



Ocala General Employees' Retirement Fund Board of Trustees Agenda - Final Monday, November 10, 2025

Meeting Information

Location

Ocala City Hall
City Manager's Conference Room
Second Floor
110 SE Watula Ave

Time

Trustees

Lyn Cole
Trustee

Anthony Ortiz
Trustee

Arnie Hersh
Trustee

Charlie Varney
Trustee

Hope Maynard
Trustee

WELCOME!

We are very glad you have joined us for today's meeting. If reasonable accommodations are needed for you to participate in this meeting, please call Alicia Gaither at (352) 629-8372, 48 hours in advance so arrangements can be made.

APPEALS

Any person who decides to appeal any decision of the Ocala General Employees Retirement Fund Board of Trustees with respect to any matter considered at this meeting will need a record of the proceeding, and for such purpose, may need to ensure that a verbatim record of the proceeding is made.

Teams Meeting Link: <https://bit.ly/3B0yfTJ>

Meeting ID: 226 364 344 886

Passcode: aRhpSM

Dial in by phone

+1 352-448-0342,,34868945# United States, Gainesville

Find a local number

Phone conference ID: 348 689 45#

1. Call To Order & Attendance
2. Public Noticed & Public Comments
3. Attorney Report
4. Consultant Report - Performance Report & Investment Policy
 - 4a. [Investment Policy Update](#)
Attachments: [Draft Investment Policy HB3 10-2023 revised for Boycott Israel - 4894-0121-8749.2](#)
5. Minutes
 - 5a. [Minutes](#)
Attachments: [General Meeting Minutes 8.11.25 Final](#)
6. Other Items For Discussion
7. Adjournment



Ocala

Legislation Text

110 SE Watula Avenue
Ocala, FL 34471

www.ocalafl.gov

File #: 2026-0261

Agenda Item #: 4a.

**Statement of Overall Investment
Objectives and Policy**

City of Ocala General Employees' Retirement System
Updated October 2023

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INTRODUCTION

The City of Ocala General Employees' Retirement Board ("the Board") hereby adopts this Statement of Investment Objectives and Policy ("Statement") which will be incorporated into all existing and any future investment manager agreements. Each investment manager shall agree to these objectives, policies and manager specific guidelines and, in general, applies to all funds under the control of the Board.

The objective of this Statement is to foster an effective working relationship with the investment manager(s) through a discipline of good communication. The Statement is intended to provide the Board and the investment manager(s) with a foundation from which to understand specific investment strategies, so that the Board can effectively evaluate the performance of the investment manager(s) and oversee the management of the Plan in a prudent manner.

This Statement is not intended to remain static. The Board and its Investment Consultant will periodically review the Statement and update it as necessary. Recommendations for its modification from the investment manager are expected where investment conditions so warrant. This version of the guidelines has been adopted based upon the advice of the Fund's outside Investment Consultant.

This document sets forth the following:

1. The investment policies and objectives which the Board judges to be appropriate and prudent to implement its strategic planning for the investment of the fund's assets;
2. The general investment policies and objectives and performance criteria for the investment manager(s);
3. A guideline for the Boards' ongoing supervision of the investment of the Fund's assets to ensure that the Fund remains invested in accordance with this Statement;
4. Accounting and Reporting Guidelines for purposes of measuring the performance of the investment manager(s);
5. Proxy Voting Policies.

INVESTMENT OBJECTIVES

The investment horizon of the Fund is long term. The Fund's primary investment objective is to maximize the total rate of return subject to the preservation of capital.

Preservation of capital encompasses two goals:

- minimizing the risk of loss of principal for the Fund as a whole; and
- minimizing the erosion of principal value through inflation.

The primary means by which capital preservation is to be achieved is through diversification of the Fund's investments across asset classes. The appropriate level of risk for the Plan was determined by examining the risk and rewards of numerous asset allocation alternatives as described by the Investment Consultant. Within each asset group, further diversification is to be achieved through investment in securities across numerous industries and sectors as determined by the investment manager(s) in accordance with this Statement and with manager specific guidelines which will be signed by both the individual manager(s) and the Board. The total fund has long-term performance expectations as follows:

1. Actuarial Assumption for Investment Return

Over a complete market cycle, generally (3-5 years), the total Fund is expected to outperform the Funds actuarial annual investment return assumption, which is currently 6.9%.

2. Customized Index

Over a complete market cycle (generally 3-5 years), the total Fund performance has a goal of outperforming a weighted portfolio comprised of a mix of 30.0% Bloomberg Aggregate Bond Index, 16.0% S&P 500 Index, 8.0% Russell 2000 Index, 8.0% Morgan Stanley Europe, Asia and Far East Index (MSCI EAFE), 10.0% MSCI Emerging Markets (EM) Index, 8.75% NCREIF ODCE EQW, 3.75% NCREIF Property Index, 5.0% Russell 3000 Index, 5.0% (60% MSCI ACWI/40% WGBI) and 6.0% HFRI FoF Conservative Index.

An interim policy index may be used during periods of transition to new asset classes/target allocations.

3. CPI + 4.5¹

Recognizing that inflation is a primary driving force behind future benefit needs of Fund participants, it is important that performance be measured relative to the rate of inflation. Over a period of one complete market cycle² or 5 years, whichever is longer, the total Fund expects to achieve a minimum annual investment performance goal of 4.5% over the Consumer Price Index.

¹ The CPI measure to be used will be the All-Urban Wage Earners - 1982 base.

² Market cycles include both a rising and declining leg. A rising leg is defined as a period of at least two consecutive quarters of rising stock prices. A declining leg is defined as a period of at least two consecutive quarters of declining stock prices. Typically, market cycles are from 3 to 5 years in duration.

FUND INVESTMENT POLICIES

I. Asset Allocation and Investment Manager Structure

It is not the intention of the Board to become involved in day-to-day investment decisions. Therefore, the Board has appointed investment manager(s) to manage (including the power to acquire, or dispose of) assets within the portion of the total Fund allocated to the particular investment manager, in a manner consistent with this Statement.

In order to provide an appropriate level of diversification for the Fund , investment manager(s) with complementary or diverse investment styles will be retained. Each manager will be required to sign and acknowledge these objectives and policies as well as guidelines specific to their investment style.

Asset Deployment Policy

The guidelines that the Board has adopted for the overall allocation of the Fund's assets are as follows:

Asset allocation*	Lower limit	Target	Upper limit
U.S. Equity			
Large Cap	8.0%	16.0%	25.0%
Small Cap	4.0%	8.0%	15.0%
International Equity	5.0%	8.0%	12.0%
Emerging Equity	5.0%	10.0%	15.0%
Fixed Income	20.0%	25.0%	40.0%
Real Estate	5.0%	12.0%	20.0%
Hedge Funds	0.0%	6.0%	15.0%
Private Equity	0.0%	5.0%	10.0%
Private Credit	0.0%	5.0%	10.0%
Opportunistic	0.0%	5.0%	15.0%

*Based on market value

II. Rebalancing Guidelines

It is the Boards' responsibility, with advice from the Investment Consultant, to monitor the asset allocation within the parameters described above. They will do so by giving specific instructions as to the range of allowable asset classifications to individual investment manager(s) and by monitoring the asset classifications actually held by manager(s). Because markets do not move in concert, actual allocations will deviate from the targets. The Board may rebalance the portfolio when allocations are no longer within the prescribed limits or when they deem it to be otherwise appropriate. It is expected that barring unforeseen circumstances, the overall asset allocation will fall within the stated ranges; however should the asset allocation fall outside the stated range and the Board deem adjustment necessary, such rebalancing will be accomplished within a period of 6 months. The Investment Consultant shall notify the Board when rebalancing may be appropriate.

PERFORMANCE MEASUREMENT

The performance expectations of the Board are hereby communicated to the investment manager(s) in their respective "Manager Specific Guidelines." These will include comparison to benchmark returns and standard deviations as well as agreed upon universe comparisons. Performance is expected to be evaluated quarterly to test progress towards attainment of longer-term goals. It is understood that there are likely to be short-term periods during which performance deviates from market indices. During such times, greater emphasis may be placed on performance comparisons with manager(s) employing similar styles.

Domestic Equity Portfolios

1. Achieve a rate of return which exceeds the Manager(s)' respective index/benchmark by 100 basis points annually over rolling three year periods on an after fee basis.
2. Achieve a positive risk/reward trade-off when compared to the Manager(s)' respective index/benchmark.
3. Achieve cumulative performance results that rank above the average of Equity Manager(s) with similar style characteristics.

Fixed-Income Portfolios

1. Earn an average annual return from income and capital appreciation which exceeds the Manager(s)' respective index/benchmark by 50 basis points annually over rolling three year periods on an after fee basis. Non-traditional fixed income manager(s) (if retained) will be given style specific goals and objectives.
2. Achieve a positive risk/reward trade-off when compared to the Manager(s)' respective index/benchmark.
3. Achieve cumulative performance results that rank above the average Fixed Income Manager with similar style characteristics.

International Equity Portfolios

1. Achieve a rate of return which exceeds the Manager(s)' respective index/benchmark by 100 basis points annually over rolling three year periods on an after fee basis.
2. Achieve a positive risk/reward trade-off when compared to the Manager(s)' respective index/benchmark.
3. Achieve cumulative performance results that rank above the average of International Equity Manager(s) with similar style characteristics.

Real Estate Portfolios (Equities and Mortgages)

1. Achieve a rate of return which exceeds the appropriate Manager(s) index/benchmark annually over rolling three year periods on an after fee basis.

PERFORMANCE MEASUREMENT

2. Achieve a positive risk/reward trade-off when compared to the Manager(s)' respective index/benchmark.
3. Achieve cumulative performance results that rank above the average of Real Estate Manager(s) in the universe selected by the investment advisor.

Private Equity

1. Achieve a rate of return that exceeds the Russell 3000 Index over an annualized 7 year time period. This allows for a comparison of the typical private equity cycle to an appropriate passive, public market investment alternative.

Private Credit/Debt

1. Achieve annualized performance results which exceed an appropriate benchmark that would represent the "opportunity cost" of investing in a traditional basket of publicly traded fixed income investments such as the Bloomberg US Aggregate Index.

Hedge Fund of Funds

1. Achieve a rate of return that exceeds the HFRI FOF: Conservative Index annually over a complete market cycle (5-7 years), net of all investment management fees.

Opportunistic

1. Achieve a rate of return which exceeds the Investment Manager's respective index/benchmark over rolling three year periods on an after fee basis.
2. Achieve a positive risk/reward trade-off when compared to the Manager(s)' respective index/benchmark.
3. Achieve cumulative performance results that rank above the average of the Manager(s) with similar style characteristics.

PORTFOLIO INVESTMENT POLICIES

A. General

The Board has sole discretion to select investment manager(s) and replace them when the Board, in its discretion, deems it advisable.

The Board and their Investment Consultant shall regularly review each investment manager's performance and will attempt to meet with each manager at least annually to review the investments, returns, changes in staff, market environment, and any other items which the Board determines to be appropriate.

Each investment manager(s) appointed by the Board to execute the policy will invest plan assets in accordance with the policy and their judgements concerning relative investment values. In particular, the investment manager(s) will be accorded full discretion, within policy limits, and within the requirements of applicable laws, to (1) select, purchase, and invest in, individual securities; (2) make periodic adjustments to the proportions of equity securities, fixed-income securities and cash equivalents; and (3) diversify plan assets. Each investment manager is prohibited from entering into any transactions for the Fund which are not authorized by this Policy or their specific guidelines, without the consent of the Board.

This Policy allows for pooled investment vehicles (mutual funds, commingled funds, and/or partnerships) that are deemed to be suitable investments regarding Plan assets. Any pooled investments will generally follow this Policy, although the Board recognizes that pooled vehicles are formally governed by their respective guidelines, prospectuses, and investment contracts.

B. Asset Class Investment Guidelines

1. Domestic Equity:

(Exceptions to these guidelines will be noted in the Manager Specific Guidelines)

- Equity investments shall be made with a view towards achieving a total rate of return (market appreciation plus dividend income). All equity investments shall be of companies whose respective market capitalizations are consistent with the manager's specific guideline benchmark. However, these holdings must represent companies meeting a minimum capitalization requirement of \$100 million with high market liquidity.
- The investment manager(s) may not invest in commodities, private placements (unless specifically allowed), direct real estate investments (unless specifically allowed), direct oil, gas and mineral exploration investments, and nominally public issues for which the market is severely restricted.
- All securities shall be of a class listed on a national securities exchange (NYSE, AMEX) or traded in the over-the-counter market and quoted on the National Association of Securities Dealers Automatic Quotation Service.
- Industry and sector allocations should ensure prudent diversification and risk control.
- Investment in any issuer must be limited to 5% of the market value of the portfolio.

- The maximum total Fund investment in any one company shall be less than 5% of that company's outstanding voting stock and less than 5% in value of all outstanding shares of all classes of stock of the issuer (assuming all conversions had been made by the Fund).
- The investment manager(s) are prohibited from investing in letter or restricted stock, options, futures and forward contracts and/or any other derivative instrument; or from engaging in short sales, margin transactions or other specialized investment activities. No assets may be invested in securities whose issuers have filed a petition for bankruptcy.
- The investment manager(s) may invest in equity securities of foreign issuers (ADRs) subject to the above restrictions and to a maximum of 10% of the market value of the equity portfolio. These holdings shall be limited to those denominated in U.S. dollars and listed and traded on major domestic exchanges.
- If in any calendar year the turnover of equity investments exceeds 100% of the market value of the respective portfolio, the investment manager(s) will promptly submit to the Members of the Board a detailed explanation of the trading activity. (For this purpose, turnover shall be calculated quarterly as the ratio of the lesser of purchases or sales to the average market value of the equity portfolio over the quarter).

2. Domestic Fixed Income

(Exceptions to these guidelines will be noted in the Manager Specific Guidelines)

The fixed income portion of the Fund's assets shall be invested in marketable, fixed income securities of the first four quality grades (unless otherwise stated in the Manager Specific Guidelines), as established by one or more of the nationally recognized bond ratings services. The average quality of all Bond holdings should be maintained at A or better unless otherwise stated in the Manager Specific Guidelines. Non-traditional fixed income manager(s) will be given specific permission to invest in alternative investments in their respective "Manager Specific Guidelines." The following instruments are acceptable for all domestic fixed income manager(s):

- Commercial Paper or Variable Rate Notes rated P-1 by Moody's, A1 by Standard & Poor's or F1 by Fitch.
- Certificates of Deposit and Bankers Acceptances rated A or better by Moody's Investor's Service or equivalent by Standard & Poor's.
- United States Treasury Bonds, Notes and Bills.
- Debt instruments of the U.S. Government or its Agencies.
- Marketable corporate debt and asset-backed securities rated the equivalent of BBB or better by Moody's Investors Services, Standard & Poor's, or Fitch Investor's Services.

Other restrictions are as follows:

- The duration of the fixed income portfolio shall be maintained within a range of +/- 15% of the duration of the fixed income benchmark designated in the "Manager Specific Guidelines."

- Fixed income holdings which are downgraded by one or more recognized rating services to a rating below the established limitations must be sold within a reasonable period of time not to exceed one year. If a security is downgraded below the established limitations, the manager is to notify both the Board and Investment Consultant in writing, as soon as possible, (not to exceed 7 days of the downgrade).
- The investment manager(s) may not hold more than 5%, at market value, of the portfolio in any one issuer's securities other than direct obligations of the U.S. Government or its agencies.
- Unrated securities may not be purchased without prior consent of the Board.
- The investment manager(s) may invest up to 5% of the market value of the portfolio in preferred stock, warrants and convertible securities when attractive opportunities exist.
- No purchase of fixed income securities shall be made in any one issue or in any issuer, except U.S. Government obligations, if after the purchase more than 5% of that issue or of the fixed income obligations of that issuer would be owned by the Fund.
- The investment manager(s) shall not use derivative securities to increase portfolio risk above the level that could be achieved in the portfolio using only traditional investment securities or to acquire exposure to changes in the value of assets or indexes that by themselves would not be purchased for the portfolio. Under no circumstances will a manager undertake a derivative investment possessing elements of leverage or that is non-covered or leveraged to the extent that it would cause portfolio duration to exceed the limits implied by the benchmark. In addition, fixed income securities whose returns are tied to another security or currency are specifically prohibited. Investment in Class B mortgage derivatives is NOT PERMITTED at this time. Class B means securities whose value changes as a multiple of the underlying security. This restriction includes "Z" bonds, inverse floaters, leveraged floaters and other complex leveraged securities. IO's are specifically excluded and PO's are permitted. The manager will report on the use of permissible derivatives on a quarterly basis to the Board.
- The investment manager(s) may not engage in short sales or margin purchases.
- Fixed Income investments shall be made only in issues with an outstanding value of at least \$50 million, valued at par, at the time of purchase.
- The investment manager(s) may invest in fixed income securities of foreign issuers (Yankee Bonds) subject to the above restrictions and to a maximum of 5% of the market value of the fixed income portfolio. These holdings shall be limited to those denominated in U.S. dollars and listed or traded on major domestic exchanges.
- If in any calendar year the turnover of fixed income investments exceeds 250% of the market value of the respective portfolio, the investment manager(s) will promptly submit to the Board a detailed explanation of the trading activity. (For this purpose, turnover shall be calculated quarterly as the ratio of the lesser of purchases or sales to the average market value of the fixed income portfolio over the quarter).

3. Foreign Equity

(Exceptions to these guidelines will be noted in the Manager Specific Guidelines)

- Domestic Equity manager(s) may include the securities of Foreign companies traded on U.S. exchanges up to 10% of their portfolios as described above.
- International investment manager(s) may invest in Foreign securities traded on foreign exchanges in accordance with their specific policy guidelines.

4. Real Estate

(Exceptions to these guidelines will be noted in the Manager Specific Guidelines)

- The Real Estate portion of the Fund's assets may be invested in pooled Real Estate vehicles, limited partnerships, or other types of Real Estate investments as determined by the Board in consultation with the Investment Consultant.

5. Cash and Cash Equivalents

(Exceptions to these guidelines will be noted in the Manager Specific Guidelines)

- Uninvested cash balances should be kept to a minimum through the prompt investment of available funds in short-term or more permanent security holdings. Manager(s) may invest in commercial paper, repurchase agreements, Treasury Bills, certificates of deposit, and money market funds to provide income, liquidity for expense payments, and preservation of the account's principal value. Investment manager(s) may utilize internally managed money market funds for this purpose, provided that they earn a competitive yield, and upon obtaining advance authorization from the Board. All such assets must represent maturities of one year or less at time of purchase. Commercial paper assets must be rated A-1 or P-1 by Standard & Poor's and Moody's, respectively. The Manager may not purchase short-term financial instruments considered to contain speculative characteristics (uncertainty of principal and/or interest). The Manager also may not invest more than 5% of the account's market value in the obligations of a single issuer, with the exception of the U.S. Government and its agencies. Within the limitations mentioned above and the targets established in the "Manager Specific Guidelines," the Manager(s) has complete discretion to allocate and select short-term cash and equivalent securities.
- No investment manager's cash position may exceed 10% for more than 5 consecutive days (allowing for settlement) without the consent of the Board. It is the responsibility of the manager(s) to contact the Board to obtain authorization to maintain a cash position greater than 10%.

6. Other Investments

- The Board, after consulting with their Investment Consultant, may authorize the use of any other investment for the Fund provided that such investment is considered prudent for a pension fund. Assets that provide appropriate diversification (specifically low correlation with existing assets) will be considered.

Hedge Fund of Funds

- i. For purposes of this policy the term “hedge fund investments” means and includes investments in both U.S. and non-U.S. private investment companies and funds (including fund of funds) which invest directly and indirectly primarily in the liquid global securities and derivatives markets using various investment strategies including, but not limited to, such strategies and styles as “market neutral”, “arbitrage”, “long bias equity”, “distressed securities”, “event driven”, “opportunistic” and “absolute return” strategies, both on a leveraged and unleveraged basis. These investment strategies and styles share in common the characteristic of low correlation to traditional investments and are used to diversify overall portfolio risk.
- ii. The Manager will invest the assets with multiple investment managers through fund of fund private investment companies, each of which in turn will invest in and allocate to a portfolio of hedge fund vehicles with various investment strategies and objectives. These fund of funds may be broadly diversified or occupy a specific niche.

Private Equity

- i. Private Equity Managers may invest in a number of private equity strategies. These strategies may include, but are not limited to, the following: mezzanine debt, growth/expansion, distressed/special situations, buyout, venture capital, co-investments and secondaries.
 - *Venture Capital*: Seed, start-up, first stage, expansion and later stage financing of growing companies and innovative business ideas, technologies or service that is proprietary.
 - *Buyouts (Management or Third Party)*: Leveraged capital and corporate finance assistance is provided to management teams or third party buyers to enable the acquisition or restructuring of relatively mature businesses and industries from either a private or public company. Strategies include: “buy and build,” growth oriented, and industry focused.
 - *Mezzanine*: Unsecured and subordinated debt (senior to equity but below senior secured debt on a balance sheet) is used to facilitate changes in ownership through leveraged buyouts or recapitalization, financing acquisitions or enabling growth, by leveraging equity capital to a level not possible within the constraints of senior lenders.
 - *Secondary Funds*: Involves the purchase of private equity interests of motivated owners who desire to sell their fund position. Interests are purchased at a price and time within a fund’s term, which enhances early distributions and thus helps to mitigate the typical early negative returns experienced in a private equity fund life.
 - *Special Situations*: Opportunistic and select investments that could include: Structured Finance (senior or subordinated debt or preferred equity), or

Distressed/Stressed Equity and Debt-Oriented Opportunities (taking advantage of security mispricing and company valuation changes through a variety of strategies such as buying and selling of distressed company securities; debt for control through reorganization or the bankruptcy process; or turnaround a troubled business through control of the equity).

- *Co-Investments*: Opportunity to invest directly into portfolio companies alongside qualified general partners.
- ii. The nature of such investing calls for a longer-term investment horizon than other investments. It is expected that these investments will be illiquid and that any future return of capital and profits will depend on the success of the investment manager's execution and will generally occur between five to ten years after the initial investment.

Private Credit/Debt

- i. Private Credit/Debt portfolios shall invest in debt/fixed income instruments that may not be publicly traded. Private Credit/Debt portfolios are often made through a partnership structure and are intended to enhance rates of return over traditional publicly traded fixed income/debt securities by (in part) providing superior cash yield, as well as provide returns that have lower correlation with those associated with other major asset classes. Private Credit/Debt strategies include corporate direct lending, asset-backed lending, structured credit, and hybrid credit funds.
- ii. Strategies included under the private credit umbrella can generally be categorized as either "capital preservation" or "return maximization." Strategies that don't easily fall into one of these categories are either opportunistic (investing across the credit spectrum as market opportunities permit) or niche/specialty finance strategies, like aviation or maritime finance or health care royalties.

Opportunistic

- i. It is recognized that new or unique investment opportunities may become available from time to time which are not specifically addressed in this Policy. This strategic asset class is intended provide the Board flexibility in implementing potential opportunities that may arise from time to time that are not explicitly covered in this Policy.

COMMUNICATION AND REPORTING REQUIREMENTS

The investment manager(s) is required to provide reports to the Board and their Investment Consultant. Reports should have the following frequency and include the following:

- Market and book value of all security holdings, including a summary of all discrepancies with the Master Custodian Bank that has been outstanding more than 90 days. (Quarterly)
- Performance results compared with benchmarks designated in the "Manager Specific Guidelines." (Quarterly)
- Brokerage Commission Report. (Quarterly)
- Derivative Use Report. (Quarterly)
- Quality ratings of the fixed income investments including average quality. (Quarterly)
- Proxy Voting Report (Semi-annually upon the six months ending June 30 and December 31).
- Notice of changes in organizational structure, ownership and key personnel of the firm and clients lost (as soon as possible, not to exceed 14 days) aggregating more than 5% assets managed.
- Notice of any litigation, investigations by any governmental body, and any other pertinent information that might be material to the Fund (as soon as possible, not to exceed 14 days).
- Annual filing of Form ADV with the Securities and Exchange Commission. (Annually)

The investment manager(s) must meet with the Board and the Investment Consultant as the Board determines it to be appropriate (typically annually). The Board expects to receive a written summary, which addresses the subjects identified below at least seven days prior to the meeting:

- Performance for Past Period: Standard time periods for each report will be Last Quarter, Year to Date, Latest 12 Months, 3 Years, 5 Years, since inception. Returns should be annualized and calculated on a time-weighted basis for the total portfolio. All returns should include income and dividends and be reported both gross and net of investment management fees. To the extent that fees include charges for other than investment management services, such as custody, such fees shall be carved out and presented separately. The format for the report will be determined by the Investment Consultant.
- Rationale for Performance Results: Discussion of the rationale for performance results, relating them specifically to investment strategy and tactical decisions implemented during the current review period.
- Specific Near-Term Strategy: Discussion of the investment manager's specific strategy for the portfolio over the near-term period, with specific reference to asset mix (including cash position) and expected portfolio characteristics.
- Changes in Investment Manager's Firm: Discussion of any changes in the investment manager's firm, including professional turnover and client accounts lost.

- Changes in the Board's Requirements: Discussion of the required modifications to the investment program and strategy, if any.

These meetings will also provide the investment manager(s) with the opportunity to explain how their investment strategy/outlook has evolved since previous meetings.

The investment manager(s) shall communicate frequently and openly with the Board on all significant matters pertaining to the investment of the Fund, including but not limited to the topics delineated in this section, or any other matter relevant to the purposes and best interest of the Fund.

The investment manager(s) shall be responsible for reviewing these guidelines with the Board at least annually. Whenever the investment manager(s) believes that any particular guideline or objective should be changed or deleted, it is the responsibility of the manager(s) to initiate communication with the Board.

The investment manager(s) may not act upon written or oral instructions from any person except the full Board, or its duly authorized representatives.

TRADING AND BROKERAGE PRACTICES

The investment manager(s) agrees to maintain records of its brokerage practices, including records of the broker used on each transaction and the amount paid to each such broker. The investment manager(s) agrees to disclose such information to the Board upon request.

If the Board has in place a commission recapture program, the Manager shall make every effort to satisfy the requirements of that commission recapture program provided that there is no adverse impact on price and execution.

The investment manager(s) agrees that brokerage commissions will, on an average annual basis, not exceed six cents per share. The investment manager agrees always to seek best price and execution.

As to investments in any security for which the investment manager(s) or any of its affiliates is a market maker, the investment manager(s) agrees that it will not effect the transaction for that investment through itself or any of its affiliates unless (a) investment manager(s) is able to demonstrate in writing after the transaction that such trade is lawful, would not constitute a non-exempt prohibited transaction under Federal/State Law or the Internal Revenue Code and (b) investment manager(s) provides Board written notice of such investment after the transaction.

PROXY VOTING PROCEDURES

The Board requires that the investment manager(s) shall exercise its authority with regard to proxy voting, acting solely in the interest of and for the exclusive purpose of providing benefits to participants and beneficiaries, and always acting in the best interests of participants and beneficiaries.

As referenced later in this Policy Statement, those investment managers who vote proxies on behalf of the Board must abide by Florida Statute §112.662(3) and only consider pecuniary factors when voting proxies. As used in the law, the term “pecuniary factor” means a factor that a fiduciary determines is expected to have a material effect on the risk or returns of an investment based on appropriate investment horizons consistent with the investment objectives and funding policy of the retirement system or plan. The term does not include the consideration of the furtherance of any social, political, or ideological interests.

FLORIDA STATUTES §112.661 COMPLIANCE

1) Investment and Fiduciary Standards The Board shall comply with the fiduciary standards set forth in the Employee Retirement Income Security Act of 1974 at 29 U.S.C. S1104 (a) (1) (A) – (C), set forth below:

Section 1104 – Fiduciary Duties

(a) Prudent Man Standard of Care

- (1) Subject to sections 1103 (c) and (d), 1342 and 1344 of the title, a fiduciary shall discharge his duties with respect to a plan solely in the interest of the participants and beneficiaries and –
 - (A) for the exclusive purpose of
 - (i) providing benefits to participants and their beneficiaries; and
 - (ii) defraying reasonable expenses of administering the plan;
 - (B) with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent man acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims;
 - (C) by diversifying the investments of the plan so as to minimize the risk of large losses, unless under the circumstances it is clearly prudent not to do so.

2) Authorized Investments – All authorized investments are listed in this Policy

3) Valuation of Illiquid Investments - The investment policy shall provide for the valuation of illiquid investments for which a generally recognized market is not available or for which there is no consistent or generally accepted pricing mechanism. If those investments are utilized, the investment policy must include the criteria set forth in s. [215.47\(6\)](#), except that submission to the Investment Advisory Council is not required. The investment policy shall require that, for each actuarial valuation, the board must verify the determination of the fair market value for those investments and ascertain that the determination complies with all applicable state and federal requirements. The investment policy shall require that the board disclose to the Department of Management Services and the plan's sponsor each such investment for which the fair market value is not provided.

4) Expected Annual Rate of Return. For each actuarial valuation, the Board shall determine the total expected annual rate of return for the current year, for each of the next several years, and for the long term thereafter.

5) Third Party Custodial Agreements. The Board, unless other custodial arrangements are made due to the specifics of the investment vehicle, shall retain a third-party to custody the fund's assets. All securities shall be designated as an asset of the Board, and no withdrawal of securities, in whole or in part, shall be made from safekeeping except by an authorized member of the Board or the Board's designee.

Securities transactions between a broker-dealer and the custodian involving purchase or sale of securities by transfer of money or securities must be made on a "delivery vs. payment" basis, if applicable, to ensure that the custodian will have the security or money, as appropriate in hand at the conclusion of the transaction.

6) Master Repurchase Agreement. All approved institutions that transact repurchase agreements on behalf of the Board, including short-term investments by the Board's custodian, shall execute and adhere to the requirements of the Master Repurchase Agreement.

7) Bid Requirement. The Board requires that the Investment Manager(s) competitively bid securities as appropriate and select the most advantageous bid.

8) Internal Controls. The Board shall be governed by appropriate set of internal controls and operational procedures which shall be periodically reviewed by a Certified Public Accountant.

The Board shall retain an independent Certified Public Accountant, including at the Board's option using the City's Auditor, on an annual basis as well as require reports from the Fund's Investment Consultant quarterly. This policy is designed to safeguard the fund from losses that might arise from fraud, error or misrepresentations by third parties, or imprudent actions by the Board or employees of the plan sponsor.

9) Continuing Education. The Board acknowledges the importance of continuing education for trustees. To that end, the trustees are encouraged to attend educational conferences in connection with their duties and responsibilities as trustees.

FLORIDA STATUTES §112.662 COMPLIANCE

The Board and its investment managers shall comply with the applicable requirements of Chapter 2023-28, Laws of Florida, including Section 112.662, along with regulations adopted by the Department of Management Services.

1. Definition of pecuniary factor: The term “pecuniary factor” is defined as a factor that an investment fiduciary “prudently determines is expected to have a material effect on the risk or returns of an investment based on appropriate investment horizons consistent with the investment objectives and funding policy of the retirement system. The term does not include the consideration of the furtherance of any social, political, or ideological interests.” [112.662(1)]
2. Exclusive consideration of pecuniary factors: Only pecuniary factors may be considered and the interests of the participants and beneficiaries of the system may not be subordinated to other objectives, including sacrificing investment return or undertaking additional investment risk to promote any nonpecuniary factor. The weight given to any pecuniary factor must appropriately reflect a prudent assessment of its impact on risk or returns. [112.662(2)]
3. Proxy voting: Only pecuniary factors may be considered when voting proxies. [112.662(3)]
4. Filing requirements: The Board shall timely comply with the reporting requirement of Section 112.662 by filing a comprehensive report by December 15 of each odd-numbered year. [112.662(4)]. Investment managers and the Board’s investment consultant shall assist in the preparation of required reports and shall annually confirm to the Board their compliance with Chapter 2023-28.
5. Contracting and external communication requirements: Manager contracts shall comply with Section 215.855 as follows:

Any written communication made by an investment manager to a company in which such manager invests public funds on behalf of the Board must include the following disclaimer in a conspicuous location if such communication discusses social, political, or ideological interests; subordinates the interests of the company’s shareholders to the interest of another entity; or advocates for the interest of an entity other than the company’s shareholders:
The views and opinions expressed in this communication are those of the sender and do not reflect the views and opinions of the people of the State of Florida.
6. The Investment Consultant will provide Investment Managers for consideration who invest only based on pecuniary factors as defined by Florida Statutes §112.662.
7. If a Request for Proposals document is issued for Investment Manager services, the solicitation document must include the following:

The Board of Trustees may not request documentation of or consider a vendor’s social, political, or ideological interests when determining if the vendor is a responsible vendor. Additionally, the Board of Trustees may not give preference to a vendor based on vendor’s social, political, or ideological interests.

Statement of Overall Investment Objectives and Policy for the City of Ocala General Employees' Retirement System

IN WITNESS WHEREOF, this document has been approved and executed by the undersigned on this _____ day of _____, 2023.

City of Ocala General Employees' Retirement Board:

By:

Date:

Investment Manager:

By:

Date:



Ocala

Legislation Text

110 SE Watula Avenue
Ocala, FL 34471

www.ocalafl.gov

File #: 2026-0262

Agenda Item #: 5a.



Ocala

110 SE Watula Ave
Ocala FL 34471

General Employees' Retirement Fund Board of Trustees Minutes - Draft

Monday, August 11, 2025

9:00 AM

Teams Meeting Link: <https://bit.ly/3ZAUjxG>

Meeting ID: 212 307 025 287

Passcode: sTJBhd

Dial in by phone

+1 352-448-0342,,192167582# United States, Gainesville

Find a local number

Phone conference ID: 192 167 582#

1. Call To Order & Roll Call

Present: Lyn Cole
Arnold "Arnie" Hersh
Anthony Ortiz
Charlie Varney

Others in attendance: Alicia Gaither, Janice Mitchell, Anthony Webber, Doug Lozen and Rob Hungerbuhler

In attendance online by Teams : Bonnie Jensen

2. Public Notice & Public Comments

Meeting was publicly noticed on August 4, 2025.

3. Trustee Nomination & Appointment

3a.

Attachments: [Trustee Nomination Summary 5.25](#)

Motion was made by Lyn Cole to validate the nomination for Ms. Hope Maynard. Anthony Ortiz seconded the motion. Motion carried unanimously.

RESULT: APPROVED
MOVER: Lyn Cole
SECONDER: Anthony Ortiz

4. Actuary Valuation Report & Mortality Update

4a.

Attachments: [Ocala General 2024 Actuarial Valuation 2025.04.14 FRS mortality Memo](#)

Mr. Lozen presented the valuation report, noting that the consolidation of the unfunded liability and the lowering of the investment assumption were key factors contributing to the increase. He reported that the funded status of the plan had improved slightly and explained the implications of the seven-year payoff plan for the unfunded liability. The City's required contribution for fiscal 2025-2026 would increase to \$11.1 million, up from 9.1 million in the previous fiscal year.

Ms. Jensen inquired about the compliance of the amortization methods with the local ordinance, and Mr. Lozen confirmed that they were in line with applicable standards.

The Board approved the actuarial valuation report and authorized an experience study to be presented at the next meeting.

Motion to approve the actuarial valuation report was made by Ms. Cole and seconded by Mr. Hersh. Motion passed unanimously.

Approved

RESULT: APPROVED
MOVER: Lyn Cole
SECONDER: Arnold "Arnie" Hersh

Motion to authorize Mr. Lozen to do an experience study was made by Ms. Cole and seconded by Mr. Ortiz. Motion passed unanimously.

Approved

RESULT: APPROVED
MOVER: Lyn Cole
SECONDER: Anthony Ortiz

5. Attorney Report

5a.

Attachments: [Memo regarding 2025 online Form 1 Filing - 4912-2111-0580.1](#)
[2025 Memo re Boycott Israel List](#)
[2025 Memo re Stanley v. City of Sanford](#)

Ms. Jensen discussed a new law requiring the board to avoid investing in companies that

boycott Israel and provided an update on a Supreme Court case related to a firefighter's disability retirement benefits. She also reminded the trustees about filing their Form 1s.

6. Consultant Report - Segal

6a.

Attachments: [City of Ocala Q2 2025](#)
[City of Ocala Q1 2025](#)
[WTC-CIF Opportunistic Investment Allocation Liquidating SOC - 9956](#)
[Notice of Organizational Changes Churchill](#)

Mr. Hungerbuhler provided an update on the second-quarter results, highlighting strong performance in the equity markets and improvements in real estate fundamentals. He discussed the liquidity option for the UBS fund and the potential for infrastructure investments associated with the upcoming \$12 million redemption from Wellington.

The total portfolio value was \$206 million, reflecting a slight underperformance relative to the index, with a 6.32% return compared to the benchmark's 6.66%.

7. Minutes

7a.

Attachments: [General Pension Board Minutes 2.10.25](#)

RESULT: APPROVED

MOVER: Lyn Cole

SECONDER: Anthony Ortiz

8. Other Items For Discussion

8a.

Attachments: [DB, Term, 401 Yrs of Service Summary](#)
[2025.05.02 Ocala General VT Normal Final Redacted](#)

The Board discussed a specific retirement scenario involving an employee with a break in service and decided to leave the current policy unchanged. Since the employee had a separation of employment, the time in the 401 plan does not count toward years of service. Normal retirement will be age 65.

8b. Next Year Meeting Dates

Dates for next year's meetings were provided to the trustees

9 Adjournment

A motion to approve the minutes as printed on this _____ day of _____; _____
was made by _____, seconded by _____,
votes for _____, votes against _____.

Chairman