

**Minutes of JOINT QUARTERLY Meeting of the Firefighters', General Employees' and Police Officers' Retirement Systems, held Tuesday, May 11, 2010, at 3:00 P.M., in the Council Chamber, 11 North 3<sup>rd</sup> Street, Jacksonville Beach, Florida.**



**Call to Order**

Bruce Corbitt of the Police Officers' Board of Trustees called the meeting to order at 3:00 p.m.

**Roll Call** as follows:

**Firefighters' Board:**

Bruce Anderson (*absent*)  
Ed Dawson  
Deborah White  
Steve Sciotto (*late 3:35pm*)  
Colleen White (*absent*)

**General Employees' Board:**

Penny Christian (*absent*)  
Nelson Luna  
Brandon Maresma  
Kelly Paul  
Fland Sharp (*absent*)

**Police Officers' Board:**

Bruce Corbitt  
Steve Corbitt  
Marvin Dupree  
Alan Grant (*absent*)  
C. David Young

Also present were City Clerk/Pension Manager Heidi Huettinger, and Assistant City Clerk Judy Bullock.

**New Business**

**Item 1 – Approval of Minutes**

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

- Joint Quarterly Meeting held February 24, 2010

**Motion:** It was moved by Mr. Sciotto, seconded by Ms. Christian, to approve the minutes of the Joint Quarterly meeting held February 24, 2010, as presented.

Voice vote resulted in ayes by all Board members; motion carried unanimously.

**Item 2 – Oath of Office to Reelected Trustee**

*Consideration by Police Officers' Board of Trustees*

- Police Officers' Board: C. David Young

The Oath of Office was administered to Mr. Young by City Clerk Heidi Huettinger.

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**Item 3 – Quarterly Review of DROP Interest Rate**

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

**Motion:** It was moved by Ms. D. White, seconded by Ms. Christian, for the DROP Interest Rate to remain at 6% for the ensuing quarter.

**Firefighters'**

Did not have a quorum at this time.

**General Employees'**

Roll call vote: Ayes – Christian, Luna, Maresma and Paul; motion carried unanimously.

**Police Officers'**

Roll call vote: Ayes – S. Corbitt, DuPree, and Young; Nays – B. Corbitt; motion carried by a vote of 3 to 1.

**Item 4 – Request for Approval of DROP Applications**

*Consideration by General Employees' Board of Trustees*

- (a) – **Application for Participation in DROP [Deferred Retirement Option Plan] – Rex Wayne Sands, Beaches Energy; Effective April 1, 2010; Meets Age Requirement.**

**Motion:** It was moved by Mr. Luna, seconded by Ms. Paul, to approve the application, effective April 1, 2010.

Voice vote resulted in all ayes by trustees.

- (b) - **Application for Participation in DROP [Deferred Retirement Option Plan] – John S. Smith, Purchasing Department; Effective February 1, 2010; Meets Age Requirement.**

**Motion:** It was moved by Mr. Luna, seconded by Ms. Paul, to approve the application, effective February 1, 2010.

Voice vote resulted in all ayes by trustees.

- (a) – **Application for Participation in DROP [Deferred Retirement Option Plan] – Baron Greenwade, Purchasing Department; Effective April 1, 2010; Meets Service Requirement.**

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**Motion:** It was moved by Ms. Christian, seconded by Mr. Luna, to approve the application, effective April 1, 2010.

Voice vote resulted in all ayes by trustees.

**Item 5 - Presentation of Financial Statements and Required Supplementary Information and Independent Auditors' Report**

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

- **Firefighters' Retirement System**
- **General Employees' Retirement System**
- **Police Officers' Retirement System**

Ryan Tucker of Purvis Gray & Company presented each of the annual audits (*on file*).

**Firefighters'**

Did not have a quorum at this time.

**General Employees'**

**Motion:** It was moved by Ms. Christian, seconded by Mr. Luna, to accept the report.

**Roll call vote:** Ayes – Luna, Maresma, Paul, and Christian; motion carried unanimously.

**Police Officers'**

**Motion:** It was moved by Mr. S. Corbitt, seconded by Mr. Young, to accept the report.

**Roll call vote:** Ayes – S. Corbitt, DuPree, Young, and B. Corbitt; motion carried unanimously.

**Item 6 – Quarterly Report – Atlanta Capital**

Mary McTague presented the financial report for the Quarter ended March 31, 2010. Ms. McTague's report included portfolio holdings, acquisitions and equity strategy.

**Motion:** It was moved by Mr. S. Corbitt, seconded by Ms. Christian, to accept the report.

Voice vote resulted in ayes by ayes by trustees.

**Item 7 – Quarterly Report – The Bogdahn Group**

Mr. Brown advised trustees that the R5/R6 share class conversion, approved at the February 24, 2010, quarterly Meeting, had been completed. (*new retirement "R6" share class available that represents a cost savings from the portfolio's current holding in the "R5" share class of*

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*EuroPacific Growth fund. This transaction can be done as a same day exchange with Salem Trust so that the plan will not be out of the market).*

Mr. Brown reviewed the Quarterly Report for the period ended March 31, 2010, including the performance of each investment manager (*report on file*).

Mr. Brown then presented information on Non-Core Bond opportunities (*report on file*). He explained that this type of investment is an additional method to further diversify the Retirement System's portfolio.

Following a brief discussion Board members concurred to place the item on the August 11, 2010, agenda for consideration.

### **Addendum – MD Sass Investment Policy**

Mr. Brown presented an addendum to the MD Sass Investment Policy for approval. He explained that the Trustees had approved MD Sass to invest in foreign securities, as qualified by the State of Florida, up to a maximum of 20%,

#### **Firefighters'**

**Motion:** It was moved by Ms. White, seconded by Mr. Dawson, to approve the Addendum to MD Sass's Investment Policy.

**Roll call vote:** Ayes – Dawson, Sciotto and White; motion carried unanimously.

#### **General Employees'**

**Motion:** It was moved by Mr. Luna, seconded by Ms. Paul, to approve the Addendum to MD Sass's Investment Policy.

**Roll call vote:** Ayes – Maresma, Paul, Christian, and Luna; motion carried unanimously.

#### **Police Officers'**

**Motion:** It was moved by Mr. Young, seconded by Mr. DuPree, to approve the Addendum to MD Sass's Investment Policy.

**Roll call vote:** Ayes – DuPree, Young, B. Corbitt and S. Corbitt; motion carried unanimously.

**Motion:** It was moved by Mr. S. Corbitt, seconded by Ms. D. White, to accept Quarterly Report.

Voice vote resulted in ayes by ayes by trustees.

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### **Item 12 – Pension Manager’s Report**

Ms. Huettinger presented the Report of Member Contribution Refunds/Pension Buybacks (*provided for informational purposes*).

#### Consideration by General Employees’ Retirement System

#### **William Toth and Charles Jackson**

Ms. Huettinger also presented an issue concerning two employees, William Toth and Charles Jackson, working at the Golf Course that had been paying into the pension system in excess of five years. Recently it was found that their hours do not meet the guidelines for membership in the pension system so pension contributions from their pay has been terminated, leaving a decision to be made regarding their accumulated contributions. When contacted, Mr. Sugarman advised that the employees should have the option to vest their time and contributions or receive a refund of their member contributions.

Ms. Huettinger advised Board members that Mr. Toth wishes to vest his time and enter the DROP. Mr. Jackson was in a fatal auto accident before he could make a decision. Mr. Jackson’s wife was also in the vehicle and is in critical condition at this time. Ms. Huettinger explained that Mr. Jackson’s wife should receive a pension benefit or a refund of Mr. Jackson’s contributions, if she survives.

**Motion:** It was moved by Ms. Christian, seconded by Mr. Luna, to approve William Toth’s request to participate in the DROP, effective February 1, 2010; and to approve Ms. Jackson’s monthly pension benefit or to receive a refund of Mr. Jackson’s contributions.

**Roll call vote:** Ayes – Paul, Christian, Luna and Maresma; motion carried unanimously.

Firefighters’ Board – Passed Items due to lack of a Quorum.

### **Item 1 – Approval of Minutes**

#### Consideration by Firefighters’ Board of Trustees

- Joint Quarterly Meeting held February 24, 2010

**Motion:** It was moved by Ms. D. White, seconded by Mr. Sciotto, to approve the minutes of the Joint Quarterly meeting held February 24, 2010, as presented.

Voice vote resulted in ayes by all Board members; motion carried unanimously.

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held Tuesday, May 11, 2010

**Item 3 – Quarterly Review of DROP Interest Rate**

*Consideration by Firefighters’ Board of Trustees*

**Motion:** It was moved by Ms. D. White, seconded by Mr. Dawson, for the DROP Interest Rate to remain at 6% for the ensuing quarter.

**Roll call vote:** Ayes – Dawson, Sciotto, and White; motion carried unanimously.

**Item 5 - Presentation of Financial Statements and Required Supplementary Information and Independent Auditors’ Report**

*Consideration by Firefighters’, Board of Trustees*

- **Firefighters’ Retirement System**

**Motion:** It was moved by Mr. Dawson, seconded by Mr. Sciotto, to accept the report.

**Roll call vote:** Ayes – Sciotto, D. White and Dawson; motion carried unanimously.

**Adjournment**

There being no further business coming before the Boards, the meeting was adjourned at 4:45 p.m.

Submitted by: Judy L. Bullock  
Assistant City Clerk

Approval:

/s/Bruce Corbitt  
Chairperson

Date: August 11, 2010