

**THE CITY OF OCOEE POLICE OFFICERS'/FIREFIGHTERS'
RETIREMENT FUND BOARD MEETING – May 1, 2024**

The Chairman called the meeting of the City of Ocoee Police Officers'/Firefighters' Retirement Trust Fund to order at 1:01 p.m. in the Commission Chambers of City Hall.

Call to Order:

Roll call and determination of quorum: The roll was called and a quorum declared present.

Trustees Present: Bryan Pace, Joe Moy, Trey Littlefield and William Maxwell

Others present:

Brad Hess of Mariner, Board Attorney Pedro Herrera of Sugarman, Susskind, Braswell & Herrera, and Livia Giuliani of Benefits USA, Inc. via Zoom.

Approval of Minutes from Regular Meeting dated February 7, 2024

The Chairman asked the board if there were any corrections, deletions, or additions to the minutes. Hearing and seeing none, Trustee Littlefield moved to approve the February 7, 2024, minutes and Trustee Moy seconded the motion and the motion passed.

Re-Approval of minutes from Regular Meeting dated August 3, 2022

Trustee Moy moved to re-approve the August 3, 2022, minutes and Trustee Littlefield seconded the motion and the motion passed.

Public Comments:

The Chairman opened Public Comments.

Ms. Saima Plasencia was in attendance to present her case noting that she has retired under the early retirement option with a 3% per-year reduction totaling 8.5%. She believes that she should not be subject to such reduction based on specific language in the ordinance which states in relevant part:

1) beginning on the date on which you would have qualified for normal retirement; “2) Beginning immediately upon retirement, but if beginning immediately, the amount of monthly benefit is reduced by 3% for each year to age 50 and actuarially reduced for each year from age 50 to 45, by which commencement of benefits precedes the date which would have been your normal retirement date determined based upon your actual years of credited service. She noted that she should not be penalized with the reduction since she is 60 years of age and asked the Board for reconsideration. The past administrative practice as confirmed by the actuary has been for a member who terminates employment at age 60 with 5 years of service, they can either draw benefits immediately, reduced 3% per year from when the member would have completed 10 years of service (i.e. normal retirement defined by the plan), or defer commencement to when the member would have completed 10 years of service. It was noted that the initial calculation was sent back to the actuary for revision, however, the actuary reviewed the calculation and advised the Board that it was correct based on the plan’s actuarial assumptions and past administrative practice. Ms. Plasencia did not have 10 years of service upon her retirement. Attorney Herrera reviewed F.S. 175 and 185 which explicitly required a reduction for early retirement benefits based on the period of time prior to attaining normal retirement. He further advised the Board that despite scrivener’s errors in the ordinance, when reading it as a whole with full context, it was clear that the intent of the language was to mirror F.S. 175/185 and referred constantly to “a reduction of 3% prior to normal retirement.” The Board is exclusively charged by state statute and local law with interpreting any ambiguity in the ordinance in accordance with its fiduciary duties. This would seemingly qualify when looking at the entirety of the ordinance and state statute and past administrative practice contrasted with the 2 misplaced articles found in the ordinance.

Further, the Board addressed this exact scenario in August 2022 (memorialized in minutes from that meeting and presented for this discussion) and determined that a reduction would be taken for every year prior to attaining 10 years of service to ensure that all members were treated the same and the past administrative practice was consistent with the reduction here as calculated. Advised that F.S. 185/175 specifically provide for the reduction and define early retirement as subsequent to attaining age 50 and 10 YOS. Recommended denying appeal based on aforementioned.

Ms. Plasencia further commented on the agenda materials reflecting a Share Plan payment in the amount of \$24.47, noting that her name and the dollar amount were included and such was not the case seemingly for others in the same position. The Administrator reported that her name was there for approval of payment.

Trustee Littlefield moved to deny the request to remove the 3% reduction for Early Retirement and Trustee Moy seconded the motion and it passed by a 3-1 vote with Trustee Maxwell opposing.

Unfinished Business:

Summary Plan Description

The attorney reported that his office updated the Summary Plan Description and it had been sent to the Administrator to forward to the Board.

New Business:

DROP Extension Ordinance

The Administrator reported that the Ordinance has been adopted by the Commission and a copy is in the packet.

DROP Extension Form and Irrevocable Letter of Resignation Form

Attorney Herrera reviewed the forms with the Board. A brief discussion ensued and it was noted that the wording “no later than” should be removed. Attorney Herrera noted that they will make the change and the Board can adopt the forms as amended. Trustee Moy moved to adopt the DROP extension forms as amended and Trustee Maxwell seconded the motion and it passed.

Quarterly Investments Update: Q/E 3/31/2024

DePrince, Race and Zollo

Mr. Hess reported that DePrince Race and Zollo were in attendance and he introduced Mr. Nate Rusbosin. Mr. Rusbosin thanked the Board for allowing him to present. Mr. Rusbosin gave the Board a brief overview of the firm noting that they have been in business since 1995 at which time they launched their US Large Cap Value and US Small Cap Value Strategy with 2.0 and 2.1 billion respectively. In 1997 they launched the US Micro-Cap Value Strategy; in 2003 the US Smid Cap Value Strategy and in 2010 their Emerging Markets Value Strategy was launched. Their mission is to provide strong long-term performance and excellent client service. The firm is 100% employee owned with 30 employees and 15 equity owners. They currently have \$5.1 billion dollars of assets under management. Their asset breakdown consists of 30% corporate; 24% Sub advisory; 21% public funds; 15% Taft Hartley; 3% in foundations and 7% in other assets. He also noted that he is the main client rep for this Fund. Mr. Rusbosin reported that the market value of the fund at 3/31/2024 was \$7,681,681 which was a gain of \$754,463. The return for the quarter was 10.89%; 21.89% for the 1-year period; 10/07% for 3-year period and 19.93% since inception. Mr. Rusbosin noted that their methodology has been consistent for more than 25 years and one of their key components is dividend yield and reported that before they buy a stock it must meet all 3 criteria; yield, relative valuation and fundamental catalysts. That concluded Mr. Rusbosin’s report.

Mariner, LLC FKA AndCo Consulting

Mr. Hess reported on the economy noting that the Fed held rates steady during the first quarter causing the domestic equities to rally on the prospect that the Fed could cut rates later in 2024. The US labor market continues to recover as non-farm payrolls increased to 303,000 jobs and a 3.8% unemployment rate. U S equity returns were higher during the quarter. Domestic equities carried their momentum during the first quarter with the S&P returning 10.6% vs. the 8.6% and 5.2% for mid and small cap respectively. International stocks also had strong returns during the 1st quarter and the US dollar lagged local currency in most regions during the quarter. International developed and emerging markets posted solid returns with the MSCI-EAFE index returning 5.8% vs. the MSCI-Emerging Markets index of 2.4%. Fixed income fell slightly during the quarter with the Bloomberg US Aggregate returning -0.8% while investment grade bonds were down less returning -0.4%. Global bonds lagged the domestic bond market with the US Aggregate index beating the Global Aggregate ex US index by 2.4%.

Mr. Hess reported on the fund performance noting that the plan did very well returning 5.23% for the quarter vs. the policy of 4.85%. Equity and Domestic Equity returned 9.58% and 10.83% vs. the policy of 8.71% and 10.02% respectively. Brandywine and DePrince returned 11.14% and 10.87% vs. the Russell 1000 Value index of 8.99%. Alger and Mar Vista returned 16.88% and 7.12% vs. the Russell 1000 Growth index of 11.41%. Vanguard returned 10.90% vs. the CRSP index of 10.91%. Vanguard Total Market returned 10.00% vs. the total market index of 10.01%. International Equity returned 5.07% vs. the Policy of 4.81%. American Funds returned 7.44% vs. the MSCI Growth index of 5.97% and Dodge & Cox returned 3.13% vs. the MSCI Value index of 3.60%. The fixed income fund returned -0.91% vs. the Policy of 0.78%. Garcia Hamilton returned -1.35% vs. the Barclays Aggregate of -0.78%. The global fixed income fund returned 1.12% vs. the policy of -2.42%. PIMCO diversified returned 1.32% vs. the Blmbg Global Credit index of 0.40%; PIMCO Global Bond returned 0.92% vs. the Blmbg Global Aggregate index of 0.01%. American realty returned -2.22% and Harrison Street returned -1.87%. Mr. Hess had no recommendations at this time.

CONSENT AGENDA:

For Approval: Warrant #253

AndCo (Q1-2024 Consulting Fee-Invoice #47514 dated 3/8/2024)	\$7,000.00
Benefits USA, Inc. (Flat Monthly Fee for April 2024)	\$2,500.00
Benefits USA, Inc. (Flat Monthly Fee for May 2024)	\$2,500.00
Brandywine Global (Q1-2024 Mgmt. Fee-Inv #BW10553 dated 4/16/2024)	\$7,517.42
DRZ (Q1-2024 Mgmt. Fee; Invoice #202401031 dated 4/16/2024)	\$8,639.00
Fiduciary Trust (Q1-2024 Custodian Fee-Brandywine; Invoice dated 4/23/2024)	\$878.40
Fiduciary Trust (Q1-2024 Custodian Fee-DRZ; Invoice dated 4/23/2024)	\$958.26
Fiduciary Trust (Q1-2024 Custodian Fee-GHA; Invoice dated 4/23/2024)	\$2,189.17
Fiduciary Trust (Q1-2024 Custodian Fee-Mar Vista Invoice dated 4/23/2024)	\$404.48
Fiduciary Trust (Q1-2024 Custodian Fee-R&D Invoice dated 4/23/2024)	\$4,477.00
Foster & Foster (Services Rendered; Invoice #29794 dated 1/24/2024)	\$23,705.00
Foster & Foster (Services Rendered; Invoice #30905 dated 4/22/2024)	\$7,994.00
FPPTA (Annual Conference registration for Littlefield, Maxwell & Moy)	\$2,625.00
Garcia Hamilton Assoc. (Q1-2024Mgmt. Fee; Invoice #39411 dated 4/3/2024)	\$10,991.36
Mar Vista (Q1-2024 Mgmt. Fee; Invoice #14435 dated 4/9/2024)	\$3,641.65
Saltmarsh, Cleavland & Gund (Final billing for 9/30/23 audit; Inv #731472)	10,450.00
Sugarman, Susskind ETAL (Legal Fees; Invoice #187019 dated 4/11/2024)	\$765.70
Total	\$97,236.44

For Ratification: Warrants #251 & 252

Sugarman, Susskind ETAL (Legal Fees; Invoice #185245 dated 2/8/2024)	\$4,580.76
Professional Indemnity Ins. (2024 Fiduciary Liability Insurance renewal)	\$4,977.28
Total	\$9,558.04

Benefits USA, Inc. (Flat Monthly Fee for March 2024)	\$2,500.00
SIMED Health, LLC (IME for Michael Menegat)	\$1,425.00
Sugarman, Susskind ETAL (Legal Fees; Invoice #186093 dated 3/11/2024)	\$933.73
Total	\$4,858.73

Attorney's Report:

Attorney Herrera reminded the Board that the financial disclosure forms are due July 1st and they are to be filed electronically with the Commission on Ethics through its portal. He also noted that there are instructions on how to file on their website.

Administrator's Report:

Ms. Giuliani reported that the FPPTA is holding their Annual Conference June 23-26, 2024 at the Renaissance Hotel at Sea World. It was noted that all 4 Trustees would be attending. She also reported on the 40th Anniversary dinner being held on Tuesday June 25th. There is no fee for the spouse/guest to attend, however, both the Trustee and the guest must be registered for the dinner.

Miscellaneous Correspondence:

No action was needed.

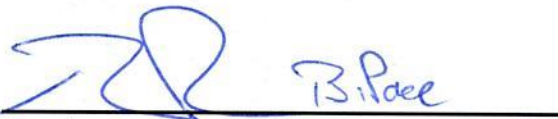
Comments from Trustees:

The Trustees had nothing to report.

Next Regular Meeting date: Wednesday, August 7, 2024, at 1:00 pm.

Adjournment: The meeting adjourned at 4:00 pm.

Respectfully submitted by,



Secretary

Contact the City Clerk's Office to listen to an electronic copy of the complete minutes.