

NEW BUSINESS

Consideration by General Employees' Board of Trustees

3. Applications for Retirement
 - a. *Approve* Mary Lyons – Director of Golf Instruction (Parks and Recreation) Retirement effective 5/1/2019; Meets age/service requirements for service retirement
 - b. *Approve* Eugene Wellington – Equipment Operator (Public Works) Back-DROP Retirement Effective 8/1/2016; Meets age/service requirements for Back-DROP service retirement

Consideration by Police Officers' Board of Trustees

4. Applications for Retirement
 - a. *Approve* Lewis Keller – Police Officer – (Police) Retirement effective 12/1/2018; Meets age/service requirements for service retirement

Consideration by Firefighters' Board of Trustees

5. Applications for Retirement
 - a. *Approve* David Whitmill – Fire Chief (Fire) Back-DROP Retirement Effective 9/1/2016; Meets age/service requirements for Back-DROP service retirement

Consideration by General Employees', Police Officers' and Firefighters' Board of Trustees

6. Consultant's Reports/Presentations
 - a. Purvis Gray & Company (Ryan Tucker), Independent Auditors
 - i. *Approve* September 30, 2018 Audited Financial Statements (Audited Financial Statements Provided)
 - b. Sugarman & Susskind, P.A. (David Robinson), Pension Board Attorney
 - i. *Discussion* Legislative Update on Legal Matters
 - c. Gabriel, Roeder, Smith and Company (Brad Armstrong), Actuary
 - i. *Approve* October 1, 2018 Sixty-Eighth Annual Actuarial Valuations (Actuarial Valuation Provided)
 - d. AndCo Consulting (Dan Johnson), Investment Consultant
 - i. *Approve* March 31, 2019; Quarterly Investment Performance Report

Members, Boards of Trustees
Joint Quarterly Meeting Agenda –
May 15, 2019

Pension Administrator

7. Pension Administrator's Reports/Presentations
 - a. Approve 2020 Proposed Annual Budgets
 - b. Informational March 31, 2019; Quarterly Pension Plan Administrator's Report

ADJOURNMENT

- cc. Karen Nelson, Deputy City Manager
Ashlie Gossett, Finance Officer
Roselyn Jackson, Internal Auditor
Ann Meuse, Human Resources Director
Robert Sugarman & Pedro Herrera, Sugarman & Susskind, P.A.
Jessica De la Torre Vila, Sugarman & Susskind, P.A.
Tom Galfano, Wells Capital
Rick O'Hara, M D Sass Associates, Inc.
David Furfine & Gregory Gosch, Sawgrass Asset Management
Brendon Vavrica, AndCo Consulting
Mark Rhein, Salem Trust
City Clerk's Office

NOTICE

If a person decides to appeal any decision made by the Board with respect to any matter considered at any meeting or hearing, he may need a record of the proceedings, and, for such purpose, he may need to ensure a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based.

In accordance with the Americans with Disabilities Act and Section 286.26, Florida Statutes, persons with disabilities needing special accommodation to participate in this meeting should contact the City Clerk's Office no later than 12:00 P.M., on Monday, May 13, 2019.

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Agenda Item #1
Minutes of Joint Quarterly Meeting held
February 12, 2019

Minutes of the JOINT QUARTERLY MEETING of the Firefighters', General Employees', and Police Officers' Retirement Systems, held Tuesday, February 12, 2019, at 3:00 P.M., in the Council Chambers, 11 North 3rd Street, Jacksonville Beach, Florida.



Call to Order

Christine Hoffman, of the General Employees' Board of Trustees, called the meeting to order at 3:00 P.M.

Roll Call: General Employees' Board: Nick Currie, Georgette Dumont, Christine Hoffman, Brandon Maresma (*absent*), Eddie Vergara

Police Officers' Board: David Cohill, Marvin Dupree (*late*), John Galarneau, Alan Grant (*absent*), Jason Sharp

Firefighters' Board: Gaylord Candler, Ed Dawson (*absent*), John McDaniel, Dennis Povloski, Debbie White

Courtesy of the Floor to Visitors

No one came forward to address the Boards.

ELECTIONS

Consideration by General Employees' Board of Trustees

1. Oath of Office – Newly Appointed Trustee
 - a. Georgette Dumont, Ph.D. – Newly Appointed Trustee
2. Nomination of Officer: Secretary (Vacated by Bruce Thomason)
Mr. Nick Curry was unanimously selected for the position of Secretary

OLD BUSINESS

Consideration by General Employees', Police Officers' and Firefighters' Board of Trustees

3. *Approve* Minutes of Joint Quarterly Meeting held November 13, 2018

Motion: It was moved by Mr. Vergara and seconded by Mr. Curry, to Approve Minutes of Joint Quarterly Meeting held on November 13, 2018

Vote: Voice vote resulted in all Ayes by all three Boards.

Consideration by Police Officers' Board of Trustees

4. *Approve Minutes of Special Meeting held November 13, 2018*

Motion: It was moved by Mr. Galarneau and seconded by Mr. Sharp to Approve Minutes of Special Meeting held November 13, 2018.

Roll call vote: Ayes – Cohill, Galarneau, Sharp
The motion passed unanimously.

NEW BUSINESS

Consideration by General Employees' Board of Trustees

5. Application for Retirement

- a. *Approve Catherine Kramer –Collections Representative (Utility Billing) Retirement effective 4/1/2019; Meets age/service requirements for service retirement*

Motion: It was moved by Mr. Vergara and seconded by Mr. Curry, to *Approve Catherine Kramer –Collections Representative (Utility Billing) Retirement effective 4/1/2019; Meets age/service requirements for service retirement*

Roll call vote: Ayes – Curry, Dumont, Hoffman, Vergara
The motion passed unanimously.

Consideration by General Employees', Police Officers' and Firefighters' Board of Trustees

6. *Pension Attorney Contract*

- a. *Approve Extension of Retainer Fee Agreement for legal services at no increase*

Motion: It was moved by Ms. White and seconded by Mr. Povloski to Approve Extension of Retainer Fee Agreement for legal services at no increase

Vote: Voice vote resulted in all Ayes by the Trustees of the three pension funds.

Consideration by Firefighters' Board of Trustees

7. *Consultant's Reports/Presentations*

- a. AndCo Consulting (Brendon Vavrica), Investment Consultant
i. *Approve December 31, 2018: Quarterly Investment Performance Report*
Motion: It was moved by Ms. White and seconded Mr. Curry to *Approve December 31, 2018: Quarterly Investment Performance Report*

Vote: Voice vote resulted in all Ayes by the Trustees of the three pension funds.

- ii. *Approve* Review of MD SASS performance and possible reallocation of MD SASS funds

Motion: It was moved by Mr. Galarneau and seconded by Mr. Candler to take the assets of MD Sass and split them equally between Vanguard Value Index Mutual fund and Brandywine Dynamic Large Cap Value at a 50/50 split.

Vote: Roll call vote: Ayes – Galarneau, Candler, White
Nays – Currie, Dumont, Vergara, Cohill, Dupree,
Sharp, McDaniel, Povloski

Motion was denied

Motion: It was moved by Mr. Cohill and seconded by Mr. Sharp to terminate MD Sass and move associated funds to Vanguard Value Index Mutual fund and at a future meeting for interviews and explore moving the money into another manager.

Vote: Roll call vote: Ayes – Currie, Dumont, Vergara, Cohill, DuPree,
Galarneau, Sharp, Candler, McDaniel, Povloski, White
The motion passed unanimously.

Motion: It was moved by Mr. Cohill and seconded by Mr. Candler to authorize AndCo. Consulting provide the Board with three viable candidates to give a presentation at a special meeting

Vote: Roll call vote: Ayes – Currie, Dumont, Vergara, Cohill, DuPree,
Galarneau, Sharp, Candler, McDaniel, Povloski, White
The motion passed unanimously.

Pension Administrator

8. Pension Administrator's Reports/Presentations
 - a. *Informational* December 31, 2018; Quarterly Pension Plan Administrator's Report

9. Adjournment

Minutes of Quarterly Pension Board Meeting
Tuesday, February 12, 2019

Motion: It was moved by Ms. Dumont, seconded by Mr. Sharp, to adjourn the meeting.

Vote: Voice vote resulted in all Ayes by the Trustees of the three pension funds.

The meeting adjourned at 4:27 P.M.

Submitted by: Jodilynn Byrd
Administrative Assistant

Approval:

Chair

Date: _____

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Agenda Item #2
Minutes of Joint Special Meeting held
April 23, 2019

Minutes of the SPECIAL MEETING of the Firefighters', General Employees', and Police Officers' Retirement Systems, held Tuesday, April 23, 2019, at 2:00 P.M., in the Council Chambers, 11 North 3rd Street, Jacksonville Beach, Florida.



Call to Order

Brandon Maresma, of the General Employees' Board of Trustees, called the meeting to order at 2:00 P.M.

Roll Call: General Employees' Board: Nick Currie, Georgette Dumont, Christine Hoffman, Brandon Maresma, Eddie Vergara

Police Officers' Board: David Cohill, Marvin Dupree (*late*), John Galarneau, Jason Sharp

Firefighters' Board: Gaylord Candler, Ed Dawson (*absent*), John McDaniel, Dennis Povloski, Debbie White

Courtesy of the Floor to Visitors

No one came forward to address the Boards.

NEW BUSINESS

Consideration by General Employees', Police Officers; and Firefighters' Board of Trustees

1. Active Manager Investment Presentations
 - *Informational* Brandywine Global Investment Management
 - *Informational* J.P. Morgan Asset Management
 - *Informational* BNY Mellon Investment Management
2. Consultant's Presentation, AndCo Consulting (Brendon Vavrica), Investment Consultant
 - *Informational* Present Investment Option Comparison
 - *Discussion and Approval* Reallocation of Vanguard Value Index Mutual Fund

Motion: It was moved by Ms. Dumont and seconded by Ms. White to *Approve* reallocation of Vanguard Value Index Mutual Fund to J.P. Morgan Asset Management

Roll Call vote: The motion was withdrawn by Ms. Dumont

General Employee's Motion: It was moved by Ms. Dumont and seconded by Mr. Currie to move the funds from Vanguard Value Index Mutual Fund to J.P. Morgan Equity Income R6

Roll call vote: Ayes – Currie, Dumont, Vergara
Nayes - Hoffman, Maresma,
The motion passed.

Firefighters' Motion: It was moved by Mr. Candler and seconded by Ms. White to move the funds from Vanguard Value Index Mutual Fund to J.P. Morgan Equity Income R6

Roll call vote: Ayes – Povloski, White
Nayes – Candler, McDaniel
The motion failed.

Police Officers' Motion: It was moved by Mr. Cohill and seconded by Mr. Sharp to move the funds from Vanguard Value Index Mutual Fund to J.P. Morgan Equity Income R6

Roll call vote: Ayes – Cohill, Galarneau, Sharp
Nayes – Dupree
The motion passed.

Firefighters' Motion: It was moved by Mr. Candler and seconded by Ms. White to move the funds from Vanguard Value Index Mutual Fund to J.P. Morgan Equity Income R6

Roll call vote: Ayes – Candler, McDaniel, Povloski, White
The motion passed but resended.

Firefighters' Motion: It was moved by Ms. White and seconded by Mr. Povloski to move the funds from Vanguard Value Index Mutual Fund to J.P. Morgan Equity Income R6

Roll call vote: Ayes – Candler, McDaniel, Povloski, White
The motion passed.

3. AndCo Consulting (Brendon Vavrica), Investment Consultant

- *Approve* Recommendation from AndCo Consulting to not allow Wells Fargo Securities to perform trades for the Pension Plan's Wells Capital Management account

Police Officers' Motion: It was moved by Mr. Cohill and seconded by Mr. Sharp, to *Approve* Recommendation from AndCo Consulting to not allow Wells Fargo Securities to perform trades for the Pension Plan's Wells Capital Management account

Roll call vote: Ayes – Cohill, Dupree, Galarneau, Sharp
The motion passed unanimously.

Firefighters' Motion: It was moved by Ms. White and seconded by Mr. Povloski, to *Approve* Recommendation from AndCo Consulting to not allow Wells Fargo Securities to perform trades for the Pension Plan's Wells Capital Management account

Roll call vote: Ayes – Candler, McDaniel, Povloski, White
The motion passed unanimously.

General Employees' Motion: It was moved by Ms. Dumont and seconded by Ms. Hoffman, to *Approve* Recommendation from AndCo Consulting to not allow Wells Fargo Securities to perform trades for the Pension Plan's Wells Capital Management account

Roll call vote: Ayes – Currie, Dumont, Hoffman, Maresma, Vergara
The motion passed unanimously.

4. Adjournment

The meeting adjourned at 4:27 P.M.

Submitted by: Jodilynn Byrd
Administrative Assistant

Approval:

Chair

Date: _____

Agenda Item #6ai
Purvis Gray & Company (Ryan Tucker),
September 30, 2018 Audited Financial
Statements

City of Jacksonville Beach Retirement Systems

Audited Financial Statements for
Fiscal Year Ended
September 30, 2018

Purvis Gray & Company, LLP



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Financial Statements

- Independent Auditors' Report
- Management's Discussion and Analysis
- Basic Financial Statements
- Required Supplementary Information (RSI)



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Unmodified Opinion

- In our opinion the financial statements present fairly, in all material respects, the financial status of the retirement systems as of September 30, 2018, and the changes in its financial status for the year then ended in accordance with the accounting principles generally accepted in the United States of America.



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Statement of Fiduciary Net Position

- Reports on a pension plan's financial position as of the end of the fiscal year.



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General Employees' Statement of Fiduciary Net Position

Fiduciary Net Position Restricted for Pension Benefits as of September 30

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Cash and Short-term Investments	\$ 1,121,251	\$ 818,309	\$ 521,418	\$ 998,243	\$ 948,990
Interest Receivable	89,570	97,201	74,354	89,936	92,278
Investments	54,437,578	51,859,895	48,545,505	46,215,949	48,688,376
Total Assets	<u>55,648,399</u>	<u>52,775,405</u>	<u>49,141,277</u>	<u>47,304,128</u>	<u>49,729,644</u>
Accounts Payable	850	3,004	2,917	621	92,306
Other Accrued Liabilities	633	546	889	1,646	1,524
Total Liabilities	<u>1,483</u>	<u>3,550</u>	<u>3,806</u>	<u>2,267</u>	<u>93,830</u>
Net Position Restricted for Pension Benefits	<u>\$ 55,646,916</u>	<u>\$ 52,771,855</u>	<u>\$ 49,137,471</u>	<u>\$ 47,301,861</u>	<u>\$ 49,635,814</u>
Percentage Change	5.4%	7.4%	3.9%	-4.7%	



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Police Officers' Statement of Fiduciary Net Position

Fiduciary Net Position Restricted for Pension Benefits as of September 30

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Cash and Short-term Investments	\$ 770,906	\$ 438,238	\$ 247,391	\$ 542,721	\$ 328,461
Interest Receivable	37,423	39,508	29,476	35,001	35,735
Investments	22,971,678	21,573,793	19,698,618	18,175,784	18,955,094
Total Assets	<u>23,780,007</u>	<u>22,051,539</u>	<u>19,975,485</u>	<u>18,753,506</u>	<u>19,319,290</u>
Accounts Payable	850	3,004	2,934	1,155	1,446
Other Accrued Liabilities	225	194	315	585	541
Total Liabilities	<u>1,075</u>	<u>3,198</u>	<u>3,249</u>	<u>1,740</u>	<u>1,987</u>
Net Position Restricted for Pension Benefits	<u>\$ 23,778,932</u>	<u>\$ 22,048,341</u>	<u>\$ 19,972,236</u>	<u>\$ 18,751,766</u>	<u>\$ 19,317,303</u>
Percentage Change	7.8%	10.4%	6.5%	-2.9%	



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Fire Fighters' Statement of Fiduciary Net Position

Fiduciary Net Position Restricted for Pension Benefits as of September 30

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Cash and Short-term Investments	\$ 479,335	\$ 323,816	\$ 111,558	\$ 341,153	\$ 206,116
Due From Other Governments	4,136	8,432	39,952	64,418	83,710
Interest Receivable	20,898	22,040	16,819	19,836	19,816
Investments	12,840,682	11,960,951	10,976,339	10,275,935	10,638,195
Total Assets	<u>13,345,051</u>	<u>12,315,239</u>	<u>11,144,668</u>	<u>10,701,342</u>	<u>10,947,837</u>
Accounts Payable	850	3,004	2,969	1,136	1,176
Other Accrued Liabilities	148	127	207	383	355
Total Liabilities	<u>998</u>	<u>3,131</u>	<u>3,176</u>	<u>1,519</u>	<u>1,531</u>
Net Position Restricted for Pension Benefits	<u>\$ 13,344,053</u>	<u>\$ 12,312,108</u>	<u>\$ 11,141,492</u>	<u>\$ 10,699,823</u>	<u>\$ 10,946,306</u>
Percentage Change	8.4%	10.5%	4.1%	-2.3%	



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Statement of Changes in Fiduciary Net Position as of September 30

- Provides a view of current year inflows and outflows of resources that increased and decreased plan net position.



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General Employees' Statement of Changes in Fiduciary Net Position

Changes in Fiduciary Net Position for the Year Ended September 30

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Additions:					
Contributions:					
Employee	\$ 1,029,762	\$ 1,018,627	\$ 927,251	\$ 853,057	\$ 771,553
Employer	1,898,689	1,591,545	1,321,320	1,387,165	1,216,994
Net Investment Income (Loss)	4,761,584	5,827,579	3,782,591	(153,496)	4,697,265
Transfers	-	729,535	1,196,702	505,623	1,732,131
Total Additions, Net	<u>7,690,035</u>	<u>9,167,286</u>	<u>7,227,864</u>	<u>2,592,349</u>	<u>8,417,943</u>
Deductions:					
Benefits and Refunds	4,714,545	4,697,563	4,083,557	4,328,629	3,971,423
Administrative Expenses	100,429	105,804	111,995	92,050	102,359
Transfers	-	729,535	1,196,702	505,623	1,732,131
Total Deductions	<u>4,814,974</u>	<u>5,532,902</u>	<u>5,392,254</u>	<u>4,926,302</u>	<u>5,805,913</u>
Change in Net Position	2,875,061	3,634,384	1,835,610	(2,333,953)	2,612,030
Beginning of Year Net Position	52,771,855	49,137,471	47,301,861	49,635,814	47,023,784
End of Year Net Position	<u>\$ 55,646,916</u>	<u>\$ 52,771,855</u>	<u>\$ 49,137,471</u>	<u>\$ 47,301,861</u>	<u>\$ 49,635,814</u>



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Police Officers'

Statement of Changes in Fiduciary Net Position

Changes in Fiduciary Net Position for the Year Ended September 30

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Additions:					
Contributions:					
Employee	\$ 362,140	\$ 353,277	\$ 343,112	\$ 328,665	\$ 263,978
Employer	479,669	460,548	432,769	345,079	326,017
State of Florida	211,654	245,435	229,925	217,756	204,436
Net Investment Income (Loss)	1,991,673	2,367,943	1,498,726	(59,565)	1,819,901
Transfers	-	8,470	53,533	30,202	20,137
Total Additions, Net	<u>3,045,136</u>	<u>3,435,673</u>	<u>2,558,065</u>	<u>862,137</u>	<u>2,634,469</u>
Deductions:					
Benefits and Refunds	1,226,041	1,270,805	1,217,358	1,325,954	1,425,888
Administrative Expenses	88,504	80,293	66,704	71,518	81,366
Transfers	-	8,470	53,533	30,202	20,137
Total Deductions	<u>1,314,545</u>	<u>1,359,568</u>	<u>1,337,595</u>	<u>1,427,674</u>	<u>1,527,391</u>
Change in Net Position	1,730,591	2,076,105	1,220,470	(565,537)	1,107,078
Beginning of Year Net Position	22,048,341	19,972,236	18,751,766	19,317,303	18,210,225
End of Year Net Position	<u>\$ 23,778,932</u>	<u>\$ 22,048,341</u>	<u>\$ 19,972,236</u>	<u>\$ 18,751,766</u>	<u>\$ 19,317,303</u>



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Fire Fighters'

Statement of Changes in Fiduciary Net Position

Changes in Fiduciary Net Position for the Year Ended September 30

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Additions:					
Contributions:					
Employee	\$ 161,383	\$ 168,792	\$ 160,567	\$ 146,951	\$ 122,590
Employer	465,628	337,958	223,486	177,736	222,859
State of Florida	142,756	163,417	198,555	212,261	235,073
Net Investment Income (Loss)	1,112,333	1,322,095	855,177	(33,549)	1,010,161
Transfers	-	2,114	40,847	71,701	134,168
Total Additions, Net	<u>1,882,100</u>	<u>1,994,376</u>	<u>1,478,632</u>	<u>575,100</u>	<u>1,724,851</u>
Deductions:					
Benefits and Refunds	774,227	750,335	933,482	683,521	664,459
Administrative Expenses	75,928	71,311	62,634	66,361	77,811
Transfers	-	2,114	40,847	71,701	134,168
Total Deductions	<u>850,155</u>	<u>823,760</u>	<u>1,036,963</u>	<u>821,583</u>	<u>876,438</u>
Change in Net Position	1,031,945	1,170,616	441,669	(246,483)	848,413
Beginning of Year Net Position	12,312,108	11,141,492	10,699,823	10,946,306	10,097,893
End of Year Net Position	<u>\$ 13,344,053</u>	<u>\$ 12,312,108</u>	<u>\$ 11,141,492</u>	<u>\$ 10,699,823</u>	<u>\$ 10,946,306</u>



Precision Experience Assurance

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Required Supplementary Information (RSI)

- Schedule of Changes in Net Pension Liability and Related Ratios Multi-year
- Schedule of Net Pension Liability Multi-year
- Schedule of Contributions
- Schedule of Investment Returns



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General Employees

Schedule of Changes in Net Position Liability and Related Ratios Multi-Year

Fiscal year ended September 30,

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total Pension Liability					
Service Cost	\$ 1,376,902	\$ 1,391,483	\$ 1,207,176	\$ 1,111,657	\$ 1,129,366
Interest on the Total Pension Liability	5,106,511	4,852,273	4,606,558	4,557,077	4,443,924
Difference Between Expected and Actual Experience	1,126,397	325,573	(1,228,033)	(891,893)	
Assumption Changes	2,931,687	2,129,976	2,784,150		
Benefit Payments	(4,555,656)	(4,599,574)	(3,929,634)	(4,052,263)	(3,669,967)
Refunds	(158,889)	(97,989)	(153,923)	(276,366)	(301,456)
Net Change in Total Pension Liability	5,826,952	4,001,742	3,286,294	448,212	1,601,867
Total Pension Liability-Beginning	66,308,197	62,306,455	59,020,161	58,571,949	56,970,082
Total Pension Liability-Ending (a)	<u>\$ 72,135,149</u>	<u>\$ 66,308,197</u>	<u>\$ 62,306,455</u>	<u>\$ 59,020,161</u>	<u>\$ 58,571,949</u>
Plan Fiduciary Net Position					
Employer and State Contributions	\$ 1,898,689	\$ 1,591,545	\$ 1,321,320	\$ 1,387,165	\$ 1,216,994
Employee Contributions	1,029,762	1,018,627	927,251	853,057	771,553
Pension Plan Net Investment Income	4,761,584	5,827,579	3,782,591	(153,496)	4,697,264
Benefit Payments	(4,555,656)	(4,599,574)	(3,929,634)	(4,052,263)	(3,669,967)
Refunds	(158,889)	(97,989)	(153,923)	(276,366)	(301,456)
Pension Plan Administrative Expenses	(100,429)	(105,804)	(111,995)	(92,050)	(102,359)
Net Change in Plan Fiduciary Net Position	2,875,061	3,634,384	1,835,610	(2,333,953)	2,612,029
Plan Fiduciary Net Position-Beginning	52,771,855	49,137,471	47,301,861	49,635,814	47,023,785
Plan Fiduciary Net Position-Ending (b)	<u>\$ 55,646,916</u>	<u>\$ 52,771,855</u>	<u>\$ 49,137,471</u>	<u>\$ 47,301,861</u>	<u>\$ 49,635,814</u>
Net Pension Liability-Ending (a) – (b)	<u>\$ 16,488,233</u>	<u>\$ 13,536,342</u>	<u>\$ 13,168,984</u>	<u>\$ 11,718,300</u>	<u>\$ 8,936,135</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	77.14%	79.59%	78.86%	80.15%	84.74%
Covered Employee Payroll	<u>\$ 12,952,981</u>	<u>\$ 12,812,918</u>	<u>\$ 11,663,535</u>	<u>\$ 10,730,277</u>	<u>\$ 10,622,900</u>
Net Pension Liability as a Percentage of Covered Employee Payroll	127.29%	105.65%	112.91%	109.21%	84.12%



Precision Experience Assurance

Purvis
Gray &
Company, LLP

Police Officers

Schedule of Changes in Net Position Liability and Related Ratios Multi-Year

Fiscal year ended September 30,

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total Pension Liability					
Service Cost	\$ 625,887	\$ 633,232	\$ 608,970	\$ 583,329	\$ 517,788
Interest on the Total Pension Liability	1,916,453	1,826,742	1,709,163	1,628,197	1,568,728
Benefit Changes					(2,590,277)
Difference Between Expected and Actual Experience	177,596	(458,370)	(393,421)	59,378	
Assumption Changes	1,221,310	675,123	776,974		
Benefit Payments	(1,161,010)	(1,176,786)	(1,211,452)	(1,263,089)	(1,275,228)
Refunds	(65,031)	(94,019)	(5,905)	(62,865)	(150,660)
Net Change in Total Pension Liability	<u>2,715,205</u>	<u>1,405,922</u>	<u>1,484,329</u>	<u>944,950</u>	<u>(1,929,649)</u>
Total Pension Liability-Beginning	<u>24,558,982</u>	<u>23,153,060</u>	<u>21,668,731</u>	<u>20,723,781</u>	<u>22,653,430</u>
Total Pension Liability-Ending (a)	<u>\$ 27,274,187</u>	<u>\$ 24,558,982</u>	<u>\$ 23,153,060</u>	<u>\$ 21,668,731</u>	<u>\$ 20,723,781</u>
Plan Fiduciary Net Position					
Employer and State Contributions	\$ 691,323	\$ 705,983	\$ 662,694	\$ 562,835	\$ 530,453
Employee Contributions	362,140	353,277	343,112	328,665	263,978
Pension Plan Net Investment Income	1,991,673	2,367,943	1,498,725	(29,363)	1,840,038
Benefit Payments	(1,161,010)	(1,176,786)	(1,211,452)	(1,263,089)	(1,275,228)
Refunds	(65,031)	(94,019)	(5,905)	(62,865)	(150,660)
Pension Plan Administrative Expenses	(88,504)	(80,293)	(66,704)	(71,518)	(81,366)
Other				(30,202)	(20,137)
Net Change in Plan Fiduciary Net Position	<u>1,730,591</u>	<u>2,076,105</u>	<u>1,220,470</u>	<u>(565,537)</u>	<u>1,107,078</u>
Plan Fiduciary Net Position-Beginning	<u>22,048,341</u>	<u>19,972,236</u>	<u>18,751,766</u>	<u>19,317,303</u>	<u>18,210,225</u>
Plan Fiduciary Net Position-Ending (b)	<u>\$ 23,778,932</u>	<u>\$ 22,048,341</u>	<u>\$ 19,972,236</u>	<u>\$ 18,751,766</u>	<u>\$ 19,317,303</u>
Net Pension Liability-Ending (a) – (b)	<u>\$ 3,495,255</u>	<u>\$ 2,510,641</u>	<u>\$ 3,180,824</u>	<u>\$ 2,916,965</u>	<u>\$ 1,406,478</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	87.18%	89.78%	86.26%	86.54%	93.21%
Covered Employee Payroll	<u>\$ 4,555,220</u>	<u>\$ 4,443,736</u>	<u>\$ 4,315,874</u>	<u>\$ 4,134,151</u>	<u>\$ 3,945,943</u>
Net Pension Liability as a Percentage of Covered Employee Payroll	76.73%	56.50%	73.70%	70.56%	35.64%



Precision Experience Assurance

Purvis
Gray &
Company, LLP

Fire Fighters

Schedule of Changes in Net Position Liability and Related Ratios Multi-Year

Fiscal year ended September 30,

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total Pension Liability					
Service Cost	\$ 306,120	\$ 302,339	\$ 281,750	\$ 245,288	\$ 246,636
Interest on the Total Pension Liability	1,207,186	1,096,691	993,524	951,607	912,823
Benefit Changes					(1,652,165)
Difference Between Expected and Actual Experience	188,875	216,068	33,751	117,343	
Assumption Changes	879,444	717,489	812,177		
Benefit Payments	(774,227)	(750,335)	(933,482)	(683,521)	(664,459)
Net Change in Total Pension Liability	<u>1,807,398</u>	<u>1,582,252</u>	<u>1,187,720</u>	<u>630,717</u>	<u>(1,157,165)</u>
Total Pension Liability-Beginning	<u>15,514,890</u>	<u>13,932,638</u>	<u>12,744,918</u>	<u>12,114,201</u>	<u>13,271,366</u>
Total Pension Liability-Ending (a)	<u>\$ 17,322,288</u>	<u>\$ 15,514,890</u>	<u>\$ 13,932,638</u>	<u>\$ 12,744,918</u>	<u>\$ 12,114,201</u>
Plan Fiduciary Net Position					
Employer and State Contributions	\$ 608,384	\$ 501,375	\$ 422,041	\$ 389,997	\$ 457,932
Employee Contributions	161,383	168,792	160,567	146,951	122,590
Pension Plan Net Investment Income	1,112,333	1,322,095	855,178	(33,549)	1,010,160
Benefit Payments	(774,227)	(750,335)	(933,482)	(683,521)	(664,459)
Pension Plan Administrative Expenses	(75,928)	(71,311)	(62,635)	(66,361)	(77,810)
Net Change in Plan Fiduciary Net Position	<u>1,031,945</u>	<u>1,170,616</u>	<u>441,669</u>	<u>(246,483)</u>	<u>848,413</u>
Plan Fiduciary Net Position-Beginning	<u>12,312,108</u>	<u>11,141,492</u>	<u>10,699,823</u>	<u>10,946,306</u>	<u>10,097,893</u>
Plan Fiduciary Net Position-Ending (b)	<u>\$ 13,344,053</u>	<u>\$ 12,312,108</u>	<u>\$ 11,141,492</u>	<u>\$ 10,699,823</u>	<u>\$ 10,946,306</u>
Net Pension Liability-Ending (a) – (b)	<u>\$ 3,978,235</u>	<u>\$ 3,202,782</u>	<u>\$ 2,791,146</u>	<u>\$ 2,045,095</u>	<u>\$ 1,167,895</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	77.03%	79.36%	79.97%	83.95%	90.36%
Covered Employee Payroll	<u>\$ 2,029,975</u>	<u>\$ 2,123,170</u>	<u>\$ 2,019,711</u>	<u>\$ 1,848,440</u>	<u>\$ 1,867,968</u>
Net Pension Liability as a Percentage of Covered Employee Payroll	195.97%	150.85%	138.20%	110.64%	62.52%



Precision Experience Assurance

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Schedule of Investment Returns

<u>Fiscal Year Ending September 30,</u>	<u>Annual Money-weighted Rate of Return, Net of Investment Expense</u>
2018	9.22%
2017	12.11%
2016	8.15%
2015	-0.35%
2014	10.22%
2013	11.97%
2012	16.52%
2011	-0.17%
2010	8.16%
2009	5.45%



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Questions?



Precision Experience Assurance

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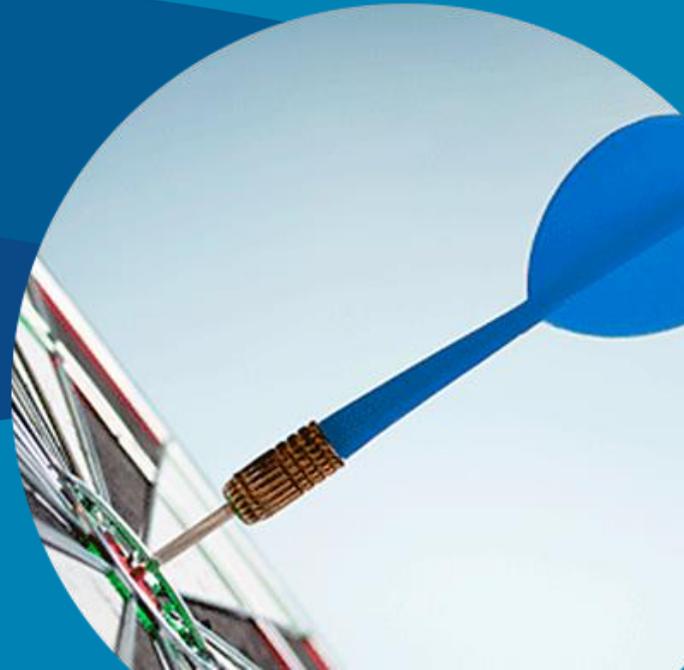
Agenda Item #6ci
Gabriel, Roeder, Smith and Company
(Brad Armstrong), Actuary
October 1, 2018 Sixty-Seventh Annual
Actuarial Valuations

City of Jacksonville Beach

October 1, 2018

Annual Actuarial Valuations

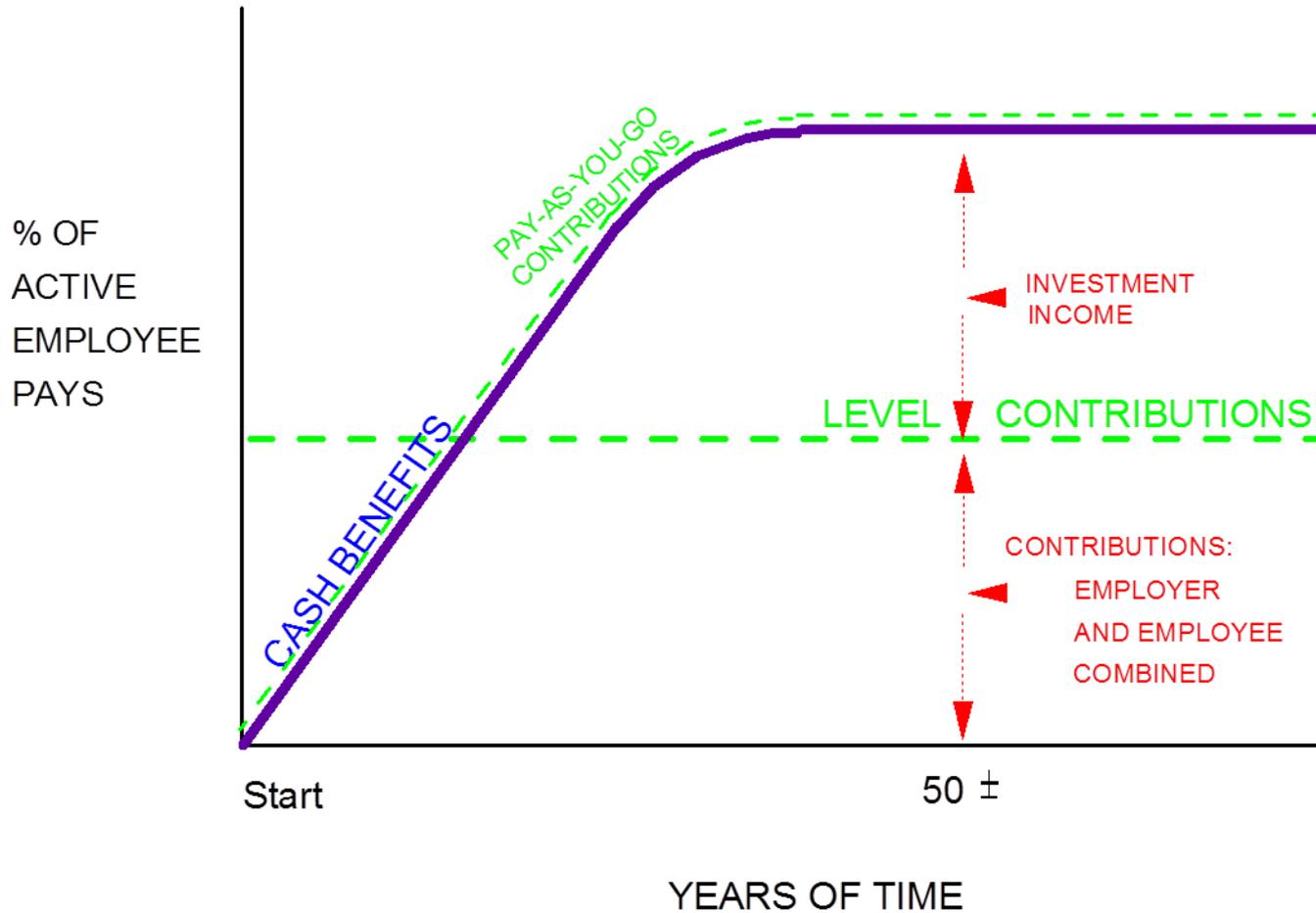
May 15, 2019



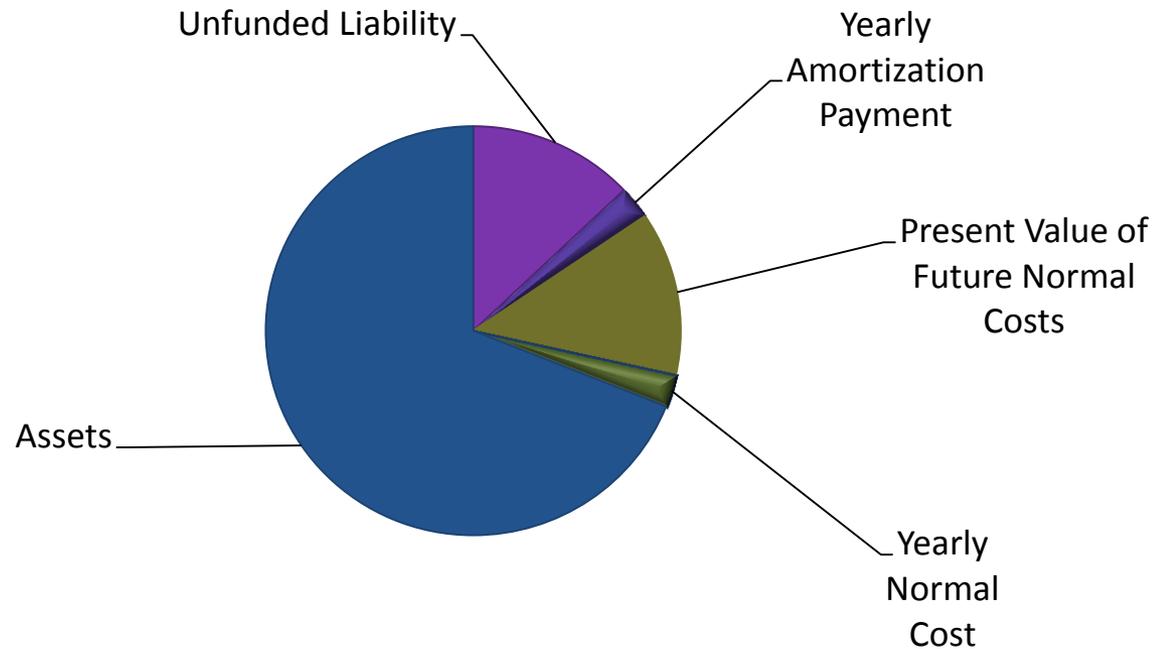
October 1, 2018 Actuarial Valuations

- October 1, 2018 actuarial valuations performed for the purposes of:
 - Determining annual required contributions for the fiscal year beginning October 1, 2019
 - Determining the funded ratios of the Systems as of October 1, 2018
 - Assessing certain risks and trends beyond the contributions and funded ratios

Financing Diagram



Present Value of Future Benefits



Retired and Vested Terminated Members

Retired Members

	General	Police	Fire
Number	192	37	24
Avg. Benefit	\$22,093	\$30,797	\$32,187
Annual Benefit	\$4,241,782	\$1,139,501	\$772,485

Vested Terminated Members

	General	Police	Fire
Number	10	4	0
Average Benefit	\$15,170	\$20,236	\$0
Deferred Annual Benefit	\$151,708	\$80,943	\$0

Active Members

Active Members

	General	Police	Fire
Number	240	61	30
Average Age	46.0 years	42.1 years	41.6 years
Average Service	9.8 years	11.4 years	13.8 years
Average Pay	\$53,172	\$72,972	\$71,774
Total Pay	\$12,761,296	\$4,451,301	\$2,153,226

Funding Value of Assets

- Reported market value is converted to a funding value of assets for valuation purposes.
- Funding value of assets recognizes assumed investment return of 7.75% for the 2018 valuation. Differences between market return and assumed return are phased-in over a closed 4-year period. This assumption will be decreased to 7.60% for the 2019 valuation and 7.50% for the 2020 valuation.

Funding Value of Assets (Values as of October 1)

	General				Police			
	2018	2019	2020	2021	2018	2019	2020	2021
Beginning of Year Values								
Market Value	\$52,771,855				\$22,048,341			
Funding Value	52,342,244				21,889,082			
End of Year								
Market Value	55,646,916				23,778,932			
Excess Investment Income Recognized								
Total Cap. Val. Change Recogn.	(327,058)	\$632,266	\$650,201	\$175,266	(134,272)	\$242,891	\$255,201	\$68,187
End of Year								
Funding Value	54,189,183				23,212,653			
Funding Value Rate of Return	7.3%				7.3%			
	Fire							
	2018	2019	2020	2021				
Beginning of Year Values								
Market Value	\$12,312,108							
Funding Value	12,223,477							
End of Year								
Market Value	13,344,201							
Excess Investment Income Recognized								
Total Cap. Val. Change Recogn.	(77,920)	\$137,088	\$141,849	\$37,462				
End of Year								
Funding Value	13,027,802							
Funding Value Rate of Return	7.3%							

Contributions for the Fiscal Year Beginning October 1, 2019

Contributions for	Contributions Expressed as Percents of Active Member Payroll		
	General	Police	Fire
<i>Normal Cost</i>			
Total Normal Cost	11.00 %	14.24 %	15.87 %
<i>Unfunded Actuarial Accrued Liability</i>			
Total Unfunded Actuarial Accrued Liability	11.91	9.59	20.48
<i>Administrative Expenses</i>	0.79	1.99	3.52
<i>Total Calculated Contribution Requirement</i>	23.70	25.82	39.87
<i>Adjustments to Calculated Contribution Requirement</i>			
Total Adjustments - FS 112.64(5) compliance	1.79	0.41	1.58
<i>Total Adjusted Contribution Requirement</i>	25.49	26.23	41.45
Member Portion	7.95	7.95	7.95
Estimated Chapter 185/175	N/A	4.27	6.63
City's Portion	17.54	14.01	26.87

Dollar Contributions for the Fiscal Year Beginning October 1, 2019

	General	Police	Fire
Total Contribution Requirement	\$ 3,375,594	\$ 1,211,632	\$ 926,189
Less Member Contributions	1,052,804	367,231	177,641
Total Employer Contribution Requirement	2,322,790	844,401	748,549
Less Estimated Chapter 185/175 Contributions	N/A	197,425	142,756
City's Contributions (paid quarterly)	2,322,790	646,976	605,793
City's Contributions (paid in full on October 1)	\$ 2,294,288	\$ 639,037	\$ 598,359

5-Year Projection of Employer Contributions

General

Year Ended 9/30	Active Count	Payroll	Benefit Payments	Actuarial Accrued Liability	Actuarial Value of Assets	Funded Ratio	Estimated City's Contributions		
							Fiscal Year	% of Payroll	Dollar Amount
2018	240	\$ 12,761,296	\$ 4,241,782	\$ 69,363,597	\$ 54,189,183	78.1%	2020	17.54%	\$ 2,322,790
2019	240	13,060,632	4,521,404	71,517,226	57,457,516	80.3%	2021	17.31%	2,346,732
2020	240	13,369,384	4,724,536	73,660,088	61,086,594	82.9%	2022	17.11%	2,374,207
2021	240	13,633,059	4,982,560	75,732,039	64,304,433	84.9%	2023	17.17%	2,429,344
2022	240	13,895,854	5,291,186	77,674,600	67,354,676	86.7%	2024	17.31%	2,495,957
2023	240	14,239,187	5,482,085	79,603,128	70,508,251	88.6%	2025	17.46%	2,579,310

Police

Year Ended 9/30	Active Count	Payroll	Benefit Payments	Actuarial Accrued Liability	Actuarial Value of Assets	Funded Ratio	Total Employer Contribution				
							Fiscal Year	% of Payroll	Dollar Amount	Less Estimated Chapter 185	Estimated City's Contributions
2018	61	\$ 4,451,301	\$ 1,139,501	\$ 26,046,658	\$ 23,212,653	89.1%	2020	18.28%	\$ 844,401	\$ 197,425	\$ 646,976
2019	61	4,531,040	1,251,774	27,426,493	25,037,304	91.3%	2021	17.76%	835,118	197,425	637,693
2020	61	4,632,368	1,366,959	28,802,253	26,975,361	93.7%	2022	17.23%	828,368	197,425	630,943
2021	61	4,736,879	1,444,993	30,212,061	28,797,426	95.3%	2023	17.04%	837,593	197,425	640,168
2022	61	4,797,018	1,564,395	31,609,575	30,579,809	96.7%	2024	16.82%	837,121	197,425	639,696
2023	61	4,853,428	1,750,822	32,921,337	32,296,741	98.1%	2025	16.57%	834,338	197,425	636,913

Fire

Year Ended 9/30	Active Count	Payroll	Benefit Payments	Actuarial Accrued Liability	Actuarial Value of Assets	Funded Ratio	Total Employer Contribution				
							Fiscal Year	% of Payroll	Dollar Amount	Less Estimated Chapter 175	Estimated City's Contributions
2018	30	\$ 2,153,226	\$ 772,485	\$ 16,887,961	\$ 13,027,802	77.1%	2020	33.50%	\$ 748,549	\$ 142,756	\$ 605,793
2019	30	2,156,835	843,413	17,675,325	14,082,917	79.7%	2021	32.79%	733,858	142,756	591,102
2020	30	2,211,126	910,717	18,454,227	15,239,762	82.6%	2022	31.10%	713,600	142,756	570,844
2021	30	2,268,531	932,225	19,276,661	16,344,252	84.8%	2023	30.87%	726,646	142,756	583,890
2022	30	2,297,360	968,990	20,124,994	17,473,141	86.8%	2024	29.34%	699,515	142,756	556,759
2023	30	2,347,695	1,016,344	20,990,412	18,607,512	88.6%	2025	29.00%	706,638	142,756	563,882

Observed Experience

- Funded ratios as of October 1, 2018 are:
 - 78.1% for General, an increase from 77.7% last year
 - 89.1% for Police Officers, an increase from 88.4% last year
 - 77.1% for Firefighters, a decrease from 77.6% last year
- General and Police had aggregate experience gains; Fire had an aggregate loss.

Risk Measures – General Employees

Actuarial Valuation Date (9/30)	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Unfunded AAL (UAAL) (2) - (1)	(4) Payroll	(5) Funded Ratio (1) / (2)	(6) Retiree Liabilities (RetLiab)	(7) RetLiab / AAL (6)/(2)	(8) AAL / Payroll (2) / (4)	(9) Assets / Payroll (1) / (4)	(10) UAAL / Payroll (3) / (4)	(11) Non-Invest. Cash Flow (NICF)	(12) NICF / Assets (11)/(1)	(13) Market Rate of Return	(14) 5-year Trailing Average
2014 *	\$ 47,138	\$ 57,746	\$ 10,608	\$ 10,663	81.6%	\$ 33,807	58.5%	541.6%	442.1%	99.5%	\$ (2,085)	(4.4)%	10.2%	N/A
2015 *	49,153	60,403	11,250	11,196	81.4%	35,460	58.7%	539.5%	439.0%	100.5%	(2,180)	(4.4)%	(0.3)%	N/A
2016 *	50,816	64,652	13,836	11,529	78.6%	38,671	59.8%	560.8%	440.8%	120.0%	(1,947)	(3.8)%	8.2%	N/A
2017 *	52,342	67,352	15,010	13,291	77.7%	39,655	58.9%	506.8%	393.8%	112.9%	(2,193)	(4.2)%	12.1%	N/A
2018 *	54,189	69,364	15,174	12,761	78.1%	41,787	60.2%	543.5%	424.6%	118.9%	(1,887)	(3.5)%	9.2%	7.8%

- Revised actuarial assumptions.

(5). The funded ratio is the most widely known measure of a plan's financial strength, but the trend in the funded ratio is much more important than the absolute ratio. The funded ratio should trend to 100%. As it approaches 100%, it is important to re-evaluate the level of investment risk in the portfolio and potentially to re-evaluate the assumed rate of return.

(6) and (7). The ratio of retiree liabilities to total accrued liabilities gives an indication of the maturity of the system. As the ratio increases, cash flow needs increase, and the liquidity needs of the portfolio change. A ratio on the order of 50% indicates a maturing system.

(8) and (9). The ratio of liabilities and assets to payroll gives an indication of both maturity and volatility. Many systems have ratios between 500% and 700%. Ratios significantly above that range may indicate difficulty in supporting the benefit level as a level % of payroll.

(10) The ratio of unfunded liability to payroll gives an indication of the plan sponsor's ability to actually pay off the unfunded liability. A ratio above approximately 300% or 400% may indicate difficulty in discharging the unfunded liability within a reasonable time frame.

(11) and (12). The ratio of Non-Investment Cash Flow to assets is an important measure of sustainability. Negative ratios are common and expected for a maturing system. In the longer term, this ratio should be on the order of approximately (4)%. A ratio that is significantly more negative than that for an extended period could be a leading indicator of potential exhaustion of assets.

(13) and (14). Investment return is probably the largest single risk that most systems face. The year-by-year return and the five-year geometric average both give an indication of the reasonableness of the system's assumed return. Of course past performance is not a guarantee of future results. Market rate shown is based on actuarial estimation method and will differ modestly from figures reported by the investment consultant.

Risk Measures – Police Officers

Actuarial Valuation Date (9/30)	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Unfunded AAL (UAAL) (2) - (1)	(4) Payroll	(5) Funded Ratio (1) / (2)	(6) Retiree Liabilities (RetLiab)	(7) RetLiab / AAL (6)/(2)	(8) AAL / Payroll (2) / (4)	(9) Assets / Payroll (1) / (4)	(10) UAAL / Payroll (3) / (4)	(11) Non-Invest. Cash Flow (NICF)	(12) NICF / Assets (11)/(1)	(13) Market Rate of Return	(14) 5-year Trailing Average
2014 *	\$ 18,367	\$ 20,779	\$ 2,412	\$3,946	88.4%	\$ 11,633	56.0%	526.6%	465.5%	61.1%	\$ (713)	(3.9)%	10.2%	N/A
2015 *	19,489	22,018	2,529	4,006	88.5%	11,739	53.3%	549.6%	486.5%	63.1%	(506)	(2.6)%	(0.3)%	N/A
2016 *	20,651	23,397	2,746	4,254	88.3%	11,256	48.1%	550.0%	485.4%	64.6%	(278)	(1.3)%	8.1%	N/A
2017 *	21,889	24,750	2,861	4,431	88.4%	11,055	44.7%	558.6%	494.0%	64.6%	(292)	(1.3)%	11.9%	N/A
2018 *	23,213	26,047	2,834	4,451	89.1%	10,876	41.8%	585.1%	521.5%	63.7%	(261)	(1.1)%	9.1%	7.7%

- Revised actuarial assumptions.

(5). The funded ratio is the most widely known measure of a plan's financial strength, but the trend in the funded ratio is much more important than the absolute ratio. The funded ratio should trend to 100%. As it approaches 100%, it is important to re-evaluate the level of investment risk in the portfolio and potentially to re-evaluate the assumed rate of return.

(6) and (7). The ratio of retiree liabilities to total accrued liabilities gives an indication of the maturity of the system. As the ratio increases, cash flow needs increase, and the liquidity needs of the portfolio change. A ratio on the order of 50% indicates a maturing system.

(8) and (9). The ratio of liabilities and assets to payroll gives an indication of both maturity and volatility. Many systems have ratios between 500% and 700%. Ratios significantly above that range may indicate difficulty in supporting the benefit level as a level % of payroll.

(10) The ratio of unfunded liability to payroll gives an indication of the plan sponsor's ability to actually pay off the unfunded liability. A ratio above approximately 300% or 400% may indicate difficulty in discharging the unfunded liability within a reasonable time frame.

(11) and (12). The ratio of Non-Investment Cash Flow to assets is an important measure of sustainability. Negative ratios are common and expected for a maturing system. In the longer term, this ratio should be on the order of approximately (4)%. A ratio that is significantly more negative than that for an extended period could be a leading indicator of potential exhaustion of assets.

(13) and (14). Investment return is probably the largest single risk that most systems face. The year-by-year return and the five-year geometric average both give an indication of the reasonableness of the system's assumed return. Of course past performance is not a guarantee of future results. Market rate shown is based on actuarial estimation method and will differ modestly from figures reported by the investment consultant.

Risk Measures – Firefighters

Actuarial Valuation Date (9/30)	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Unfunded AAL (UAAL) (2) - (1)	(4) Payroll	(5) Funded Ratio (1) / (2)	(6) Retiree Liabilities (RetLiab)	(7) RetLiab / AAL (6)/(2)	(8) AAL / Payroll (2) / (4)	(9) Assets / Payroll (1) / (4)	(10) UAAL / Payroll (3) / (4)	(11) Non-Invest. Cash Flow (NICF)	(12) NICF / Assets (11)/(1)	(13) Market Rate of Return	(14) 5-year Trailing Average
2014 *	\$ 10,438	\$ 12,223	\$ 1,785	\$ 1,868	85.4%	\$ 7,076	57.9%	654.3%	558.8%	95.6%	\$ (162)	(1.5)%	10.1%	N/A
2015 *	11,135	13,520	2,385	1,848	82.4%	7,160	53.0%	731.4%	602.4%	129.0%	(213)	(1.9)%	(0.3)%	N/A
2016 *	11,526	14,796	3,270	2,052	77.9%	7,293	49.3%	721.0%	561.7%	159.4%	(414)	(3.6)%	8.1%	N/A
2017 *	12,223	15,748	3,525	2,162	77.6%	7,145	45.4%	728.5%	565.4%	163.1%	(151)	(1.2)%	11.9%	N/A
2018 *	13,028	16,888	3,860	2,153	77.1%	7,630	45.2%	784.3%	605.0%	179.3%	(80)	(0.6)%	9.1%	7.7%

• Revised actuarial assumptions.

(5). The funded ratio is the most widely known measure of a plan's financial strength, but the trend in the funded ratio is much more important than the absolute ratio. The funded ratio should trend to 100%. As it approaches 100%, it is important to re-evaluate the level of investment risk in the portfolio and potentially to re-evaluate the assumed rate of return.

(6) and (7). The ratio of retiree liabilities to total accrued liabilities gives an indication of the maturity of the system. As the ratio increases, cash flow needs increase, and the liquidity needs of the portfolio change. A ratio on the order of 50% indicates a maturing system.

(8) and (9). The ratio of liabilities and assets to payroll gives an indication of both maturity and volatility. Many systems have ratios between 500% and 700%. Ratios significantly above that range may indicate difficulty in supporting the benefit level as a level % of payroll.

(10) The ratio of unfunded liability to payroll gives an indication of the plan sponsor's ability to actually pay off the unfunded liability. A ratio above approximately 300% or 400% may indicate difficulty in discharging the unfunded liability within a reasonable time frame.

(11) and (12). The ratio of Non-Investment Cash Flow to assets is an important measure of sustainability. Negative ratios are common and expected for a maturing system. In the longer term, this ratio should be on the order of approximately (4)%. A ratio that is significantly more negative than that for an extended period could be a leading indicator of potential exhaustion of assets.

(13) and (14). Investment return is probably the largest single risk that most systems face. The year-by-year return and the five-year geometric average both give an indication of the reasonableness of the system's assumed return. Of course past performance is not a guarantee of future results. Market rate shown is based on actuarial estimation method and will differ modestly from figures reported by the investment consultant.

Disclaimers

- This presentation is intended to be used in conjunction with the General, Police and Fire actuarial valuation reports issued on April 15, 2019, April 17, 2019, and April 17, 2019, respectively. This presentation should not be relied on for any purpose other than the purpose described in the valuation reports.
- This presentation shall not be construed to provide tax advice, legal advice or investment advice.

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Agenda Item #6di
AndCo Consulting (Dan Johnson),
Investment Consultant
March 31, 2019 Quarterly Investment
Performance Report

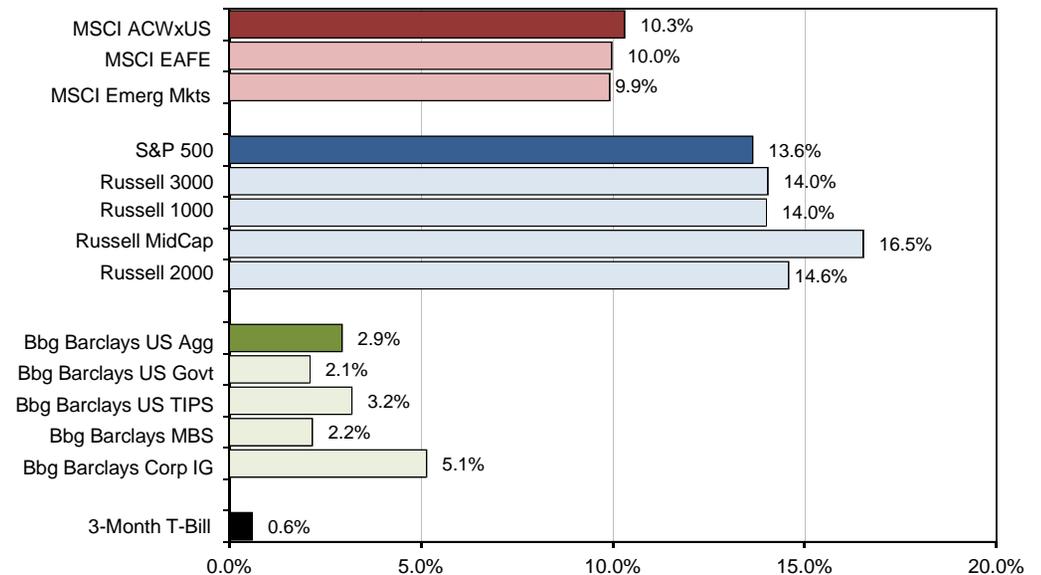
Investment Performance Review
Period Ending March 31, 2019

Jacksonville Beach Retirement Systems

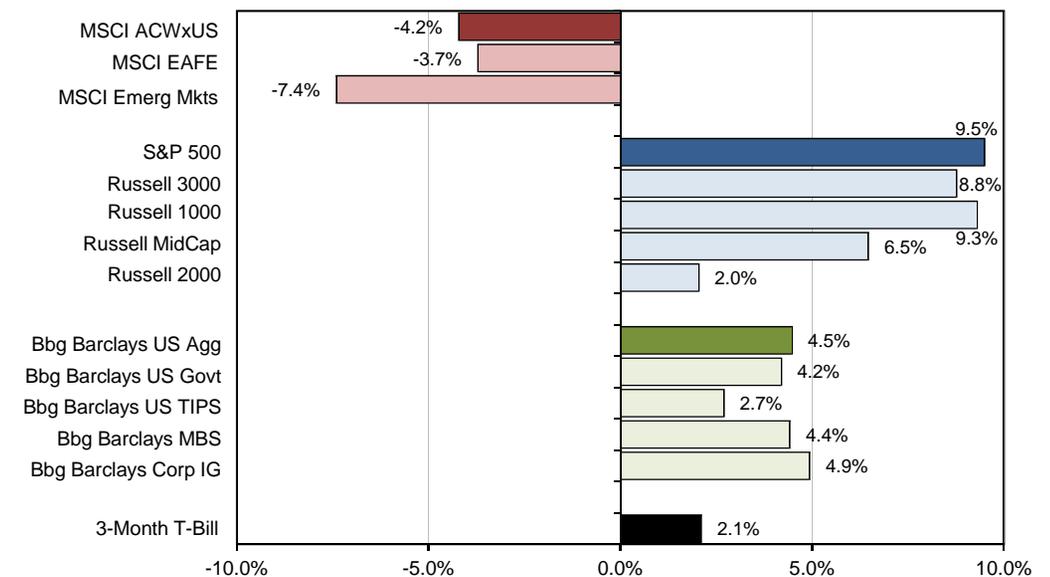


- After a difficult end to 2018, markets rebounded strongly during the 1st quarter of 2019 with higher risk assets posting the greatest returns. Broad international and domestic equity markets had double-digit gains during the period as investors overlooked signs of weakening global growth in favor of increased accommodation in global monetary policy and progress in global trade negotiations. While muted relative to equities, fixed income returns were also positive during the quarter. Within equities, domestic stocks outperformed international markets. US markets pushed higher as the US Federal Reserve (Fed) shifted their stance on monetary policy toward a more accommodative posture, the US and China moved closer to a resolution of their ongoing trade dispute and the partial government shutdown that began in December came to an end. The large cap S&P 500 Index returned 13.6% during the quarter while the small cap Russell 2000 Index gained 14.6% for the period. US equity returns over the 1-year period are positive with the S&P 500 appreciating 9.5% while the Russell 2000 posted a more modest gain of 2.0%.
- Similar to US markets, international equity investors were encouraged by a general easing in central bank monetary policy, including new stimulus measures in Europe and China, as well as the de-escalation of trade tensions with the US. Despite the continued softening in global macroeconomic data and the lack of certainty around Brexit, international equity index returns finished the quarter in positive territory with the MSCI ACWI ex US Index returning 10.3%. The developed market MSCI EAFE Index and the MSCI Emerging Markets Index had similar performance during the 1st quarter returning 10.0% and 9.9% respectively. Despite the strong quarter, returns over the 1-year period remain negative with developed markets falling -3.7%, outperforming emerging markets which fell -7.4%.
- Fixed income securities underperformed equities to start 2019 with the broad market Bloomberg Barclays Aggregate Index returning 2.9%. Interest rates fell for all maturities across the US Treasury Yield Curve as Fed guidance signaled a pause in monetary policy tightening through 2019. Interest rates in the middle of the curve saw the greatest declines causing the curve to invert with shorter-term maturities paying higher interest rates than those in the middle of the curve. This has historically preceded a recession by 6-24 months. Investment grade corporate issues were the best performing securities this quarter, outperforming Treasury and securitized issues. The Bloomberg Barclays Corporate IG Index returned 5.1% for the period, as corporate credit had tailwinds due to its greater interest rate sensitivity, higher yields and tightening credit spreads. Corporate issues also outperformed the other major fixed income sectors over the 1-year period, returning 4.9% versus a 4.5% return for the Bloomberg Barclays Aggregate Index.

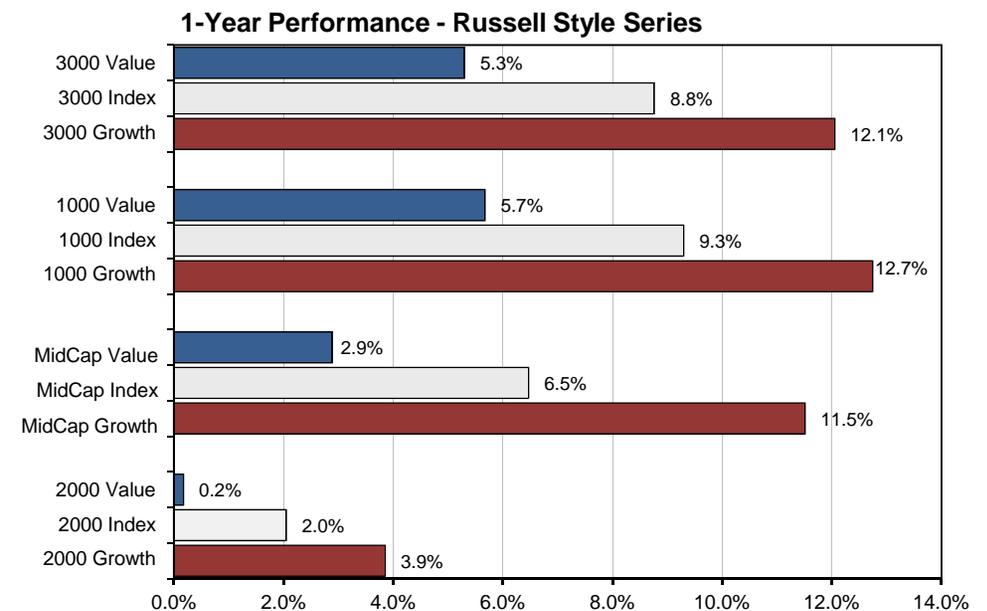
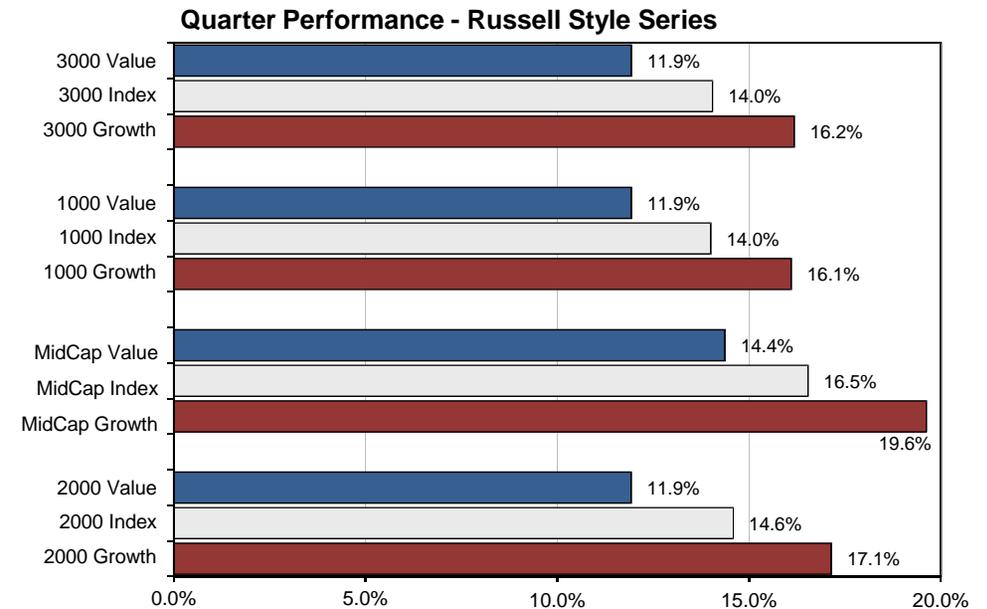
Quarter Performance



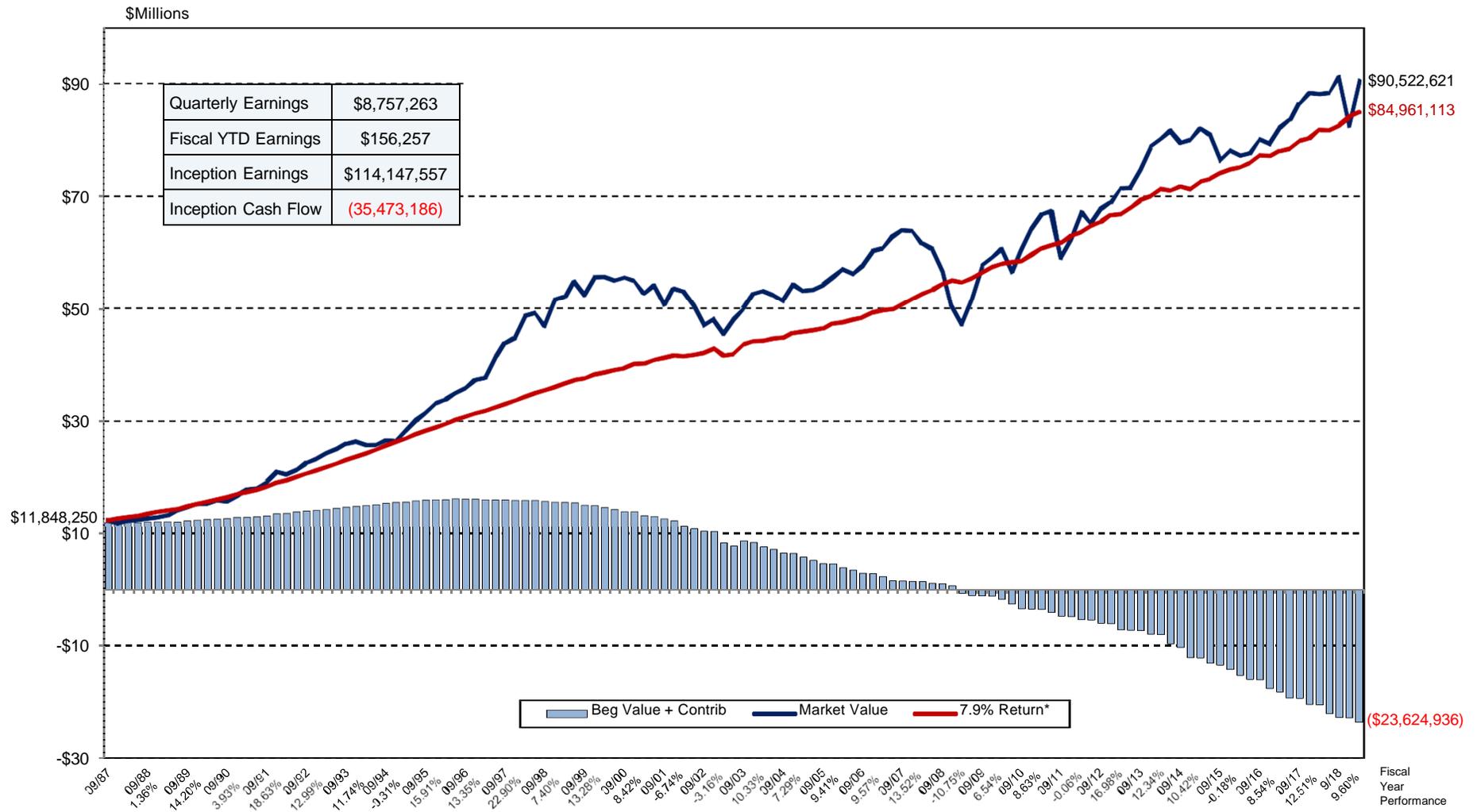
1-Year Performance



- US equity index returns were strongly positive across the style and capitalization spectrum to start the year with all indices posting double digit returns. Macroeconomic data released during the quarter was mixed with disappointing data released late in the quarter for GDP and employment being particularly notable. Even though earnings reported during the period were viewed favorably, many companies provided negative forward earnings guidance due to slowing global growth, trade concerns and the fading effects of US tax reform. However, investor concerns over the economy were overshadowed by positive developments in trade negotiations with China and an accommodative shift in Fed monetary policy. With regards to trade, President Trump delayed the implementation of new Chinese tariffs scheduled for March 1st citing substantial progress in ongoing discussions. Stocks also rallied on Fed guidance to put further monetary policy tightening on hold as they lowered projections for growth and inflation. Lastly, we saw the end of the partial government shutdown that began in December due to a partisan disagreement over funds for the construction of a border wall with Mexico. While the spending bill that passed did not budget for the wall, President Trump declared a national state of emergency later in the quarter in order to secure the needed funding.
- During the quarter, mid cap stocks were the best performers while small cap stocks outperformed large cap equities across growth, value and core indices. The Russell MidCap Index gained 16.5% during the period versus a 14.6% return for the small cap Russell 2000 Index and a 14.0% gain on the large cap Russell 1000 Index. Part of the reason for strength in small cap names is the projected hold on interest rate increases that occurred over 2018 as small and mid-cap companies typically maintain higher percentages of debt than their large cap peers. Small and mid-cap companies are usually more domestically focused which will serve as a tailwind in periods where the US economy is on stronger footing than international markets. It is also not unusual for smaller market cap stocks to outperform in risk-on market environments. When viewed over the most recent 1-year period, large cap stocks outperformed relative to small cap stocks. The Russell 1000 returned 9.3% for the year while the Russell 2000 gained only 2.0%.
- Growth indices outperformed value indices across the market cap spectrum during the 1st quarter. Growth stocks have outperformed value in all but one quarter over the last two years. The Russell MidCap Growth Index was the best performing style index for the period, returning 19.6% for the quarter. The large cap and small cap value indices had the lowest relative returns, both gaining 11.9%. The trend of growth outperformance is also visible over the 1-year period as growth indices have benefitted from larger exposures to technology which has been a large driver of index performance over the last year, as well as a meaningful underweight to financials which has been a relative detractor.



Total Portfolio Growth & Cash Flow
Total Fund
 As of March 31, 2019



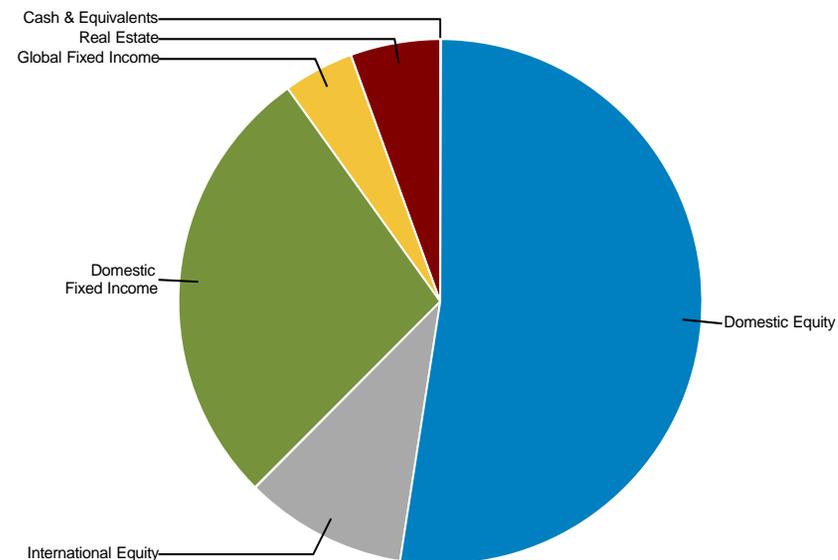
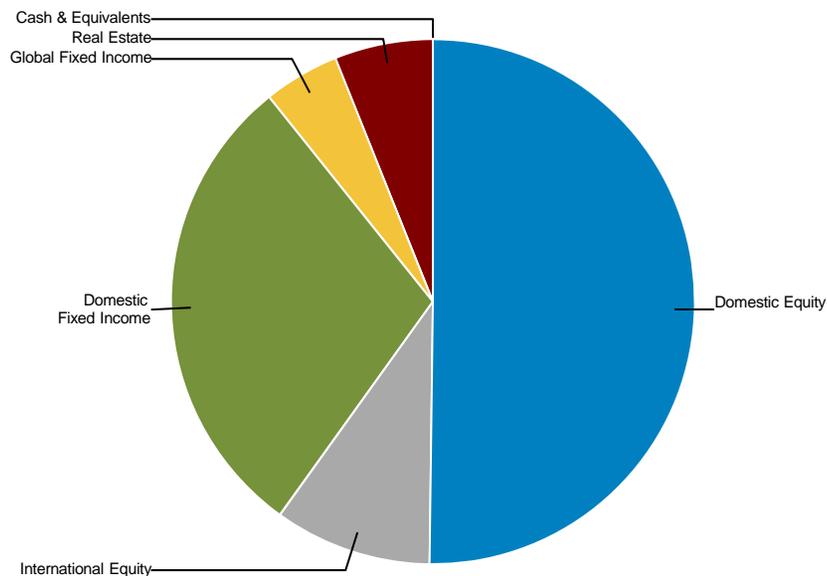
Fiscal 1988 to Present (31.50 yrs) Annualized Return = 8.02%

*The 7.9% hypothetical portfolio growth rate was calculated using a "beginning of period" cash flow assumption. The assumed rate of return was changed from 8% to 7.9% effective 10/01/2016.



December 31, 2018 : \$82,531,910

March 31, 2019 : \$90,522,621



Allocation			Allocation		
	Market Value	Allocation		Market Value	Allocation
Domestic Equity	41,437,514	50.2	Domestic Equity	47,485,445	52.5
International Equity	8,024,212	9.7	International Equity	9,075,883	10.0
Domestic Fixed Income	24,190,096	29.3	Domestic Fixed Income	24,993,252	27.6
Global Fixed Income	3,862,212	4.7	Global Fixed Income	3,939,831	4.4
Real Estate	5,015,514	6.1	Real Estate	5,025,836	5.6
Cash & Equivalents	2,363	0.0	Cash & Equivalents	2,376	0.0



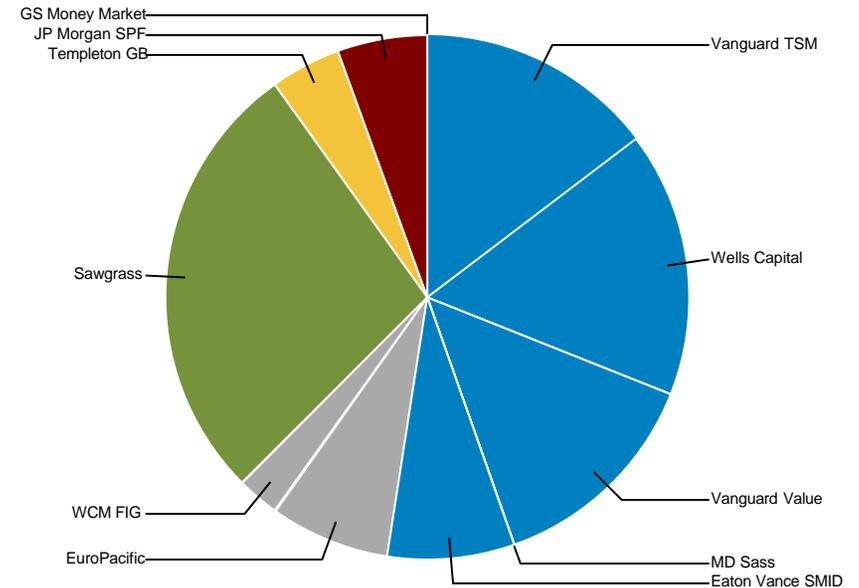
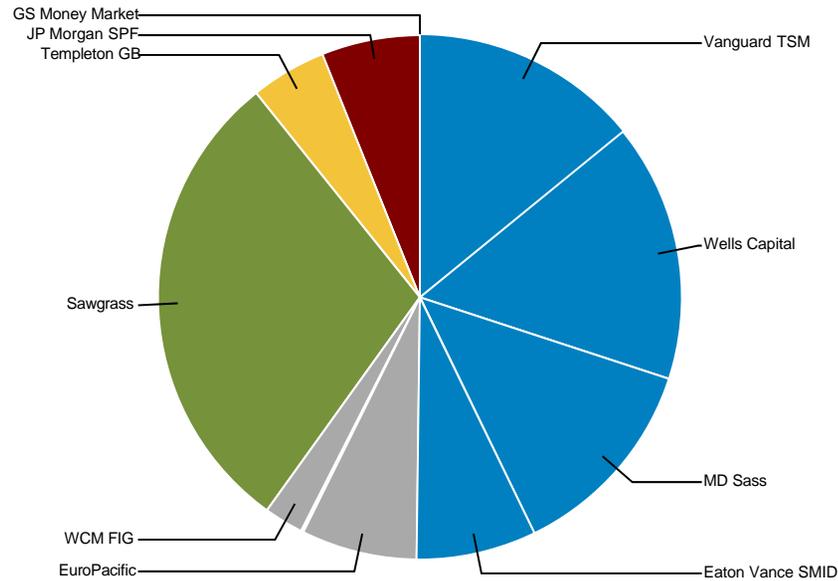
Asset Allocation By Manager

Total Fund

As of March 31, 2019

December 31, 2018 : \$82,531,910

March 31, 2019 : \$90,522,621



Allocation			Allocation		
	Market Value	Allocation		Market Value	Allocation
🚩 Vanguard TSM	11,639,909	14.1	🚩 Vanguard TSM	13,274,497	14.7
🚩 Wells Capital	13,141,840	15.9	🚩 Wells Capital	14,808,344	16.4
🚩 Vanguard Value	-	0.0	🚩 Vanguard Value	12,310,774	13.6
🚩 MD Sass	10,539,215	12.8	🚩 MD Sass	60	0.0
🚩 Eaton Vance SMID	6,116,550	7.4	🚩 Eaton Vance SMID	7,091,770	7.8
🚩 EuroPacific	5,892,887	7.1	🚩 EuroPacific	6,670,921	7.4
🚩 WCM FIG	2,131,325	2.6	🚩 WCM FIG	2,404,961	2.7
🚩 Sawgrass	24,190,096	29.3	🚩 Sawgrass	24,993,252	27.6
🚩 Templeton GB	3,862,212	4.7	🚩 Templeton GB	3,939,831	4.4
🚩 JP Morgan SPF	5,015,514	6.1	🚩 JP Morgan SPF	5,025,836	5.6
🚩 GS Money Market	2,363	0.0	🚩 GS Money Market	2,376	0.0



Financial Reconciliation
Total Fund
1 Quarter Ending March 31, 2019

Financial Reconciliation Quarter to Date	Market Value 01/01/2019	Net Transfers	Contributions	Distributions	Management Fees	Other Expenses	Income	Apprec./ Deprec.	Market Value 03/31/2019
Total Equity	49,461,726	-700,000	-	-	-32,828	-3,133	187,695	7,647,868	56,561,327
Total Domestic Equity	41,437,514	-700,000	-	-	-32,828	-3,133	187,695	6,596,198	47,485,445
Vanguard Total Stk Mkt Index (VITSX)	11,639,909	-	-	-	-	-	70,402	1,564,186	13,274,497
Wells Capital	13,141,840	-700,000	-	-	-18,337	-2,352	25,271	2,361,921	14,808,344
Vanguard Value Index (VIVIX)	-	12,293,807	-	-	-	-	83,365	-66,398	12,310,774
MD Sass	10,539,215	-12,293,807	-	-	-14,491	-781	8,656	1,761,268	60
Eaton Vance Atlanta Capital SMID-Cap R6 (ERASX)	6,116,550	-	-	-	-	-	-	975,220	7,091,770
Total International Equity	8,024,212	-	-	-	-	-	-	1,051,671	9,075,883
EuroPacific Growth Fund (RERGX)	5,892,887	-	-	-	-	-	-	778,034	6,670,921
WCM Focused Int'l Growth (WCMIX)	2,131,325	-	-	-	-	-	-	273,637	2,404,961
Total Fixed Income	28,052,308	-	-	-	-15,122	-3,134	265,634	633,396	28,933,082
Total Domestic Fixed Income	24,190,096	-	-	-	-15,122	-3,134	204,417	616,994	24,993,252
Sawgrass	24,190,096	-	-	-	-15,122	-3,134	204,417	616,994	24,993,252
Total Global Fixed Income	3,862,212	-	-	-	-	-	61,217	16,402	3,939,831
Templeton Global Bond (FBNRX)	3,862,212	-	-	-	-	-	61,217	16,402	3,939,831
Total Real Estate	5,015,514	-	-	-	-12,335	-	-	22,657	5,025,836
JP Morgan Strategic Property Fund	5,015,514	-	-	-	-12,335	-	-	22,657	5,025,836
Goldman Sachs Fin Sq Money Market	2,363	700,000	-	-700,000	-	-	12	-	2,376
Total Fund	82,531,910	-	-	-700,000	-60,285	-6,267	453,341	8,303,921	90,522,621



Comparative Performance Trailing Returns

	QTR	FYTD	1 YR	3 YR	5 YR	7 YR	10 YR	Inception	Inception Date
Total Fund (Gross)	10.63 (9)	0.19 (52)	6.35 (8)	8.99 (24)	6.43 (27)	7.80 (29)	10.03 (40)	5.79 (48)	07/01/1999
Total Fund Policy	9.01 (56)	0.83 (28)	6.18 (12)	8.70 (38)	6.82 (7)	7.70 (34)	9.91 (45)	5.56 (65)	
All Public Plans-Total Fund Median	9.25	0.22	4.63	8.41	5.90	7.39	9.82	5.79	
Total Fund (Net)	10.55	0.05	6.03	8.67	6.13	7.48	9.70	5.47	07/01/1999
Total Fund Policy	9.01	0.83	6.18	8.70	6.82	7.70	9.91	5.56	
Total Equity	15.88	-2.14	7.08	12.54	8.32	10.91	14.61	5.75	07/01/1999
Total Equity Policy	13.43	-2.23	6.60	12.69	9.12	11.36	14.68	5.53	
Total Domestic Equity	16.41 (6)	-2.34 (49)	9.13 (30)	13.05 (44)	9.14 (77)	11.78 (72)	15.67 (49)	5.63 (94)	07/01/1999
Total Domestic Equity Policy	14.04 (30)	-2.27 (47)	8.77 (35)	13.49 (34)	10.36 (50)	12.63 (54)	15.85 (43)	5.72 (92)	
IM U.S. Large Cap Core Equity (SA+CF) Median	13.18	-2.42	7.67	12.83	10.35	12.74	15.57	6.78	
Vanguard Total Stk Mkt Index (VITSX)	14.04 (31)	-2.22 (35)	8.81 (16)	13.52 (11)	10.34 (9)	N/A	N/A	12.31 (12)	04/01/2013
Vanguard Total Stock Market Index	14.06 (31)	-2.20 (34)	8.82 (16)	13.53 (10)	10.35 (8)	12.62 (11)	16.07 (11)	12.32 (12)	
IM U.S. Multi-Cap Core Equity (MF) Median	13.30	-3.12	5.52	11.47	8.21	11.05	14.40	10.61	
Wells Capital	18.33 (15)	-1.36 (47)	14.33 (31)	18.36 (22)	N/A	N/A	N/A	12.91 (46)	06/01/2014
Russell 1000 Growth Index	16.10 (46)	-2.34 (61)	12.75 (47)	16.53 (45)	13.50 (38)	14.34 (39)	17.52 (36)	13.27 (40)	
IM U.S. Large Cap Growth Equity (SA+CF) Median	15.89	-1.59	12.41	16.24	12.74	13.85	16.89	12.62	
Vanguard Value Index (VIVIX)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.57 (46)	03/01/2019
Russell 1000 Value Index	11.93 (40)	-1.19 (22)	5.67 (33)	10.45 (47)	7.72 (32)	11.14 (18)	14.52 (24)	0.64 (41)	
IM U.S. Large Cap Value Equity (MF) Median	11.56	-2.83	4.23	10.28	7.12	10.23	13.41	0.49	
Eaton Vance Atlanta Capital SMID-Cap R6 (ERASX)	15.94 (24)	-2.99 (38)	8.61 (5)	13.88 (7)	12.39 (2)	13.80 (1)	N/A	15.20 (1)	09/01/2011
Russell 2500 Index	15.82 (26)	-5.59 (79)	4.48 (28)	12.56 (11)	7.79 (24)	11.36 (18)	16.23 (10)	12.55 (16)	
IM U.S. Mid Cap Core Equity (MF) Median	14.58	-3.59	2.76	9.32	6.19	9.77	14.21	10.90	

Returns for periods greater than one year are annualized. Returns are expressed as percentages.
Long-term results are a blend of A-share returns up to 3/1/2010 and then R6-share returns.



Comparative Performance

Total Fund

As of March 31, 2019

	QTR	FYTD	1 YR	3 YR	5 YR	7 YR	10 YR	Inception	Inception Date
Total International Equity	13.11 (1)	-1.07 (4)	-2.76 (14)	9.85 (3)	4.20 (6)	6.60 (8)	9.54 (19)	6.11 (16)	07/01/1999
Total International Equity Policy	10.44 (27)	-2.16 (12)	-3.74 (19)	8.61 (7)	3.05 (17)	5.21 (45)	8.98 (29)	4.07 (33)	
IM International Multi-Cap Core Equity (MF) Median	10.05	-4.04	-5.57	6.64	2.14	5.08	8.41	3.70	
EuroPacific Growth Fund (RERGX)	13.20 (1)	-1.05 (4)	-4.66 (37)	9.33 (5)	4.27 (6)	6.88 (6)	9.91 (14)	3.62 (7)	06/01/2007
Total International Equity Policy	10.44 (27)	-2.16 (12)	-3.74 (19)	8.61 (7)	3.05 (17)	5.21 (45)	8.98 (29)	1.31 (36)	
IM International Multi-Cap Core Equity (MF) Median	10.05	-4.04	-5.57	6.64	2.14	5.08	8.41	0.90	
WCM Focused Int'l Growth (WCMIX)	12.84 (41)	-1.12 (36)	2.77 (14)	11.26 (2)	N/A	N/A	N/A	7.90 (1)	06/01/2015
MSCI AC World ex USA	10.44 (92)	-2.16 (50)	-3.74 (44)	8.61 (32)	3.05 (48)	5.21 (55)	9.35 (41)	3.20 (37)	
IM International Large Cap Growth Equity (MF) Median	12.38	-2.16	-4.57	7.33	2.93	5.33	9.10	2.20	
Total Fixed Income	3.21	4.76	4.91	2.90	2.95	2.84	4.09	4.94	07/01/1999
Total Fixed Income Policy	2.45	4.52	3.60	1.56	2.39	2.07	3.12	4.60	
Total Domestic Fixed Income	3.40 (28)	4.92 (21)	5.35 (6)	2.68 (40)	3.06 (54)	2.80 (65)	4.06 (83)	4.93 (84)	07/01/1999
Total Domestic Fixed Income Policy	2.57 (94)	4.69 (43)	4.48 (79)	1.65 (100)	2.64 (95)	2.28 (99)	3.29 (100)	4.68 (99)	
IM U.S. Broad Market Core Fixed Income (SA+CF) Median	3.22	4.65	4.71	2.53	3.10	2.94	4.66	5.24	
Sawgrass	3.40 (28)	4.92 (21)	5.35 (6)	2.68 (40)	3.05 (54)	2.80 (65)	4.06 (83)	4.46 (78)	07/01/2002
BofA Merrill Lynch Domestic Master A or Better	2.57 (94)	4.69 (43)	4.48 (79)	1.65 (100)	2.64 (95)	2.28 (99)	3.29 (100)	4.09 (98)	
IM U.S. Broad Market Core Fixed Income (SA+CF) Median	3.22	4.65	4.71	2.53	3.10	2.94	4.66	4.70	
Total Global Fixed Income	2.01 (86)	3.79 (27)	2.19 (39)	4.33 (12)	2.03 (32)	3.08 (18)	N/A	3.45 (19)	12/01/2010
Total Global Fixed Income Policy	1.74 (89)	3.53 (40)	-1.57 (76)	0.95 (88)	0.59 (85)	0.52 (87)	N/A	1.33 (82)	
IM Global Fixed Income (MF) Median	3.10	3.22	0.24	2.25	1.31	1.70	3.95	2.38	
Templeton Global Bond (FBNRX)	2.01 (86)	3.79 (27)	2.19 (39)	4.33 (12)	2.03 (32)	3.08 (18)	N/A	3.45 (19)	12/01/2010
FTSE World Government Bond Index	1.74 (89)	3.53 (40)	-1.57 (76)	0.95 (88)	0.59 (85)	0.52 (87)	2.20 (95)	1.33 (82)	
IM Global Fixed Income (MF) Median	3.10	3.22	0.24	2.25	1.31	1.70	3.95	2.38	
Total Real Estate	0.45 (100)	2.28 (98)	6.19 (98)	7.36 (87)	N/A	N/A	N/A	7.81 (N/A)	11/01/2015
NCREIF Fund Index-Open End Diversified Core (EW)	1.68 (71)	3.32 (80)	7.73 (68)	8.17 (59)	10.34 (57)	10.81 (65)	8.46 (77)	8.74 (N/A)	
IM U.S. Open End Private Real Estate (SA+CF) Median	1.93	3.68	8.23	8.47	10.49	11.38	9.65	N/A	
JP Morgan Strategic Property Fund	0.45 (100)	2.28 (98)	6.19 (98)	7.36 (87)	N/A	N/A	N/A	7.81 (N/A)	11/01/2015
NCREIF Fund Index-Open End Diversified Core (EW)	1.68 (71)	3.32 (80)	7.73 (68)	8.17 (59)	10.34 (57)	10.81 (65)	8.46 (77)	8.74 (N/A)	
IM U.S. Open End Private Real Estate (SA+CF) Median	1.93	3.68	8.23	8.47	10.49	11.38	9.65	N/A	

Returns for periods greater than one year are annualized. Returns are expressed as percentages. Long-term results are a blend of A-share returns up to 3/1/2010 and then R6-share returns.



Fee Analysis
Total Fund
As of March 31, 2019

	Estimated Annual Fee (%)	Market Value (\$)	Estimated Annual Fee (\$)	Fee Schedule
Vanguard Total Stk Mkt Index (VITSX)	0.04	13,274,497	5,310	0.04 % of Assets
Wells Capital	0.66	14,808,344	97,735	0.66 % of First \$50 M 0.60 % of Next \$50 M 0.55 % Thereafter
Vanguard Value Index (VIVIX)	0.04	12,310,774	4,924	0.04 % of Assets
Eaton Vance Atlanta Capital SMID-Cap R6 (ERASX)	0.84	7,091,770	59,571	0.84 % of Assets
Total Domestic Equity	0.35	47,485,445	167,540	
EuroPacific Growth Fund (RERGX)	0.49	6,670,921	32,688	0.49 % of Assets
WCM Focused Int'l Growth (WCMIX)	1.03	2,404,961	24,771	1.03 % of Assets
Total International Equity	0.63	9,075,883	57,459	
Sawgrass	0.25	24,993,252	62,483	0.25 % of Assets
Total Domestic Fixed Income	0.25	24,993,252	62,483	
Templeton Global Bond (FBNRX)	0.56	3,939,831	22,063	0.56 % of Assets
Total Global Fixed Income	0.56	3,939,831	22,063	
JP Morgan Strategic Property Fund	1.00	5,025,836	50,258	1.00 % of Assets
Total Real Estate	1.00	5,025,836	50,258	
Total Cash & Equivalents*		2,376		
Total Fund	0.40	90,522,621	359,804	

*Manager fees associated with money market or cash accounts are not tracked.



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Agenda Item #7a
2020 Proposed Annual Budgets

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Jacksonville Beach
City Hall
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www.jacksonvillebeach.org

MEMORANDUM

TO: Board of Trustees
City of Jacksonville Beach General Employees' Retirement Plan
City of Jacksonville Beach Police Officers' Retirement Plan
City of Jacksonville Beach Firefighters' Retirement Plan

FROM: Duston Scott, Pension Plan Administrator

SUBJECT: 2020 Recommended Annual Operating Budgets

DATE: May 6, 2019

Attached are the proposed 2020 operating budgets for the City of Jacksonville Beach General Employees' Retirement Plan, Police Officers' Retirement Plan and Firefighters' Retirement Plan. The budgets were prepared using the following assumptions:

Revenues:

Investment Earnings – Estimated at 7.0% (7.75% actuarial assumption).

Member Contributions – Based on pension contribution factors (General, Police, and Fire 7.95%) times estimated payroll.

City Contributions – Amount provide by actuary - 11% increase in General, 13% increase in Police, and 23% increase in Fire.

Tax Revenues – Based on estimate provided by actuary.

Expenses:

Personal Services – Allocation of the Pension Plan Administrator's salary (General 38.73%, Police 13.75%, and Fire 9.02%).

Actuarial Services – 25% increase, \$7,500 of which is (\$2,500 each plan) for pension projection software update

Legal Fees – No projected increase.

Contract Services – Increase in fees due to increase in total portfolio

Pension Benefits – Current year benefits paid plus new retirees projected to begin receiving benefits and Back-DROP.



Memo

Page 2 of 2

Overall, the General Employees' Retirement Plan budget expenses are consistent with last year, the Police Officers' Retirement Plan budgeted expenses are 15% less than last year due to two large back-DROP expenditures that were budgeted in prior year and not include in this year, and the Firefighters' Retirement Plan budget expenditures are up 23% due to an increase in pension benefits due the retirement of the Fire Chief and other potential retirements.

RECOMMENDATION

Recommend approval of the 2019/2020 annual operating budgets for the City of Jacksonville Beach General Employees' Retirement Plan, Police Officers' Retirement Plan and Firefighters' Retirement Plan.

**ALL PENSION FUNDS
SUMMARY OF REVENUES AND EXPENSES**

	Actual	Actual	Actual	Budget	Proposed	Increase (Decrease)	% Change
	2016	2017	2018	2019	Budget 2020		
REVENUES							
TAXES	428,480	408,851	354,410	361,425	340,181	(21,244)	-5.88%
Pooled Interest	10,125	6,639	5,850	10,000	15,655	5,655	56.55%
Mutual Fund Accounts	3,266,147	4,891,548	3,797,349	2,342,923	2,370,084	27,161	1.16%
Sawgrass Fixed Income	1,406,093	164,206	(134,707)	1,659,598	1,670,003	10,405	0.63%
Wells Capital	815,071	2,346,581	3,883,086	1,023,191	1,105,163	81,972	8.01%
MD Sass	506,931	2,017,122	218,344	861,358	-	(861,358)	-100.00%
Vanguard	-	-	-	-	893,403	893,403	0.00%
JPMCG	333,548	282,917	321,474	329,770	345,655	15,885	4.82%
INVESTMENT EARNINGS	6,337,915	9,709,013	8,091,396	6,226,840	6,399,962	157,237	2.53%
Member Contributions	1,430,930	1,540,697	1,553,285	1,694,767	1,745,750	50,983	3.01%
City Contributions	1,967,219	2,382,516	2,839,361	3,165,258	3,575,559	410,301	12.96%
City Minimum Contribution	10,356	7,535	4,625	4,625	2,133	(2,492)	-53.88%
Prior Year Payback	-	-	-	-	-	-	0.00%
Interest on Payback	-	-	-	-	-	-	0.00%
Other Misc Revenues	15,605	12,079	27,219	17,000	17,000	-	0.00%
CONTRIBUTIONS & OTHER	3,424,110	3,942,827	4,424,490	4,881,650	5,340,442	458,792	9.40%
TOTAL REVENUES	10,190,505	14,060,691	12,870,295	11,469,915	12,080,585	594,786	5.19%
EXPENSES							
Pension Administrator Wages	51,622	52,619	43,827	44,907	46,134	1,227	2.73%
Payroll Taxes	3,889	3,880	3,101	3,435	3,530	95	2.77%
City Pension Contribution	5,412	6,271	5,846	6,911	7,487	576	8.33%
Other Benefits	4,277	4,463	4,358	4,569	4,684	115	2.52%
PERSONAL SERVICES	65,200	67,233	57,132	59,822	61,835	2,013	3.36%
Actuarial Services	43,012	54,550	61,400	55,200	69,050	13,850	25.09%
Other professional services	7,410	-	600	9,000	9,000	-	0.00%
Legal	30,455	28,766	31,552	33,000	33,000	-	0.00%
Investment Services	34,822	35,787	36,860	39,060	39,060	-	0.00%
PROFESSIONAL SERVICES	115,699	119,103	130,412	136,260	150,110	13,850	10.16%
Salem Custodial Fees	-	-	-	31,999	33,600	1,601	5.00%
Sawgrass	62,686	59,157	59,922	68,421	68,819	398	0.58%
Wells Capital	70,262	61,806	72,170	104,226	112,495	8,269	7.93%
MD Sass	58,594	53,711	93,267	86,582	88,766	2,184	2.52%
JPMCG	-	-	-	44,000	46,200	2,200	5.00%
Pooled svc. Chgs.	1,259	1,685	1,860	2,350	2,450	100	4.26%
Other contract services	-	-	511	-	-	-	0.00%
CONTRACT SERVICES	217,025	203,477	253,025	337,578	352,330	14,752	4.37%
Pension benefits	6,234,397	6,718,703	6,714,811	7,343,000	7,304,000	(39,000)	-0.53%
Travel and training	13,278	21,908	24,119	24,000	24,000	-	0.00%
Postage	110	1,262	705	1,500	1,500	-	0.00%
Liability	14,257	15,258	16,785	16,785	20,715	3,930	23.41%
Printing & Binding	-	-	-	4,700	4,700	-	0.00%
Other Current Charges	-	-	3,098	4,000	4,000	-	0.00%
Office supplies	114	-	-	1,500	1,500	-	0.00%
Operating supplies	37	-	-	1,100	1,100	-	0.00%
Books, subs. & mem.	1,890	1,890	1,860	2,850	2,850	-	0.00%
Information Systems	1,500	1,500	1,500	1,500	1,500	-	0.00%
Accounting/audit	29,250	29,250	29,250	29,250	29,250	-	0.00%
TOTAL OPERATING	6,627,557	7,112,351	7,175,565	7,904,023	7,897,555	(6,468)	-0.08%
TOTAL EXPENSES	6,692,757	7,179,584	7,232,697	7,963,845	7,959,390	(4,455)	-0.06%
REVENUES - EXPENSES	3,497,748	6,881,107	5,637,598	3,506,070	4,121,195	599,241	

PENSION FUND
FUND 611 - GENERAL EMPLOYEES
SUMMARY OF REVENUES AND EXPENSES

	Actual 2016	Actual 2017	Actual 2018	Budget 2019	Proposed Budget 2020	Increase (Decrease)	% Change
REVENUES							
TAXES	-	-	-	-	-	-	0.00%
Pooled Interest	6,862	3,909	300	6,800	6,313	(487)	-7.17%
Mutual Fund Accounts	2,012,871	2,995,074	2,299,872	1,434,539	1,397,196	(37,343)	-2.60%
Sawgrass Fixed Income	866,551	100,543	(81,586)	1,016,149	1,011,441	(4,708)	-0.46%
Wells Capital	502,315	1,436,802	2,351,799	626,486	692,021	65,535	10.46%
MD Sass	312,413	1,235,075	132,240	527,398	-	(527,398)	-100.00%
Vanguard Large Cap	-	-	-	-	541,091	541,091	0.00%
JPMCG	205,560	173,229	194,701	201,914	209,347	7,433	3.68%
INVESTMENT EARNINGS	3,906,572	5,944,632	4,897,327	3,813,286	3,857,408	44,122	1.16%
Member Contributions	927,251	1,018,627	1,029,762	1,120,490	1,148,502	28,012	2.50%
City Contributions	1,311,263	1,584,309	1,894,363	2,097,788	2,322,790	225,002	10.73%
City Minimum Contribution	10,057	7,236	4,326	4,326	1,834	(2,492)	-57.61%
Prior Year Payback	-	-	-	-	-	-	0.00%
Interest on Payback	-	-	-	-	-	-	0.00%
Other Misc Revenues	9,775	7,396	16,763	12,000	12,000	-	0.00%
CONTRIBUTIONS & OTHER	2,258,346	2,617,568	2,945,214	3,234,604	3,485,126	250,522	7.75%
TOTAL REVENUES	6,164,918	8,562,200	7,842,541	7,047,890	7,342,534	294,644	4.18%
EXPENSES							
Pension Administrator Wages	32,511	32,767	27,600	28,280	29,053	773	2.73%
Payroll Taxes	2,449	2,415	1,953	2,163	2,222	59	2.73%
City Pension Contribution	3,408	3,949	3,682	4,352	4,715	363	8.34%
Other Benefits	2,692	2,810	2,745	2,877	2,951	74	2.57%
PERSONAL SERVICES	41,060	41,941	35,980	37,672	38,941	1,269	3.37%
Actuarial Services	15,598	18,100	19,850	18,400	22,500	4,100	22.28%
Other professional services	7,410	-	200	5,000	5,000	-	100.00%
Legal	16,573	8,800	9,900	11,000	11,000	-	0.00%
Investment Services	8,752	11,929	12,288	13,020	13,020	-	0.00%
PROFESSIONAL SERVICES	48,333	38,829	42,238	47,420	51,520	4,100	8.65%
Salem Custodial Fees	14,931	16,604	15,320	19,593	20,155	562	2.87%
Sawgrass	38,632	36,222	36,292	41,893	41,280	(613)	-1.46%
Wells Capital	43,301	37,843	43,710	63,817	67,479	3,662	5.74%
MD Sass	36,111	32,887	56,487	53,013	53,245	232	0.44%
JPMCG	-	-	-	26,941	27,713	772	2.87%
Pooled svc. Chgs.	782	893	186	1,500	1,500	-	0.00%
Other contract services	-	-	511	-	-	-	0.00%
CONTRACT SERVICES	133,757	124,449	152,506	206,757	211,372	4,615	2.23%
Pension benefits	4,083,555	4,697,563	4,714,544	4,771,000	4,830,000	59,000	1.24%
Travel and training	6,810	7,837	5,158	8,000	8,000	-	0.00%
Postage	71	1,260	609	500	500	-	0.00%
Liability	4,752	5,086	5,595	5,595	6,905	1,310	23.41%
Printing & Binding	-	-	-	2,000	2,000	-	0.00%
Other Current Charges	-	-	-	3,000	3,000	-	0.00%
Office supplies	83	-	-	500	500	-	0.00%
Operating supplies	37	-	-	500	500	-	0.00%
Books, subs. & mem.	600	600	600	1,500	1,500	-	0.00%
Information Systems	500	500	500	500	500	-	0.00%
Accounting/audit	9,750	9,750	9,750	9,750	9,750	-	0.00%
TOTAL OPERATING	4,288,248	4,885,874	4,931,500	5,057,022	5,126,047	69,025	1.36%
TOTAL EXPENSES	4,329,308	4,927,815	4,967,480	5,094,694	5,164,988	70,294	1.38%
REVENUES - EXPENSES	1,835,610	3,634,385	2,875,061	1,953,196	2,177,546	224,350	

PENSION FUND
FUND 612 - POLICE OFFICERS
SUMMARY OF REVENUES AND EXPENSES

	Actual 2016	Actual 2017	Actual 2018	Budget 2019	Proposed Budget 2020	Increase (Decrease)	% Change
REVENUES							
TAXES	229,925	245,435	211,654	197,425	197,425	-	0.00%
Pooled Interest	2,020	928	3,289	2,000	5,657	3,657	182.87%
Mutual Fund Accounts	797,958	1,217,367	960,898	583,114	624,748	41,634	7.14%
Sawgrass Fixed Income	343,525	40,866	(34,087)	413,046	422,585	9,539	2.31%
Wells Capital	199,131	583,997	982,593	254,655	264,054	9,399	3.69%
MD Sass	123,849	502,004	55,251	214,377	-	(214,377)	-100.00%
Vanguard Large Cap	-	-	-	-	226,071	226,071	0.00%
JPMCG	81,490	70,410	81,347	82,074	87,466	5,392	6.57%
INVESTMENT EARNINGS	1,547,973	2,415,572	2,049,291	1,549,266	1,630,581	81,315	5.25%
Member Contributions	343,112	353,277	362,140	388,605	404,149	15,544	4.00%
City Contributions	432,769	460,548	479,669	573,157	646,976	73,819	12.88%
City Minimum Contribution	-	-	-	-	-	-	0.00%
Prior Year Payback	-	-	-	-	-	-	0.00%
Interest on Payback	-	-	-	-	-	-	0.00%
Other Misc Revenues	3,712	3,006	6,712	3,000	3,000	-	0.00%
CONTRIBUTIONS & OTHER	779,593	816,831	848,521	964,762	1,054,125	89,363	9.26%
TOTAL REVENUES	2,557,491	3,477,838	3,109,466	2,711,453	2,882,131	170,678	6.29%
EXPENSES							
Pension Administrator Wages	11,542	11,884	9,799	10,041	10,315	274	2.73%
Payroll Taxes	870	877	693	768	790	22	2.86%
City Pension Contribution	1,210	1,402	1,307	1,545	1,674	129	8.35%
Other Benefits	957	998	974	1,022	1,046	24	2.35%
PERSONAL SERVICES	14,579	15,161	12,773	13,376	13,825	449	3.36%
Actuarial Services	15,748	18,650	21,300	18,400	23,800	5,400	29.35%
Other professional services	-	-	200	2,000	2,000	-	0.00%
Legal	6,941	9,983	10,517	11,000	11,000	-	0.00%
Investment Services	11,666	11,929	12,286	13,020	13,020	-	0.00%
PROFESSIONAL SERVICES	34,355	40,562	44,303	44,420	49,820	5,400	12.16%
Salem Custodial Fees	5,915	6,749	6,401	7,964	8,612	648	8.14%
Sawgrass	15,315	14,722	15,163	17,028	17,640	612	3.59%
Wells Capital	17,166	15,382	18,262	25,940	28,835	2,895	11.16%
MD Sass	14,315	13,367	23,601	21,549	22,753	1,204	5.59%
JPMCG	-	-	-	10,951	11,842	891	8.14%
Pooled svc. Chgs.	245	416	904	400	500	100	25.00%
Other contract services	-	-	-	-	-	-	0.00%
CONTRACT SERVICES	52,956	50,636	64,331	83,832	90,182	6,350	7.57%
Pension benefits	1,217,359	1,270,805	1,226,040	1,782,000	1,482,000	(300,000)	-16.84%
Travel and training	2,103	8,601	11,824	8,000	8,000	-	0.00%
Postage	20	2	61	500	500	-	0.00%
Liability	4,753	5,086	5,595	5,595	6,905	1,310	23.41%
Printing & Binding	-	-	-	1,500	1,500	-	0.00%
Other Current Charges	-	-	3,098	500	500	-	0.00%
Office supplies	16	-	-	500	500	-	0.00%
Operating supplies	-	-	-	300	300	-	0.00%
Books, subs. & mem.	630	630	600	650	650	-	0.00%
Information Systems	500	500	500	500	500	-	0.00%
Accounting/audit	9,750	9,750	9,750	9,750	9,750	-	0.00%
TOTAL OPERATING	1,322,442	1,386,572	1,366,102	1,938,047	1,651,107	(286,940)	-14.81%
TOTAL EXPENSES	1,337,021	1,401,733	1,378,875	1,951,423	1,664,932	(286,491)	-14.68%
REVENUES - EXPENSES	1,220,470	2,076,105	1,730,591	760,030	1,217,199	457,169	

PENSION FUND
FUND 613 - FIREFIGHTERS
SUMMARY OF REVENUES AND EXPENSES

	Actual	Actual	Actual	Budget	Proposed	Increase (Decrease)	% Change
	2016	2017	2018	2019	Budget 2020		
REVENUES							
TAXES	198,555	163,416	142,756	164,000	142,756	-21,244	-12.95%
Pooled Interest	1,243	1,802	2,261	1,200	3,685	2,485	207.09%
Mutual Fund Accounts	455,318	679,107	536,579	325,270	348,140	22,870	7.03%
Sawgrass Fixed Income	196,017	22,797	(19,035)	230,403	235,977	5,574	2.42%
Wells Capital	113,625	325,782	548,694	142,050	149,087	7,037	4.95%
MD Sass	70,669	280,043	30,853	119,583	0	-119,583	-100.00%
Vanguard Large Cap	0	0	0	0	126,241	126,241	0.00%
JPMCG	46,498	39,278	45,425	45,782	48,842	3,060	6.68%
INVESTMENT EARNINGS	883,370	1,348,809	1,144,778	864,288	911,973	47,685	5.52%
Member Contributions	160,567	168,793	161,383	185,672	193,099	7,427	4.00%
City Contributions	223,187	337,659	465,329	494,313	605,793	111,480	22.55%
City Minimum Contribution	299	299	299	299	299	0	0.00%
Prior Year Payback	0	0	0	0	0	0	0.00%
Interest on Payback	0	0	0	0	0	0	0.00%
Other Misc Revenues	2,118	1,677	3,744	2,000	2,000	0	0.00%
CONTRIBUTIONS & OTHER	386,171	508,428	630,755	682,284	801,191	118,907	17.43%
TOTAL REVENUES	1,468,096	2,020,653	1,918,288	1,710,572	1,855,920	145,348	8.50%
EXPENSES							
Pension Administrator Wages	7,569	7,968	6,428	6,586	6,766	180	2.73%
Payroll Taxes	570	588	455	504	518	14	2.78%
City Pension Contribution	794	920	857	1,014	1,098	84	8.28%
Other Benefits	628	655	639	670	687	17	2.54%
PERSONAL SERVICES	9,561	10,131	8,379	8,774	9,069	295	3.36%
Actuarial Services	11,666	17,800	20,250	18,400	22,750	4,350	23.64%
Other professional services	-	-	200	2,000	2,000	-	0.00%
Legal	6,941	9,983	11,135	11,000	11,000	-	0.00%
Investment Services	14,404	11,929	12,286	13,020	13,020	-	0.00%
PROFESSIONAL SERVICES	33,011	39,712	43,871	44,420	48,770	4,350	9.79%
Salem Custodial Fees	3,378	3,765	3,574	4,442	4,833	391	8.80%
Sawgrass	8,739	8,213	8,467	9,500	9,899	399	4.20%
Wells Capital	9,795	8,581	10,198	14,469	16,181	1,712	11.83%
MD Sass	8,168	7,457	13,179	12,020	12,768	748	6.22%
JPMCG	-	-	-	6,108	6,645	537	8.79%
Pooled svc. Chgs.	232	376	770	450	450	-	0.00%
Other contract services	-	-	-	-	-	-	0.00%
CONTRACT SERVICES	30,312	28,392	36,188	46,989	50,776	3,787	8.06%
Pension benefits	933,483	750,335	774,227	790,000	992,000	202,000	25.57%
Travel and training	4,365	5,470	7,137	8,000	8,000	-	0.00%
Postage	19	-	35	500	500	-	0.00%
Liability	4,752	5,086	5,595	5,595	6,905	1,310	23.41%
Printing & Binding	-	-	-	1,200	1,200	-	0.00%
Other Current Charges	-	-	-	500	500	-	0.00%
Office supplies	15	-	-	500	500	-	0.00%
Operating supplies	-	-	-	300	300	-	0.00%
Books, subs. & mem.	660	660	660	700	700	-	0.00%
Information Systems	500	500	500	500	500	-	0.00%
Accounting/audit	9,750	9,750	9,750	9,750	9,750	-	0.00%
TOTAL OPERATING	1,016,867	839,905	877,963	908,954	1,120,401	211,447	23.26%
TOTAL EXPENSES	1,026,428	850,036	886,342	917,728	1,129,470	211,742	23.07%
REVENUES - EXPENSES	441,668	1,170,617	1,031,946	792,844	726,450	-66,394	

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Agenda Item #7b
March 31, 2019 Quarterly Pension
Plan Administrator's Report

City of
Jacksonville Beach
City Hall
11 North Third Street
Jacksonville Beach
FL 32250
Phone: 904.247.6263
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MEMORANDUM

TO: Board of Trustees
City of Jacksonville Beach General Employees' Retirement Plan
City of Jacksonville Beach Police Officers' Retirement Plan
City of Jacksonville Beach Firefighters' Retirement Plan

FROM: Duston Scott, Pension Plan Administrator

SUBJECT: Quarterly Report as of March 31, 2019

DATE: May 2, 2019

Plan Membership

Attached is a report of the General Employees', Police Officers' and Firefighters' Retirement System memberships as of March 31, 2019.

The General Employees' Retirement System had 236 active members and 200 receiving or eligible to draw benefits; the Police Officers' had 63 active members and 42 receiving or eligible to draw benefits; and, the Firefighters' had 30 active members and 24 receiving or eligible to draw benefits. Pension refund payments thru March 31, 2019, totaled \$125,796.32 in the General Employees' Plan and \$18,537.73 in the Police Officers' Plan. Back-DROP payouts/rollovers totaled \$469,747.11 in the Police Officers' Plan.

Conferences and Educational Opportunities

FPPTA will be conducting the 35th annual conference from June 30, 2019, to July 3, 2019, at the Marriott World Center, Orlando, FL. If you are interested in attending either of these events, please email me at dscott@jaxbchfl.net to make your reservations.

Quarterly Meeting Calendar for 2019

The next quarterly board meeting is scheduled for:

- **Wednesday, August 14, 2019 3:00 p.m.** in the Council Chambers



CITY OF JACKSONVILLE BEACH RETIREMENT SYSTEMS

PLAN MEMBERSHIP

	GENERAL EMPLOYEES			POLICE OFFICERS			FIREFIGHTERS		
	As Of 3/31/2019	As Of 10/1/2018	Change	As Of 3/31/2019	As Of 10/1/2018	Change	As Of 3/31/2019	As Of 10/1/2018	Change
Active Participants									
Vested	96	98	(2)	28	30	(2)	24	24	-
Nonvested	140	140	-	35	31	4	6	6	-
Total Active Participants	236	238	(2)	63	61	2	30	30	-
Retirees and Beneficiaries									
Retirees Receiving Benefits	155	156	(1)	27	27	-	14	14	-
Beneficiaries Receiving Benefits	29	28	1	5	4	1	6	6	-
Disability Benefits	7	7	-	6	6	-	4	4	-
Total Receiving Benefits	191	191	-	38	37	1	24	24	-
Terminated Vested Members	9	12	(3)	4	4	-	-	-	-
Total Members Currently Receiving benefits and Term. Vested Members	200	203	(3)	42	41	1	24	24	-
% of Retirees to Active Employees	85%	85%		67%	67%		80%	80%	

CITY OF JACKSONVILLE BEACH RETIREMENT SYSTEMS

PENSION MEMBER CONTRIBUTION REFUNDS AND DROP PAYOUTS

10/1/2018-TO-DATE THRU 3/31/2019

<u>General Employees' Retirement System</u>	<u>DATE</u>	<u>AMOUNT</u>
Refunds/Rollovers		
Barry Chancey	10/1/2018	\$ 4,129.12
Francis Kempster	10/1/2018	4,894.24
Amanda Murmane	10/1/2018	2,746.66
Kent Clifford	12/3/2018	2,598.77
Zachary Handres	1/1/2019	10,373.57
James Myrick	1/1/2019	5,009.11
Jenise Bailey	2/1/2019	4,219.69
Julie Bennett	2/1/2019	5,366.49
Jason Furman	2/1/2019	12,674.25
Kevin Wesner	2/1/2019	36,536.30
Harry Colabella	3/1/2019	6,308.13
Jerry Davis	3/1/2019	30,283.96
Omar Rosario	3/1/2019	656.03
		\$ 125,796.32
Back-DROP Payouts/Rollovers		\$ -
Total General Employees' Refunds & DROP Payouts/Rollovers		\$ 125,796.32
Police Officers' Retirement System		
Refunds/Rollovers		
Naomi Johnson	10/1/2018	\$ 1,274.79
Rex Peters	11/1/2018	16,385.59
Alejandro Abreu	12/3/2018	877.35
Total Police Officers' Refunds/Rollovers		\$ 18,537.73
Back-DROP Payouts/Rollovers		
Patrick Dooley	1/23/2019	237,808.35
Steven Corbitt	2/14/2019	231,938.76
		\$ 469,747.11