

Minutes of the JOINT QUARTERLY MEETING of the Firefighters', General Employees', and Police Officers' Retirement Systems, held Tuesday, February 7, 2017, at 3:00 P.M., in the Council Chambers, 11 North 3rd Street, Jacksonville Beach, Florida.



Call to Order

David Young, of the Police Officers' Board of Trustees called the meeting to order at 3:00 P.M.

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

Police Officers' Board: Marvin DuPree(*late, 3:15 P.M.*), Alan Grant, Steve Corbitt, David Young, Jackie Thomason

Firefighters' Board: Dennis Povloski, Gaylord Candler, Ed Dawson (*absent*), Ronald Rabon(*absent*), Deborah White

Courtesy of the Floor to Visitors

None

OLD BUSINESS

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

1. Minutes of Joint Quarterly Meeting held November 9, 2016.

Motion: It was moved by Ms. Hoffman and seconded by Ms. White, to approve the minutes of the Joint Quarterly Meeting held on November 9, 2016, as presented.

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

NEW BUSINESS

Consideration by General Employees' Board of Trustees

2. Applications for Retirement.

(a) Karen Frankenberg – Customer Service Representative (Utility Billing) – Retirement Effective 2/1/2017; Meets age/service requirements.

Motion: It was moved by Mr. Vergara, seconded by Ms. Hoffman, and passed unanimously, to approve the application for retirement for Karen Frankenburg.

(b) Kelly Paul – Chief Storekeeper (Beaches Energy) – Early Retirement Effective 11/1/2016; Meets age/service requirements for early retirement.

Ms. Paul's application for retirement was approved at the November 9, 2016, Quarterly Pension Board meeting.

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

3. Quarterly Investment Performance Report, as of December 31, 2016 – Dan Johnson of AndCo Consulting.

- a. Active/Passive Investment Manager Discussion and Review
- b. MD Sass Proposed Fee Reduction
- c. Wells Capital Fee Reduction

Dan Johnson, formerly of The Boghdan Group, announced the company had changed its name to AndCo Consulting.

Mr. Johnson provided a PowerPoint presentation explaining the difference between active and passive portfolio management. Discussion ensued, and a question arose regarding the impact of active and passive portfolio management on the assumed rate of return for actuarial purposes. This question was referred to the pension plan actuary, who will be at the May 9, 2017, Joint Pension Board meeting to present the 2016 actuarial reports. Mr. Johnson will continue to review active versus passive management of stocks with the boards.

Mr. Johnson reviewed the fees from MD Sass and Wells Capital. Mr. Johnson reported that Wells Fargo would continue to apply a 20% fee discount for another one-year period, through the first quarter of 2018. Mr. Johnson also reported that MD Sass was lowering their fees from 65 to 60 basis points permanently and that this would take effect during the first quarter of 2017.

Mr. Johnson reviewed the Quarterly Investment Performance Report ending December 31, 2016.

Motion: It was moved by Ms. White and seconded by Mr. Corbitt, to accept the Quarterly Investment Report, as of December 31, 2016, as presented.

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

PENSION ADMINISTRATOR

4. Quarterly Pension Plan Administrator's Report, as of December 31, 2016.

Duston Scott, Payroll and Benefits Administrator, presented his quarterly report to the trustees. He reported the General Employees' Retirement System had 235 active members and 200 receiving or eligible to draw benefits; the Police Officers' had 64 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. DROP (Deferred Retirement Option Plan) and pension refund payments thru December 31, 2016, totaled \$397,355.64. He added there were no more individuals eligible for DROP.

He stated that he and five board members attended the Winter Trustee School, offered through the Florida Public Pension Trustee Association (FPPTA) from January 29, 2017, to February 1, 2017, at the Rosen Centre Hotel in Orlando, Florida.

He stated that the next meeting would be on Tuesday, May 9, 2017.

Ann Meuse, Human Resource Director, commented that the May meeting would possibly begin at 2:00 P.M. due to the potential length of the meeting.

Mr. Scott added there would be reminders sent out to the trustees.

Motion: It was moved by Ms. White, seconded by Ms. Hoffman, to accept the Pension Plan Administrator's Quarterly Report.

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

5. Adjournment

Motion: It was moved by Ms. White, seconded by Ms. Hoffman, to adjourn the meeting.

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

The meeting adjourned at 4:15 P.M.

Submitted by: Catherine Ponson
Assistant City Clerk

Approval:



Chair

Date:

5-9-17