

**OKEECHOBEE UTILITY
AUTHORITY PENSION BOARD
QUARTERLY MEETING MINUTES, FEBRUARY 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 2:10 PM. Chair Mullis called roll.

TRUSTEES

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

OTHERS

Scott Baur & Kyle Tintle, Administrators, Resource Centers
Janice Rustin, Attorney, Lewis, Longman & Walker
Brad Hess, Investment monitor, AndCo

2. EXTRAORDINARY (Exigent) CIRCUMSTANCES

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

3. APPROVAL OF MINUTES

The quarterly meeting minutes from November 6, 2023 were presented to the Board for their review.

Jeff Sumner made a motion to approve the minutes for the Quarterly Meeting held on November 6, 2023 as revised, a Quarterly Meeting not Special Meeting. The motion received a second from Raul Marrero. The motion passed unanimously, 4-0.

4. REPORTS

5.

Investment Consultant Report (Brad Hess)

Mr. Hess announced that AndCo will join Mariner Investment Group, another investment consulting firm in the high net wealth sector. Mr. Mike Walker, former CEO of AndCo, will head the institutional consulting side and there will be no changes to the consulting personnel in the merger. AndCo will continue to maintain their SEC license. Ms. Rustin recommended the Board execute an amendment to the agreement and sign the consent in the meantime. She inquired about the SEC license when the merger finishes. AndCo will retrain and rename, with a change in control, with the ADV (application for investment adviser). Ms. Rustin advised the consent meets legal requirements.

Jeff Sumner made a motion to approve the consent for assignment of investment advice agreement. The motion received a second from Raul Marrero. The motion passed unanimously, 4-0.

Mr. Hess reported that markets had a very strong quarter ending December 31st. Inflation has come down and the economy continues to grow. Growth has outperformed value again, driven by a small number of large cap stocks. The pension fund finished the December 31st quarter with \$11,327,421 in total assets. Mr. Hess reviewed the asset allocation which was all within the policy targets.

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The assets gained 9.96% for the December 31st quarter compared to 9.64% for the benchmark to finish the quarter in the top 3%. The assets gained 16.83% net for the 2023 calendar year. All managers performed in line with expectations. Mr. Hess recommended the Board replace the Vanguard 500 Index with the Fidelity S&P Index alternative to save 2 bps in fees. Salem will complete the exchange with no market downtime. The Board considered the recommendation.

Jeff Sumner made a motion to approve the recommendation to sell Vanguard 500 Index (VFIAX) and purchase the Fidelity 500 Index Fund (FXAIX). The motion received a second from Raul Marrero. The motion passed unanimously, 4-0.

Attorney Report (Janice Rustin)

Ms. Rustin reported that the Florida Commission on Ethics will now accept the filing of the annual Form 1 online. Only elected officials must file the new form 6. She requested a fee increase as her firm has not increased the billing rates since 2019. If approved, the rate increase would take effect on February 1, 2024, the OUA Retirement System billing rate will be \$320 per hour for shareholders. Other attorneys billing for these matters will range from a rate of \$250 to \$295 per hour. The Board considered the rate increase.

Jeff Sumner made a motion to approve the requested rate increase. The motion received a second from Raul Marrero. The motion passed unanimously, 4-0.

Administrator Report (Scott Baur)

Mr. Baur informed the Board that the required biennial report was submitted to the state by December 15th. He discussed the Soc 1 Type 2 audit as the Resource Centers successfully completed another internal audit. The 2023 SSAE-18 SOC 1 Type 2 Audit (aka SOC 1) reported by the auditor no exceptions, a completely clean audit report, which makes 16 years with the same results. The audit reviewed the internal controls and procedures established to avoid inadvertent errors and fraud. The auditor compares the controls and procedures to the actual workflow.

Mr. Baur presented the interim financial statements for review and to be received for filing. The Trustees reviewed the Warrant dated February 5, 2024, the new employee acknowledgements, and the benefit approvals. The Trustees reviewed the new employee acknowledgements and benefit approvals.

The Board received and reviewed the interim financial statements. The warrant is tabled due to the labeling errors that were identified.

Jeff Sumner made a motion to approve the Benefit Approvals for February 5, 2024 and the new employee in one motion. The motion received a second from Raul Marrero. The motion passed unanimously, 4-0.

Raul Marrero left the meeting.

New Business

Jamie Mullis asked about the OUA Retirement System's policy on travel mileage and meal per diem reimbursements to ensuring it matches the OUA's policy. The \$36 rate is for day trips. It will be added

to the agenda for the next meeting. Jamie Mullis noted the conferences are expensive. The Board will also continue to consider the expense.

Other Business

There was no other business.

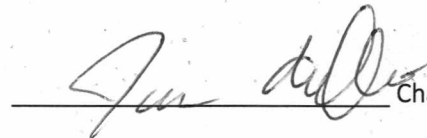
6. PUBLIC COMMENT


There was no public comment.

The next meeting is Monday, May 6, 2024 at 2:00 PM.

Jeff Sumner made a motion to adjourn the meeting. The motion received a second from Kristy Arnold. The motion passed unanimously, 3-0.

There being no further business, Jamie Mullis adjourned the meeting at 3:05 PM.

 Chairman

 Secretary