

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

Wednesday, February 7, 2024 – 10:00AM

**TRUSTEES PRESENT:** Gequita "Gee" Cowan, Chair  
Robert "Bob" Briggs, Vice Chair  
Patricia "Pat" Gleason, Secretary  
Gary Gleason  
Steven Sanders

**TRUSTEES ABSENT:** None

**OTHERS PRESENT:** Pedro Herrera, Sugarman & Susskind  
Doug Lozen, Foster & Foster  
Chrissy Stoker, Foster & Foster  
Brad Hess, AndCo Consulting  
Patrick Smith, Saltmarsh, Cleaveland & Gund

1. **Call to Order** – Gee Cowan called the meeting to order at 10:00AM and a quorum was determined.
2. **Roll Call** – As reflected above.
3. **Public Comments** – None.
4. **Approval of Minutes**
  - a. November 1, 2023, quarterly meeting

**The November 1, 2023, quarterly meeting minutes were approved as presented, upon motion by Bob Briggs and second by Gary Gleason; motion carried 4-0.**

*Note: Pat Gleason arrived at 10:01AM.*

5. **Reports (Attorney/Consultants)**
  - a. Foster & Foster, Doug Lozen, Board Actuary
    - i. October 1, 2023, actuarial valuation report
      1. Doug Lozen noted the City's requirement went up slightly as they were still phasing in net investment losses from the last few years. Salary increases that were larger than expected also impacted the funding requirement. The main source of actuarial gain was inactive mortality experience.
      2. Doug Lozen commented the City's requirement as a percentage of payroll increased from 8.58% to 9.36% with this valuation. Doug noted the City overfunded when they could, so they had

- access to a prepaid contribution of \$25,655.66 that could be used to offset the required amount.
3. The funded status was approximately 90%. Doug Lozen explained as the remaining net investment losses were fully phased in, the funded status may dip into the low 80%-range for a few years, but it would go back up.
  4. Doug Lozen recommended the Board to consider having an experience study done after the next valuation to review the assumptions and consider resuming a glidepath to reduce the investment return assumption. Doug stated he did not have any concerns with the current investment return assumption, as the average in the State was 7.00%.

**The October 1, 2023, actuarial valuation report was approved as presented, upon motion by Pat Gleason and second by Bob Briggs; motion carried 5-0.**

- b. Saltmarsh, Cleaveland & Gund, Patrick Smith, Plan Auditor
  - i. September 30, 2023, audited financial statements
    1. Patrick Smith advised they were issuing a clean, unmodified opinion.
    2. Total assets as of September 30, 2022, were \$42,333,710, and were \$44,325,821 as of September 30, 2023.
    3. The net position restricted for pensions as of September 30, 2022, was \$42,271,314 and \$44,174,695 as of September 30, 2023.
    4. Patrick Smith reviewed the statement of changes in fiduciary net position. The biggest change was the net appreciation in fair value of investments, which was -\$9,734,285 as of September 30, 2022, compared to the value of \$2,064,502 as of September 30, 2023.
    5. Patrick Smith reviewed the additions and deductions.
    6. As of September 30, 2023, there was an increase of \$1,903,381 to the net position. The net position restricted for pensions as of September 30, 2023, was \$44,174,695.
    7. Patrick Smith reviewed the cost of investment versus fair value as of September 30, 2023.
    8. Patrick Smith reviewed Note 8 (Designations) and highlighted the \$660,787 designated for DROP accounts was fully funded.
    9. The City's net pension liability at the current discount rate of 7.00% was \$8,362,844.
    10. Patrick Smith noted the percentage of investment and administrative expenses totaled 0.27% which was very good, as anything less than 1.00% was very good.

**The audited financial statements as of September 30, 2023, were approved as presented, upon motion by Pat Gleason and second by Steven Sanders; motion carried 5-0.**

11. Pedro Herrera reminded the Board of the declaration of returns requirement which was done in conjunction with approval of the actuarial valuation.

**The Board voted the declaration of returns for the plan shall be 7.00% for the next year, the next several years, and the long-term thereafter net of investment related expenses, upon motion by Bob Briggs and second by Pat Gleason; motion carried 5-0.**

c. AndCo Consulting, Brad Hess, Investment Consultant

i. Quarterly Report as of December 31, 2023

1. Brad Hess gave an overview of the market environment over the quarter, noting it was a very strong quarter and a strong start to the fiscal year with the exception of real estate.
2. Brad Hess reviewed the schedule of investment assets over the last 10 years.
3. The market value of assets as of December 31, 2023, was \$47,104,021. Brad Hess noted the market value of assets as of today's date was approximately \$47.52 million.
4. Brad Hess reviewed the asset allocation compliance and did not recommend any rebalancing.
5. Brad Hess reviewed the financial reconciliation of the Fund over the quarter. The market value of the fund as of October 1, 2023, was \$44,186,998. Contributions totaled \$467,398. Distributions totaled \$607,111. They paid \$28,432 in management fees; other expenses were \$45,799. Income and dividends totaled \$406,593, and \$2,724,374 was earned from appreciation and capital gains. The ending value as of December 31, 2023, was \$47,104,021.
6. The total fund gross returns for the quarter were 7.12%. Trailing returns for the 3, 5, and 10-year periods were 2.71%, 8.04% and 6.67%, respectively. Since inception (4/1/04), gross returns were 6.77%.
7. Brad Hess reviewed the performance of the managers. Brad noted they had more money invested in value managers like Brandywine than in growth managers such as MFS. Eaton Vance had done very well for them over the long term. ARA underperformed. Brad did not have any recommendations.

ii. Consent for Assignment Agreement

1. Brad Hess announced AndCo was being acquired by a company called "Mariner" as a stock purchase. All terms and conditions of the existing agreement would remain in full force and effect, but from a regulatory perspective they needed the Board's consent to move the agreement from AndCo Consulting to Mariner Institutional.
2. Pedro Herrera recommended the Board formally approve the consent agreement. After the close date of April 2, 2024, Pedro would repaper the full agreement.

**The Board approved the Consent for Assignment of Investment Advisory Agreement, upon motion by Pat Gleason and second by Bob Briggs; motion carried 5-0.**

d. Sugarman & Susskind, Pedro Herrera, Board Attorney

i. Electronic Financial Disclosure Management System

1. Pedro Herrera advised the trustees they would need to file their financial disclosure form online via the Electronic Financial

Disclosure Management System (EFDMS), so each trustee needed to register and create a username and password. The form would no longer be submitted to the Supervisor of Elections in the county where each trustee resided. Pedro confirmed the trustees did not need to file Form 6.

2. Pedro Herrera commented in the past they could elect to disclose by either a dollar basis or a percentage basis, but the percentage basis had been eliminated from the form, so all reporting needed to be done on a dollar basis.
  3. Pedro Herrera advised the form needed to be submitted by July 1<sup>st</sup>. but it could be submitted any time before the deadline.
- ii. Proposed ordinance
1. Pedro Herrera presented a drafted ordinance to incorporate the federal SECURE Act 2.0 and amend the airtime provisions as discussed at the last meeting. There would be no financial impact.
  2. Chrissy Stoker requested the drafted ordinance be amended to reflect the vesting schedule for members hired prior to September 18, 2012, or those hired on/after the same date. Pedro Herrera commented he would add the effective date of the change into the draft, send it to the actuary for an impact statement, and then send it to the City for consideration.

**The Board voted to approve the proposed ordinance with the revision as discussed, upon motion by Steve Sanders and second by Gary Gleason; motion 5-0.**

- iii. Revised travel policy
1. Pedro Herrera presented a revised travel policy with language clarifying trustees did not need to submit receipts to be reimbursed for out-of-pocket expenses. Pedro stated the Operating Rules already included a travel policy, and it was the City's policy. Since the Board adopted its own policy, Pedro would amend the Operating Rules to remove the City's policy.

**The Board voted to authorize the attorney to revise the Operating Rules to remove the travel policy and keep the Board's own policy as a standalone, upon motion by Bob Briggs and second by Pat Gleason; motion carried 5-0.**

6. **New Business** – None.

7. **Old Business** – None.

8. **Consent Agenda**

- a. Payment ratification
  - i. Warrants #109 and #110
- b. New invoices for payment approval
  - i. None.
- c. Fund activity report for October 26, 2023 – January 31, 2024

**The consent agenda was approved as presented, upon motion by Steve Briggs and second by Bob Briggs; motion carried 5-0.**

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

a. Foster & Foster, Chrissy Stoker, Plan Administrator

i. Update on outstanding refunds

1. Chrissy Stoker provided an update on the number of non-vested participants who had terminated employment and were still due a refund of contributions.

ii. Educational opportunities

1. Chrissy Stoker reminded the trustees to contact Foster & Foster if they wanted to attend the FPPTA 40<sup>th</sup> Annual Conference which would be held June 23-26, 2024, in Orlando.

10. **Chairperson's Report**

a. Gee Cowan reminded the trustees to submit their travel documents to Foster & Foster for reimbursement.

b. Gee Cowan recognized Gary Gleason for obtaining his CPPT certification and Steve Sanders for attending his first school.

c. Gee Cowan discussed the FPPTA Mentorship Program and commented they were expanding the program to get more new trustees involved.

11. **Trustees' Reports, Discussion, and Action/City Liaison**

a. By consensus the Board gave authorization for the Chair to sign the audit management letter.

b. After a brief discussion about the Salem Trust Assignment and Assumption agreement that was pending execution, Pedro Herrera asked for this item to be added to the next meeting agenda and an invitation be extended to Lynn Skinner of Salem Trust to either attend the meeting or call in.

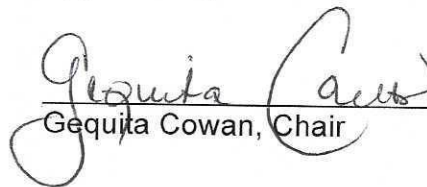
12. **Adjournment** – The meeting adjourned at 11:56AM.

13. **Next Meeting** – Wednesday, May 1, 2024, at 10:00AM, Quarterly Meeting

Respectfully submitted by:

Approved by:

\_\_\_\_\_  
Chrissy Stoker, Plan Administrator

  
\_\_\_\_\_  
Gequita Cowan, Chair

Date Approved by the Pension Board: \_\_\_\_\_