1. Mr. Prior reported that after being in business for 27 years and trying to keep up with today's technology, he would have to recreate Benefits USA, so he decided to sell Benefits USA to Foster & Foster who in addition to being their actuary also has a third-party administration business with over 15 years of experience in the Florida public pension market. After the presentation, the Board chose to engage Foster & Foster as its third-party administrator under the proposed Option A, specifically, the flat retainer fee of \$5,575.00 per month.

**The Board voted to hire Foster & Foster as their third-party administrator, upon motion by Joe Moy and second by Trey Littlefield; motion carried 5-0.**

ii. Administrative Expenses

1. Mr. Prior reported that the 2024 Administrative Expenses totaled \$234,706 and did not go over budget of \$235,671. It was just informational, and no action was needed.

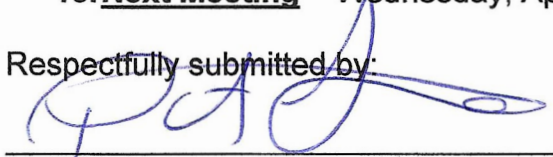
**11. Trustees' Reports, Discussion, and Action**

- a. Trustee Maxwell reported on the TLC program noting that it was a very good

**12. Adjournment** – The meeting adjourned at 4:45 PM.

**13. Next Meeting** – Wednesday, April 30, 2025, at 1:00PM, Quarterly Meeting

Respectfully submitted by:



Trey Littlefield, Secretary