

**OKEECHOBEE UTILITY
AUTHORITY PENSION BOARD
QUARTERLY MEETING MINUTES, AUGUST 5, 2024
100 SW 5th
OKEECHOBEE, FL 34974**

1. CALL TO ORDER

Mr. Mullis called a meeting of the Board of Trustees for the Okeechobee Utility Authority Pension Board to order at 2:03 PM. Chair Mullis called roll.

TRUSTEES

Jamie Mullis, Chair
Kristy Arnold, Secretary
John Hayford
Jeff Sumner
Raul Marrero

OTHERS

Scott Baur & Kyle Tintle, Administrators, Resource Centers
Janice Rustin, Attorney, Lewis, Longman & Walker
Brad Hess, Investment Monitor, Mariner
Inez Garcia, Custodian, Salem Trust – Argent (Remote)

2. EXTRAORDINARY (Exigent) CIRCUMSTANCES

There were no extraordinary circumstances as no Trustee joined the meeting remotely.

3. APPROVAL OF MINUTES

The quarterly meeting minutes from May 6, 2024 were presented to the Board for their review.

Jeff Sumner made a motion to approve the minutes for the Quarterly Meeting held on May 6, 2024. The motion received a second from Raul Marrero. The motion passed unanimously, 5-0.

4. REPORTS

Custodian (Inez Garcia, Salem Trust)

Ms. Garcia joined the meeting remotely due to inclement weather and thanked the Board for their business. She discussed the memo on the succession plan at Salem Trust. Mark Rhein, in preparation for his retirement, has accepted a new senior leadership position as Managing Director, Senior Business Development Officer. Chris Taylor joined the company in May with extensive experience in custody service.

Investment Consultant Report (Brad Hess, Mariner)

Mr. Hess began by addressing the recent sharp downturn in the markets. There are early signs of a recession with unemployment ticking up to 4.3% from its lowest level at 3%, a smaller job growth than expected. The markets' view is the Fed will cut the interest rate at their September meeting; the discussion has turned to how big of a cut it will be. The plan is focused on the long-term results and will stay disciplined and consistent with the policy. Mr. Hess reviewed the report for the quarter ending June 30, 2024. The Magnificent 7 continues to lead the narrow focus where growth outperformed value equities yet again. The portfolio gained \$123,072 from the March quarter at \$ 11,841,175 and the June quarter ended at \$11,964,247. Mr. Hess reviewed the assets allocations, slightly over allocated in

domestic equity and an under allocation to fixed income. He made a recommendation to rebalance 1% from domestic equities and add the proceeds to fixed income.

Jeff Sumner made a motion based on the recommendation of the investment monitor to see 1% of Fidelity 500 S&P and reallocate the proceeds to Dodge & Cox Fixed Income. The motion received a second from Kristy Arnold. The motion passed unanimously, 5-0.

Mr. Hess reviewed the comparative performance, peer rankings for the quarter, 1-year, up to inception. He highlighted the fiscal year to date number, which is currently at 17.98%, which provides a cushion to achieve the assumed investment rate of return of 6.75%.

Attorney Report (Janice Rustin, Lewis, Longman & Walker)

Ms. Rustin addressed the memo written in response to the inquiry about a cost-of-living (COLA) increase for retirees. The Florida law states that a government entity cannot provide additional compensation to retirees. The extra compensation, such as retroactive benefit increases to public pension retirees, is not allowed under Florida law. If the plan was amended to include COLA, the amendment would apply to the current plan members only. The second memo Ms. Rustin discussed was the revision of the Continuing Education Requirements for Trustees. She clarified that the transportation reimbursement for travel is 44.5 cents a mile when the trustee is using their own vehicle. Ms. Tintle will update the Travel Reimbursement forms for the plan.

Administrator Report (Kyle Tintle)

Ms. Tintle informed the trustees that registration for the upcoming FPPTA Fall Trustee School is now open. The school will be held at Hilton Bonnet Creek in Orlando, from September 22nd to the 25th, 2024. She requested the trustees notify her as soon as possible if they were interested in attending the school so she may register them. Ms. Tintle said the 2023 Audit Engagement Letter with Nowlen, Holt, & Miner, had been signed by the chair and needed to be ratified by the Board.

John Hayford made a motion to ratify the 2023 Audit Engagement Letter. The motion received a second from Jeff Sumner. The motion passed unanimously, 5-0.

Plan Financial

The Board received and reviewed the interim financial statements. Ms. Tintle presented the warrant for August 5, 2024 for review. Ms. Tintle presented the New Employee Acknowledgements for Christopher Anastasi, Lloyd Denny, Susan Lay, and William Newfield for the Boards consideration.

Jeff Sumner made a motion to approve the warrant for August 5, 2024 and the New Employee Acknowledgements all in one motion. The motion received a second from Kristy Arnold. The motion passed unanimously, 5-0.

New Business

There was no new business.

Other Business

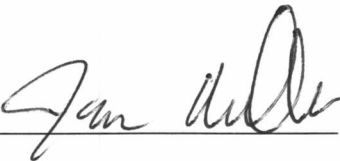
There was no other business.

5. PUBLIC COMMENT

There was no public comment.

The next meeting is Monday, November 4, 2024 at 2:00 PM.

There being no further business, Jamie Mullis adjourned the meeting at 2:44 PM.


Chairman


Secretary