

OKEECHOBEE MUNICIPAL POLICE OFFICERS' & FIREFIGHTERS' PENSION FUND
QUARTERLY MINUTES, AUGUST 5, 2024
CITY HALL, 55 SE THIRD AVENUE
OKEECHOBEE, FL 34974

1. CALL TO ORDER

Bettye Taylor called the meeting of the Board of Trustees for the City of Okeechobee Police Officers' and Firefighters' Retirement System to order at 4:36 PM in the Council Chamber at City Hall. Those persons present included:

TRUSTEES

Bettye Taylor, Chair
Jack Boon, Secretary
Ray Worley, Trustee
Glenn Hodges, Trustee

OTHERS

Scott Baur and Kyle Tintle, Resource Centers
Brad Hess, Mariner
Adam Crum, Okeechobee Police Officer
Melissa Henry, City of Okeechobee
Electronically:
Pedro Herrera, Sugarman, Susskind, Braswell & Herrera
Shelly Jones, GRS

2. Extraordinary Circumstances for Trustees Joining Electronically

No Trustees joined the meeting electronically.

3. Approval of the Minutes

The Trustees reviewed the minutes for the Special Meeting held on March 20, 2024 and the Quarterly Meeting held on May 6, 2024.

Glenn Hodges made a motion to approve the minutes for the Special Meeting held on March 20, 2024 and the Quarterly Meeting held on May 6, 2024. The motion received a second from Ray Worley, approved by the Trustees 4-0.

4. Custodian (Inez Garcia, Salem-Argent)

Ms. Garcia appeared electronically and had no specific report, but she stated that a successor will take over management responsibilities for Mark Rhein, who is transitioning to retirement. She provided an update on the consolidation of the Okeechobee Police and Firefighter accounts.

5. Investment Monitor (Brad Hess, Mariner)

Mr. Hess reported that the S&P fell and overall is now down about 4.5% in the current quarter. The plan is likely to go down 2% to 3% now. He presented the separate quarterly reports for Police and Fire. Stocks gained through late July then gave back gains in August. Value Holdings, however, remain in positive territory. Mr. Hess explained that recession fears have overcome markets in the last few days. Markets now expect the Fed to cut interest rates based on the weak job reports. The firefighter's portfolio ended the June 30th quarter at \$4,733,841, returns were 1.17% versus the police at 1.66%. The fiscal year to date returns is 16.85% for the plan and 16.88%. The police portfolio ended the June 30th, 2024 quarter at \$11,546,128, up slightly from \$11,538,838 for the March 31st, 2024 quarter. The returns were 1.24% for the total fund versus 1.66% for the policy for the quarter, and 17.07% for the portfolio beating the policy at 16.88% for the fiscal year to date. Mr. Hess provided additional market commentary. Gains remain strong even after recent declines. Assets remain in line with policy targets.

He did not recommend rebalancing assets. Mr. Hess reviewed the individual manager's results, and they also performed in line with expectations.

6. Attorney (Pedro Herrera, Sugarman, Susskind, Braswell & Herrera)

Mr. Herrera reviewed the draft ordinances as requested, adding joint annuitants and beneficiaries to the payment of the medical stipend, and to allow members to continue to receive benefits after returning to work following retirement. A member does not need to wait to return to work after separation. The IRS does not require a separation for a bona fide retirement. Mr. Baur stated that we do not know if or how members receiving stipend would be impacted. Ms. Jones advised that each proposed ordinance would require an impact statement. The choice of an optional form will likely be impacted by including the joint annuitant. Ms. Jones advised that neither proposed ordinance should have an impact.

Glenn Hodges made a motion to request an actuarial impact statement for the proposed ordinance. The motion received a second from Jack Boon, approved by the Trustees 4-0.

Mr. Herrera was directed to send the proposed police ordinance to the city and hold the fire ordinance.

Mr. Herrera reminded the trustees to file their annual Form 1 electronically right away.

7. Administrator (Scott Baur)

Mr. Baur informed the Board of the upcoming 53rd Annual Police Officers' and Firefighters' Pension Trustees' conference. The dates of the conference are from November 13th to the 15th, taking place at the Shores Resort and Spa located at Daytona Beach Shores.

8. Financials

The interim financial statements were received and will be filed by the Board. The Warrants dated August 5, 2024 for both plans were received and reviewed.

Jack Boon made a motion to approve the Warrants dated August 5 2024 for the Police and Firefighters. The motion received a second from Glenn Hodges, approved by the Trustees 4-0.

9. BENEFIT APPROVAL

Benefit approvals for contribution refunds were reviewed by the trustees for Michael Matos, Rafael Castaneda, and Derek Nails.

Glenn Hodges made a motion to approve the refunds as presented. The motion received a second from Ray Worley, approved by the Trustees 4-0.

10. NEW BUSINESS

Glenn Hodges made a motion to set the expected rate of return based on the advice of consultants to be 7% for the next year, the next several years, and the long-term thereafter. The motion received a second from Ray Worley, approved by the Trustees 4-0.

11. PUBLIC COMMENT

There were no comments from the public.

The meeting was adjourned at 5:31 PM by Bettye Taylor.

The next regular quarterly meeting will be held, Monday, November 4, 2024, at 4:30 PM in the Council Chambers.

Chair

Secretary