

Minutes of JOINT QUARTERLY MEETING of the Firefighters', General Employees', and Police Officers' Retirement Systems, held Tuesday, May 12, 2015, at 3:00 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 3:00 P.M.

Roll Call: Firefighters' Board: George Candler, Ed Dawson (*late, 3:30 pm*), Dennis Povloski, Ronald Rabon (*absent*), Deborah White

General Employees' Board: Nick Currie, Randy Greene, Christine Hoffman (*absent*), Brandon Maresma, Bruce Thomason

Police Officers' Board: Steve Corbitt (*late, 4:03pm*), Marvin DuPree, Alan Grant (*absent*), Jackie Thomason, David Young (*late, 3:17 pm*)

OLD BUSINESS

None

NEW BUSINESS

Consideration by General Employees' Board of Trustees

1. Oath of Office: New Pension Trustee – Bruce Thomason, General Employees' Board of Trustees

The City Clerk, Laurie Scott, administered the Oath of Office to Mr. Thomason.

Courtesy of the Floor to Visitors

No one came forward to address the Boards.

Consideration by Firefighters' Board of Trustees

2. **Election of Officers:** Chairperson (Currently – Vacant)
Chairperson Pro-Tem (Currently – Deborah White)
Secretary (Currently – Edward Dawson)

Motion: It was moved by Mr. Candler, seconded by Ms. White, to nominate Mr. Povloski for **Chairperson** of the Firefighters' Board of Trustees.

Roll Call Vote: Ayes – Candler, White, Povloski; motion carried unanimously.

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Motion: It was moved by Mr. Povloski, seconded by Mr. Candler, to nominate Ms. White for **Chairperson Pro-Tem** of the Firefighters' Board of Trustees.

Roll Call Vote: Ayes – White, Povloski, Candler; motion carried unanimously.

Motion: It was moved by Ms. White, seconded by Mr. Povloski, to nominate Mr. Candler for **Secretary** of the Firefighters' Board of Trustees.

Roll Call Vote: Ayes – Povloski, Candler, White; motion carried unanimously.

Consideration by General Employees' Board of Trustees

- 3. Election of Officers:** Chairperson (Currently – Brandon Maresma)
Chairperson Pro-Tem (Currently – Christine Hoffman)
Secretary (Currently – Randy Greene)

Motion: It was moved by Mr. Currie, seconded by Mr. Thomason, to nominate Mr. Maresma for **Chairperson** of the General Employees' Board of Trustees.

Roll Call Vote: Ayes – Currie, Greene, Thomason, Maresma; motion carried unanimously.

Motion: It was moved by Mr. Currie, seconded by Mr. Thomason, to nominate Ms. Hoffman for **Chairperson Pro-Tem** of the General Employees' Board of Trustees.

Roll Call Vote: Ayes – Greene, Thomason, Maresma, Currie; motion carried unanimously.

Motion: It was moved by Mr. Currie, seconded by Mr. Thomason, to nominate Ms. Greene for **Secretary** of the General Employees' Board of Trustees.

Roll Call Vote: Ayes – Thomason, Maresma, Currie, Greene; motion carried unanimously.

Consideration by Police Officers' Board of Trustees

- 4. Election of Officers:** Chairperson (Currently – David Young)
Chairperson Pro-Tem (Currently – Steve Corbitt)
Secretary (Currently – Martin DuPree)

Motion: It was moved by Mr. DuPree, seconded by Ms. Thomason, to nominate Mr. Young for **Chairperson** of the Police Officers' Board of Trustees.

Roll Call Vote: Ayes – DuPree, Thomason, Young; motion carried unanimously.

Motion: It was moved by Mr. Young, seconded by Ms. Thomason, to nominate Mr. DuPree for **Chairperson Pro-Tem** of the Police Officers' Board of Trustees.

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Roll Call Vote: Ayes – Thomason, Young, DuPree; motion carried unanimously.

Motion: It was moved by Mr. DuPree, seconded by Mr. Young, to nominate Ms. Thomason for **Secretary** of the Police Officers' Board of Trustees.

Roll Call Vote: Ayes – Young, DuPree, Thomason; motion carried unanimously.

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

5. Approval of Minutes: Joint Quarterly Meeting held February 11, 2015

Motion: It was moved by Ms. White, seconded by Mr. Currie, to approve the minutes for the Joint Quarterly Meeting held February 11, 2015, as presented.

Voice vote resulted in all ayes from the Board members; motion approved unanimously.

Consideration by General Employees' Board of Trustees

6. Applications for Retirement –

(a) Thomas W. White – Systems Operator (Beaches Energy) – Retirement Effective 3/1/2015; Meets age/service requirement.

Motion: It was moved by Mr. Currie, seconded by Mr. Thomason, to approve the application for retirement for Thomas W. White effective 3/1/2015, as submitted.

Roll Call Vote: Ayes – Currie, Greene, Thomason, Maresma; motion approved unanimously.

(b) Diana L. Pratt – Property Management Superintendent (Building Maintenance) – Retirement Effective 7/1/2015; Meets age/service requirement.

Motion: It was moved by Mr. Currie, seconded by Mr. Thomason, to approve the application for retirement for Diana L. Pratt effective 7/1/2015, as submitted.

Roll Call Vote: Ayes – Greene, Thomason, Maresma, Currie; motion approved unanimously.

Consideration by Firefighters' and General Employees' Board of Trustees

7. Quarterly Review of DROP Interest Rate (currently at 3.5%)

Firefighters' Board

Motion: It was moved by Ms. White, seconded by Mr. Povloski, to set the DROP Interest at 3.5% for the ensuing quarter.

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Roll Call Vote: Ayes – Candler, Povloski, White; motion approved unanimously.

General Employees' Board

Motion: It was moved by Mr. Currie, seconded by Mr. Thomason, to set the DROP Interest at 3.5% for the ensuing quarter.

Roll Call Vote: Ayes – Thomason, Maresma, Currie, Greene; motion approved unanimously.

Consideration by Firefighters', General Employees' and Police Officers' Board of Trustees (cont.)

8. Presentation of 9/30/2014 Audited Financial Statements - Purvis Gray & Company

Note: C. David Young arrived, joined meeting in progress.

Mr. Ryan tucker presented the report, with a recommendation to continue monitoring Salem Trust.

Approval of the fiscal year ended 9/30/2014 audited financial statements for the:

(a) Firefighters' Retirement System

Motion: It was moved by Ms. White, seconded by Mr. Candler, to approve the 9/30/14 Audited Financial Statements.

Roll Call Vote: Ayes – Candler, Povloski, White; motion approved unanimously.

(b) General Employees' Retirement System

Motion: It was moved by Mr. Currie, seconded by Mr. Thomason, to approve the 9/30/14 Audited Financial Statements.

Roll Call Vote: Ayes – Maresma, Currie, Greene, Thomason; motion approved unanimously.

(c) Police Officers' Retirement System

Motion: It was moved by Mr. DuPree, seconded by Ms. Thomason, to approve the 9/30/14 Audited Financial Statements.

Roll Call Vote: Ayes – DuPree, Thomason, Young; motion approved unanimously.

9. 2016 Annual Budget – Pension Plan Administrator

Note: Ed Dawson arrived, joined meeting in progress.

Ann Meuse introduced Ms. Jeri Benjamin, the new Pension Plan Administrator.

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Ms. Meuse reviewed the budgets for the three pension boards. There was a brief discussion about pension reform, funding and payouts.

Approval of 2016 Annual Operating Budget for the:

(a) Firefighters' Retirement System

Motion: It was moved by Ms. White, seconded by Mr. Candler, to approve the 2016 Annual Operating Budget.

Roll Call Vote: Ayes – White, Candler, Povloski, Dawson; motion approved unanimously.

(b) General Employees' Retirement System

Motion: It was moved by Mr. Currie, seconded by Ms. Greene, to approve the 2016 Annual Operating Budget.

Roll Call Vote: Ayes – Maresma, Currie, Greene; motion approved unanimously.
(B. Thomason out of room)

(c) Police Officers' Retirement System

Motion: It was moved by Mr. DuPree, seconded by Mr. Young, to approve the 2016 Annual Operating Budget.

Roll Call Vote: Ayes – DuPree, Thomason, Young; motion approved unanimously.

10. Salem Trust Adverse Audit Opinion – Pension Plan Administrator

Discussion ensued and it was recommended that the pension boards continue to utilize Salem Trust as their custodian with the understanding that the pension plan administrator will report the results of the Salem Trust June 30, 2015 audit at the August 12, 2015* pension board meeting. (**date change from August 11, 2015*)

Motion: It was moved by Ms. White, seconded by Mr. Young, to accept the recommendation to utilize Salem Trust as the custodian, with the understanding that the pension plan administrator will report the results of the Salem Trust June 30, 2015 audit at the next meeting scheduled for August 12, 2015.

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

11. Quarterly Report – The Bogdahn Group

Note: Steve Corbitt arrived, joined meeting in progress.

(a) Quarterly Investment Performance Report, as of March 31, 2015

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Dan Johnson gave a review of the quarterly report.

Motion: It was moved by Mr. Young, seconded by Ms. White, to approve the Quarterly Investment Performance Report, as of March 31, 2015.

Voice vote resulted in all ayes from the Board members; motion approved unanimously.

(b) Manning and Napier Due Diligence Update and International Equity Manager Review

Dan Johnson gave a review of the International Equity Manager. Mr. Johnson suggested that International Investments go in EuroPacific, or continue with Manning & Napier but take less than 5% away (from M&N).

Discussion ensued about whether or not change is needed. Mr. Johnson recommended changing the manager to WCM from Manning & Napier.

Police Officers' Retirement System

Motion: It was moved by Mr. Young, seconded by Mr. DuPree, to approve changing the International Equity Manager.

Roll Call Vote: Ayes–Corbitt, DuPree, Thomason, Young; motion approved unanimously.

General Employees' Retirement System

Motion: It was moved by Mr. Currie, seconded by Mr. Thomason, to approve changing the International Equity Manager.

Roll Call Vote: Ayes–Currie, Greene; Thomason, Maresma; motion approved unanimously.

Firefighters' Retirement System

Motion: It was moved by Mr. Povloski, seconded by Mr. Dawson, to approve changing the International Equity Manager.

Roll Call Vote: Ayes – White, Povloski, Dawson
Nay - Candler
Motion approved with a 3 to 1 vote.

(c) A motion is needed for direction to proceed with the International Equity Manager.

Police Officers' Retirement System

Motion: It was moved by Mr. Young, seconded by Mr. DuPree, to approve 2.5% investment to each – EuroPacific and WCM.

Motion died; no vote.

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Discussion ensued. Separate motions would be needed to name each manager, designate the percentage of investment for each, split proceeds from the sale 50/50, establish the fee at 49 basis points for EuroPacific, WCM 1 basis point.

Police Officers' Retirement System

Motion: It was moved by Mr. Young, seconded by Mr. DuPree, to approve changing the International Equity Manager to EuroPacific for 2.5% investment, split proceeds from the sale 50/50, establish the fee at 49 basis points for EuroPacific.

Roll Call Vote: Ayes–Young, Corbitt, DuPree, Thomason; motion approved unanimously.

Motion: It was moved by Mr. Young, seconded by Mr. DuPree, to approve changing the International Equity Manager to WCM for 2.5% investment, split proceeds from the sale 50/50, establish the fee at 1 basis point for WCM.

Roll Call Vote: Ayes–Young, Corbitt, DuPree, Thomason; motion approved unanimously.

General Employees' Retirement System

Motion: It was moved by Mr. Currie, seconded by Mr. Thomason, to approve changing the International Equity Manager to EuroPacific for 2.5% investment, split proceeds from the sale 50/50, establish the fee at 49 basis points for EuroPacific.

Roll Call Vote: Ayes–Currie, Greene; Thomason, Maresma; motion approved unanimously.

Motion: It was moved by Mr. Currie, seconded by Mr. Thomason, to approve changing the International Equity Manager to WCM for 2.5% investment, split proceeds from the sale 50/50, establish the fee at 1 basis point for WCM.

Roll Call Vote: Ayes–Currie, Greene; Thomason, Maresma; motion approved unanimously

Firefighters' Retirement System

Motion: It was moved by Mr. Povloski, seconded by Ms. White, to approve changing the International Equity Manager to EuroPacific for 2.5% investment, split proceeds from the sale 50/50, establish the fee at 49 basis points for EuroPacific.

Roll Call Vote: Ayes–Dawson, Povloski, White
Nay - Candler
Motion approved with a vote of 3 to 1.

Motion: It was moved by Mr. Povloski, seconded by Ms. White, to approve changing the International Equity Manager to WCM for 2.5% investment, split proceeds from the sale 50/50, establish the fee at 1 basis point for WCM.

Roll Call Vote: Ayes–Dawson, Povloski, White

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Nay - Candler
Motion approved with a vote of 3 to 1.

Pension Administrator's Report

12. May 2015 – Quarterly Pension Plan Administrator's Report

Ann Meuse reviewed the Quarterly Pension Plan Administrator's Report for the three pension plans. There were no questions, nor discussion.

It was moved by Mr. Young, seconded by Ms. White, to accept the Administrator's report; voice vote resulted in all ayes by the Board members.

13. The meeting adjourned at 5:19 P.M.

Submitted by: Nancy J Pyatte
Assistant City Clerk

Approval:

/s/ Brandon Maresma

Chair

Date: August 12, 2015