



*City of Clermont*  
*Retirement Plan and Trust for the Police Officers*  
**DRAFT Quarterly Meeting Minutes**  
**AUGUST 28, 2024**

1. Jason Sayre called the meeting of the Retirement Plan and Trust for the Police Officers Board of Trustees to order at 9:03 AM, August 28, 2024, in Council Chambers at the Clermont City Hall. He called roll, there was a quorum. Those persons present included:

**TRUSTEES**

Jason Sayre, Chair  
Jimmie Harper, Secretary  
Kelly Cartier  
Mark Marshall  
John Baker

**OTHERS**

Scott Baur, Administrator, Resource Centers  
Bonni Jensen, Attorney, Klausner Kaufman Jensen & Levinson  
Larry Cole, Investment Consultant, BCA  
Nadine Ohlinger, Human Resources, City of Clermont  
Brian Bulthuis, City Manager, City of Clermont  
Nancy Ziccardi, Human Resources Manager, City of Clermont

2. **Extraordinary (Exigent) Circumstances for Trustees Joining Electronically**

No Trustee joined the meeting electronically.

3. **Approval of the Minutes**

The Trustees reviewed minutes for April 22 and May 22, 2024. Ms. Jensen noted a change in the payment to Evelyn Torres, she received a lifetime benefit.

**Jason Sayre made a motion to approve the Minutes for February 28, 2024, as amended. Kelly Cartier seconded the motion. The motion was approved by the Trustees, 4-0.**

4. **Reports**

**a) Chuck Carr, Actuary (Southern Actuarial Services)**

Mr. Carr presented the 2023 annual valuation report. He reported there were no plan or assumption changes. The Board currently assumes a 7% investment return assumption. Mr. Carr advised assumption remained reasonable. The pay increases for future benefits increased at 5.5% and were discounted back to the present value at 7% (a 1½% difference) therefore assumptions are fairly close. Larger increases are generally not sustainable over the longer term. Contribution dollars also increase when pay increases. The contribution requirement of 19.88% got converted to a dollar contribution, but at end of year the city must still contribute 19.88%. The city also had an advance contributions balance of \$1,158,472. Mr. Carr further explained how experience variables may affect required city contributions. Fire has an older population which makes their plan more expensive. The valuation report includes a 10-year history page of salary increases. The market value of assets was \$27,304,461 as of October 1, 2023, net of Share Plan assets. Mr. Carr explained the smoothing of investment gains and losses. The plan continues to recognize losses for 2022, so the plan had only a 3.43% actuarial return on assets. Mr. Carr reviewed a breakdown of required contributions. The city has a net 13.95% contribution for the 2024 -2025 plan year, up from 12.94% in fiscal year 2024. The smoothing slows down the city contributions making the deferred contributions a bit more expensive. The city contribution for fiscal year 2025 may change depending on actual Chapter 185 premium receipts. FRS contributes 32.79% by comparison. The plan is currently 115.29% funded at market value. The city must still fund projected benefits and cannot contribute less than the normal risk for benefits. The state of Florida has very stringent funding



*City of Clermont*  
*Retirement Plan and Trust for the Police Officers*  
**DRAFT Quarterly Meeting Minutes**  
**AUGUST 28, 2024**

requirements by comparison. Mr. Carr reviewed the assets smoothing. Mr. Carr considered the investment return assumption and the push over time to adopt lower assumptions. Mr. Bulthuis reported that the city received chapter 185 contribution checks yesterday. The city had to add additional money in some prior years when premium tax receipts were delayed.

Jayson Sayre made a motion to approve the actuarial valuation. Kelly Cartier seconded the motion. The motion was approved by the Trustees, 5-0.

Jayson Sayre made a motion based on the advice of the investment consultant, the Board expects to achieve a 7% return for the next year, the next several years, and for the long-term thereafter. Kelly Cartier seconded the motion. The motion was approved by the Trustees, 5-0.

**a) Larry Cole, Investment Consultant (Burgess Chambers Associates)**

Mr. Cole highlighted the historic concentration of market index returns. As of June 30<sup>th</sup>, the top 10 stocks made up 37% of the index. Of the 15.3% June 30<sup>th</sup> market gain, Nvidia contributed 30% of the gain and 4 other companies account for 58% of gain. Clermont has a more diversified portfolio and therefore trails the benchmark currently. Mr. Cole believes the leading companies have entered a market bubble. The market has broadened a little in the current quarter. He further reviewed recent markets. The market expects the Federal Reserve Board to begin to lower interest rates.

The plan had assets of \$36,254,145 as of June 30<sup>th</sup>. Mr. Cole reviewed the current asset allocation. He did not recommend any rebalancing of assets; the current asset is overweight in equities and fixed income holdings. The assets returned -0.3% for the June 30<sup>th</sup> quarter compared to 1.5% for the benchmark. The assets returned 12.7% for the current fiscal year-to-date. Mr. Cole recommended the Board to remain patient with the current asset allocation. He attributed the recent underperformance to domestic equities holdings and diversification.

John Baker made a motion to accept the investment report. Jimmie Harper seconded the motion. The motion was approved by the Trustees, 5-0.

**b) Bonni Jensen, Attorney Report (Klausner Kaufman Jensen & Levinson)**

Ms. Jensen provided proposed meeting dates for 2025. Ms. Tittle proposed moving the November 26, 2025 meeting, which falls the day before Thanksgiving to December 3, 2025. The final meeting this year which moved the November 27, 2024 to December 4, 2024 for the same reason. Ms. Jensen addressed the collections for Jeremy Kevitt. He owns a house. Jason Sayre believes the plan should seek to collect. The Board can ask, then obtain a judgement. Ms. Jensen said the Board must retain additional legal counsel for that procedure. She spoke to a couple of local firms and would work with the city. Mr. Kevitt owes \$85,861.

Jason Sayre made a motion to allow Ms. Jensen up to \$10,000 in legal fees to recover amount owed by Jeremy Kevitt. Kelly Cartier seconded the motion. The motion was approved by the Trustees, 5-0.

**c) Scott Baur, Administrator Report (Resource Centers)**

Mr. Baur informed the Trustees that the 2023 Annual Report was approved by the state. As a result, the plan has received the Chapter 185 Premium Tax Distribution. He reviewed the upcoming Trustees



*City of Clermont*  
*Retirement Plan and Trust for the Police Officers*  
**DRAFT Quarterly Meeting Minutes**  
**AUGUST 28, 2024**

elections. Mr. Baur presented the updated 2024-25 conference schedule. Kelly Cartier said she is considering attending the upcoming Department of Management Conference in November.

**4. Benefits Approvals**

The Trustees reviewed the benefits for August 28, 2024.

Jason Sayre made a motion to approve the benefits dated August 28, 2024. John Baker seconded the motion. The motion was approved by the Trustees, 5-0.

**5. Plan Financials**

The Trustees received the interim financial statement for July 31, 2024. The Warrant for August 28, 2024 were reviewed by the Trustees.

Jason Sayre made a motion to approve the Warrant dated August 28, 2024. Jimmie Harper seconded the motion. The motion was approved by the Trustees, 5-0.

**6. Other Business**

Election of 5<sup>th</sup> Trustee.

Mark Marshall made a motion to appoint Jason Sayre as the 5<sup>th</sup> Trustee. Jimmie Harper seconded the motion. The motion was approved by the Trustees, 4-0.

**7. Public Comment**

No public comment

**8. The next pension board meeting will be Wednesday, December 4, 2024 at 9:00 AM.**

Jason Sayre made a motion to adjourn the quarterly meeting. Mark Marshall seconded the motion. The motion was approved by the Trustees, 5-0.

Jason Sayre called the meeting adjourned at 10:42 AM.

Chair\_\_\_\_\_

Secretary\_\_\_\_\_

Date\_\_\_\_\_