

**Minutes of JOINT QUARTERLY Meeting of the Firefighters', General Employees' and Police Officers' Retirement Systems, held Tuesday, November 9, 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  
Ed Dawson (*late*)  
Steve Sciotto  
Colleen White  
Deborah White

**General Employees' Board:**

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

**Police Officers' Board:**

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

Also present were Acting City Clerk/Pension Manager Judy Bullock, Finance Officer/Plan Treasurer Harry Royal, and Business Tax Inspector Nancy Pyatte.

The Oath of Office was administered to Nelson Luna by Ms. Bullock. Mr. Luna was reelected by the employees of the General Employee's Board to serve a 4-year term, beginning October 1, 2010 and expiring September 30, 2014.

**NEW BUSINESS**

**Item 1**

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

**Non-Core Bond Manager Interviews**

Pedro Herrera, Legal Counsel for the Retirement Systems was introduced via teleconference call.

Pension Consultant Troy Brown of The Bogdahn Group explained that each investment manager would have twenty-minutes for their presentation, followed by a ten-minute question and answer session.

- PIMCO – Diversified Income (PDILX) (*copy of presentation on file*)

Greg Graybar made the presentation on behalf of PIMCO.

- Templeton – Global Bond (TGBAX) (*copy of presentation on file*)

Craig Maxwell provided the presentation on behalf of Templeton.

Following the presentations, Mr. Brown reviewed the investment styles of each company and advised that Templeton's style was a better fit for the retirement systems' portfolio.

Mr. Herrera advised that he had no concerns about either company, at this point.

Motion: It was moved by Mr. Young, seconded by Mr. Maresma, based on the consultant's (Troy Brown) recommendation, to invest 5% (\$3,000,000.00) of the total bond portfolio of Sawgrass Asset Management into Templeton Global Bond (TGBAX).

### **Firefighters'**

Roll call vote: Ayes – Anderson, Dawson Sciotto, C. White; D White no; motion carried by a 4 to 1 vote.

### **General Employees'**

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

### **Police Officers'**

Roll call vote: Ayes - B. Corbitt, DuPree, Grant, and Young; motion carried unanimously.

### **Update to Investment Policies**

Mr. Brown advised, based on the trustees' decision to invest 5% of the bond portfolio in Non-Core Bonds with the Franklin Templeton Investments, the current Investment Policy Goals and Guidelines needs to be updated to reflect the change.

Ms. Bullock asked Mr. Herrera if he was comfortable with the proposed addendum to the investment policy, to which Mr. Herrera responded in the affirmative.

Motion: Following discussion, it was moved by: Mr. Anderson, seconded by Ms. Christian, to update the Investment Policy Goals and Guidelines.

### **Firefighters'**

Roll call vote: Ayes – Dawson Sciotto, C. White; Anderson; D. White no; motion carried by a 4 to 1 vote.

### **General Employees'**

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

### **Police Officers'**

Roll call vote: Ayes - DuPree, Grant, Young, and B. Corbitt; motion carried unanimously.

**Item 2**

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

Approval of Minutes: Joint Quarterly Meeting held August 11, 2010

Motion: It was moved by Mr. Luna, seconded by Mr. Maresma, and passed, to approve the minutes of the Joint Quarterly meeting held August 11, 2010.

**Item 3**

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

**Quarterly Review of DROP Interest Rate**

**Firefighters' Retirement System**

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

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

**General Employees' Retirement System**

Motion: It was moved by Mr. Luna, seconded by Mr. Maresma, for the DROP Interest Rate to remain at 6% for the ensuing quarter.

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

**Police Officers' Retirement System**

Motion: It was moved by Mr. Young, seconded by Mr. Grant, for the DROP Interest Rate to remain at 6% for the ensuing quarter.

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

**Item 4**

**Consideration by General Employees' Board of Trustees**

- (a) Application to Participate in DROP – John J. Baxter, Public Works Department; effective October 1, 2010; meets Age Requirements.

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

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

(b) Application to Participate in DROP – Ronald Ponce, Beaches Energy Services; effective October 1, 2010; meets Service Requirements.

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

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

(c) Application to Participate in DROP - Marilyn B. Matejcek, Public Relations, effective November 1, 2010; meets Age Requirements.

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

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

## **Item 5**

### **Consideration by Police Officers' Board of Trustees**

(a) Application to Participate in DROP - Bruce A. Thomason, Police Department, effective October 1, 2010; meets Age Requirements.

Motion: It was moved by Mr. Young, seconded by Mr. B. Corbitt, to approve the application, effective October 1, 2010.

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

## **Item 6**

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

Trustee Education & Travel Expenses Policy Statement –

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

Ms. Bullock advised that the proposed travel policies prepared would create accounting issues very complex to address the problem at hand, which is out of state travel. Ms. Bullock suggested that the

trustees adopt the City's Travel Policy and require advance approval for out of state travel.  
Ms. D. White stated that she would like to limit the education sessions to two per year per trustee.

Mr. Sciotto remarked that the problem only came up when the former City Clerk attended an educational conference in New York without Board approval.

It was moved by Ms. D. White to limit educational sessions to two per trustee, per year and adopt the City's Travel Policy. Motion died for lack of a second.

Ms. Bullock advised over the years that she has been overseeing the travel budgets for the three retirement systems, the budgets have never been fully expended.

Motion: It was moved by Mr. Luna, seconded by Mr. Anderson, to adopt the City's travel policy for all pension related travel and education purposes, and to require Board approval prior to any out of state travel by trustees and the administrator.

**Firefighters'**

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

**General Employees'**

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

**Police Officers'**

Roll call vote: Ayes - Young, B. Corbitt, DuPree, and Grant; motion carried unanimously.

**Item 7**

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

IRS Determination Letter and Approval of Fees for Preparation and Application to IRS

- Firefighters' Retirement System - \$7,000 Preparation and \$1,000 Application
- General Employees' Retirement System - \$7,000 Preparation and \$1,000 Application
- Police Officers' Retirement System - \$7,000 Preparation and \$1,000 Application

Motion: Following a brief discussion, it was moved by Mr. Young, seconded by Mr. Sciotto, to approve the fees and IRS application for the IRS Determination Letter for the Firefighters', General Employees', and Police Officers' Retirement Systems.

**Firefighters'**

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

**General Employees'**

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

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**Police Officers'**

Roll call vote: Ayes - B. Corbitt, DuPree, Grant, and Young; motion carried unanimously.

**Item 8**

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

Quarterly Report – Sawgrass Asset Management

Andy Cantor and David Furfine presented the Quarterly Report for the period ended September 30, 2010. *(copy on file)*

Motion: It was moved by Ms. D. White, seconded by Ms. Christian, to accept the Sawgrass Asset Management quarterly report.

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

**Item 9**

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

Quarterly Report – The Bogdahn Group

Troy Brown presented the Quarterly Report for the period ended September 30, 2010. *(copy on file)*

Motion: It was moved by Mr. Young, seconded by Mr. Anderson, to accept The Bogdahn Group quarterly report.

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

**Item 10**

**Pension Manager's Report**

Report presented by the Acting City Clerk, Judy Bullock, for informational purposes:

- (a) Application for Duty-Disability Pension Benefits – Robert E. Bacon, Police Department
- (b) Report of Member Contribution Refunds/Pension Buybacks

Motion: It was moved by Mr. B. Corbitt, seconded by Mr. Anderson, to accept the Pension Manager's Report, as submitted.

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

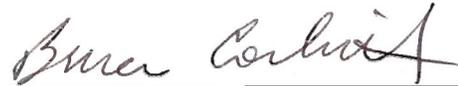
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**Adjournment**

There being no further business coming before the Boards, the meeting was adjourned at 5:45 p.m.

Submitted by: Nancy J Pyatte  
Business Tax Inspector

Approval:



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Chairperson

Date: February 8, 2011