



Ocala

110 SE Watula Ave
Ocala FL 34471

General Employees' Retirement Fund Board of Trustees Minutes - Final

Monday, February 9, 2026

9:00 AM

Teams Meeting: <https://bit.ly/45WPi4o>

Meeting ID: 295 988 702 854 Passcode: Qe95ju7Y

Dial in by phone +1 352-448-0342,,59425348# Phone Conference ID: 594 253 48#

1. Call To Order & Attendance

Meeting was called to order at 9:01 by Mr. Hersh.

Present: Arnold "Arnie" Hersh
Hope Maynard
Charlie Varney

Excused: Lyn Cole
Anthony Ortiz

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

By Teams, Bonni Jensen and Rob Hungerbuhler

2. Public Noticed & Public Comments

No Public Comments

2a. Teresa Owens - Beneficiary Benefits

The Board discussed the case involving Mr. Owens, who had elected a retirement benefit option that did not provide for a survivor benefit. Ms. Jensen, Legal Counsel, explained that the plan ordinance does not require spousal consent for benefit elections and that Mr. Owens' selected option was valid and binding. She further confirmed that, pursuant to the ordinance in effect at the time of retirement, no retroactive survivor benefits were available, and therefore no continuing benefits were payable to the beneficiary following Mr. Owens' death. The Board acknowledged this determination for the record.

3. Actuary Valuation Presentation

Doug Lozen presented the October 1, 2025 actuarial valuation. He reported that the City's required contribution for the current fiscal year is approximately \$11.1 million, consistent with prior projections. The projected contribution for FY 2026-2027 is estimated at \$11.4 million, reflecting an increase of approximately \$300,000 attributable solely to recommended assumption changes, including lowering the assumed investment rate of return from 6.6% to 6.5% and

updating mortality assumptions to reflect the Florida Retirement System mortality tables. These changes are expected to improve the accuracy of future projections and better align assumptions with actual experience.

Mr. Lozen reviewed the funded status of the plan, noting that it has improved significantly over the past decade, rising from approximately 60% to nearly 80%. This improvement was attributed to favorable investment performance and higher-than-expected mortality experience among retirees. The plan is projected to continue improving and potentially reach the mid-to-high 80% funded range within five years. He further noted that the number of active members has continued to decline, and the plan is expected to become retiree-only in approximately five to six years.

Discussion followed regarding the long-term outlook for City contributions. Mr. Lozen explained that the unfunded actuarial liability is currently scheduled to be fully amortized within six years. At that time, the City's required contribution could decrease significantly, potentially to approximately \$200,000 annually, representing primarily administrative expenses. Board members discussed the implications of this projected shift and the importance of continued monitoring.

The Board unanimously approved the actuarial valuation and adopted the assumed long-term investment rate of return of 6.5% for reporting and compliance purposes, as required for state reporting compliance.

Motion was made by Ms. Maynard to accept the Actuary Valuation as presented by Mr. Doug Lozen. Motion was seconded by Mr. Hersh. Motion passed unanimously.

Approved

RESULT: APPROVED
MOVER: Hope Maynard
SECONDER: Arnold "Arnie" Hersh
AYE: Hersh, Maynard and Varney
EXCUSED: Cole and Ortiz

Ms. Maynard made a motion based on the advice of the investment professionals and actuary, determined that the total expected annual rate of investment return for the fund for the next year, the next several years, and the long-term thereafter, shall be 6.5% net of investment related expenses. The motion was seconded by Mr. Hersh. Motion passed unanimously.

Approved

RESULT: APPROVED
MOVER: Hope Maynard

SECONDER: Arnold "Arnie" Hersh
AYE: Hersh, Maynard and Varney
EXCUSED: Cole and Ortiz

4. Attorney Report

Bonni Jensen provided an overview of statutory compliance and reporting requirements. She reminded the Board of the obligation to ensure that specific pension-related documents are publicly posted, including the actuarial valuation report, the summary report required under Florida Statutes §112.664, the City's Annual Comprehensive Financial Report, and links to the State Actuary's annual summary reports. Ms. Jensen confirmed that these materials must be readily accessible on the City's website.

Ms. Gaither reported that the required documents are currently posted in the City's "Retirees' Corner" section of the website and that updates are made annually to ensure compliance. Ms. Jensen confirmed that the Board is currently in compliance with statutory posting requirements.

4a.

Attachments: [Sponsor's Website Requirements](#)

5. Consultant Report - Segal

Rob Hungerbuhler of Segal Marco Advisors presented the fourth-quarter and calendar year 2025 investment performance report. He reported that the total portfolio generated a return of approximately 12% for the year, slightly under performing the policy benchmark due primarily to certain active manager results and incomplete reporting from private market investments at quarter-end. U.S. equity markets performed strongly, led by large-cap growth stocks, while international and emerging markets outperformed U.S. equities due to both market performance and a weakening U.S. dollar.

Mr. Hungerbuhler reviewed asset allocation, noting a modest overweight to equities and an underweight to fixed income, partially offset by a higher-than-average cash balance. He explained that some of the cash would be strategically deployed into fixed income over time while maintaining sufficient liquidity for benefit payments and capital calls. He also provided an update on private equity, private credit, hedge funds, and real estate holdings, noting strong performance in private credit and improving performance in real estate.

The Board discussed the performance of the Wellington large-cap growth manager. While acknowledging recent under performance relative to benchmarks, the consultant recommended maintaining a reduced allocation for the time being, with continued monitoring and potential future rebalancing. Mr. Hungerbuhler also outlined plans to present infrastructure investment options at a future meeting as a possible replacement for the opportunistic allocation that was recently closed.

6. Minutes

6a.

Attachments: [General Minutes 11.10.25 final](#)

Motion was made by Ms. Maynard to approve the minutes as presented. Mr. Hersh seconded the motion. Motion passed unanimously.

Approved

- RESULT:** APPROVED
- MOVER:** Hope Maynard
- SECONDER:** Arnold "Arnie" Hersh
- AYE:** Hersh, Maynard and Varney
- EXCUSED:** Cole and Ortiz

7. Other Items For Discussion

7a.

Attachments: [Expenses FY 24-25 & Budget FY 26-27](#)

Ms. Gaither presented the annual revenue and expense summary, as well as the proposed operating budget. She reported that the plan generated approximately \$27 million in total revenue, including \$9.5 million from employer and employee contributions and \$17 million from investment earnings. Total benefit payments to retirees, beneficiaries, and DROP participants totaled approximately \$16.4 million, with an additional \$700,000 in administrative and professional expenses. The plan ended the year with a net increase of approximately \$9.8 million.

The proposed budget reflects an overall increase of approximately \$774,600, primarily driven by anticipated DROP payouts and rising monthly retirement benefit payments. The budget was reviewed, and no objections were raised. Ms. Gaither confirmed that the final budget and supporting documents would be posted to the City's website in compliance with statutory requirements.

8. Adjournment

Meeting Adjourned at 10:05.

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

votes for _____, votes against _____.

Chairman

Secretary