

**BOARD OF PENSION TRUSTEES
FOR THE
CITY OF JACKSONVILLE RETIREMENT SYSTEM
October 24, 2019**

MINUTES

City Hall - St. James Building, Conference Room 3C: 2:00 P.M.

Members Present

Jeffrey Bernardo, Chair
Joey Greive
Brian Hughes
Patrick Johnson
David Kilcrease
Kent Mathis
Diane Moser
Shari Shuman
Terry Wood

Members Not Present

NA

Staff Present

Randall Barnes, Treasurer
Brennan Merrell, Manager Debt and Investments
John Sawyer, OGC
Tom Stadelmaier, Pension Administrator

Others Present

Jordan Cipriani, RVK
Kevin Schmidt, RVK

1. CALL TO ORDER

Chair Bernardo called the meeting to order at about 2:00 PM

2. OFFICER ELCTIONS

Mr. Greive nominated Chair Bernardo for Chair. Mr. Kilcrease seconded the motion. There were no additional nominations. The Chair took a vote and it passed unanimously.

Mr. Kilcrease nominated Mr. Greive for Vice-Chair. Ms. Moser seconded the motion. There were no additional nominations. The Chair took a vote and it passed unanimously.

Ms. Moser nominated Mr. Kilcrease for Secretary. Mr. Greive seconded the motion. There were no additional nominations. The Chair took a vote and it passed unanimously.

3. PUBLIC COMMENT

Chair Bernardo recognized Trustee Shuman for her service and she was presented with a plaque in recognition for her time on the Board. This will be Ms. Shuman's last meeting.

4. MINUTES

Ms. Shuman made a motion to approve the minutes. Mr. Greive seconded the motion. The Chair asked for any discussion and there was none. The Chair took a vote and the minutes passed unanimously.

5. NEW BUSINESS

Consent agendas

Mr. Greive moved to approve the consent agenda. Ms. Moser seconded the motion. The Chair took a vote and the consent agenda passed unanimously.

2020 Census

Stephanie Burch reviewed a presentation on the 2020 Census as part of an effort to spread information and encourage participation. It was suggested that Ms. Burch could provide information to the REA and the Pension Office to include in their newsletters and annual retiree mailing.

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Mr. Stadelmaier provided a summary of the proposal to have proceeds used from a JEA recapitalization to pay-off the JEA portion of the Plan's unfunded liability.

Mr. Kilcrease and Mr. Mathis inquired if a plan funding analysis has been done if the recap is completed. Mr. Barnes said no, not yet. Mr. Hughes said the idea to add funding for the Plan was a good thought but that it feels pre-mature to consider it at this time. Chair Bernardo stated the impact would be material and the Board should consider offering a comment. Mr. Hughes suggested it should be considered after PAC review. The Board members present agreed and no further analysis was requested at this time.

6. INVESTMENT AND FINANCIAL MATTERS

Mr. Merrell gave a recap of September 30 performance where equities rallied, and the Fund returned about 1.5% for the month and marginally positive for the fiscal year.

Ms. Cipriani discussed the Baillie Gifford option to increase the fund's emerging markets exposure from 20% to 30% in early 2020. Mr. Merrell indicated staff is aligned with the RVK recommendation to approve the change. Ms. Cipriani provided further analysis of the total emerging market exposure and suggested we continue to closely monitor the emerging markets exposure and the BG change. There was some further discussion on the risks and rewards associated with EM.

Mr. Greive made a motion to move forward with the recommendation contained in Option 1. Ms. Moser seconded the motion. Ms. Shuman asked if 6% was the right target in EM. Ms. Cipriani and Mr. Schmidt indicated there was room for growth based on the IPS.

Mr. Merrell reported staff was working on the responses for the private equity RFI and plans a meeting on January 9 at 1 PM for the finalists. For Private Credit, an RFP for a consultant search is being drafted due to the required standard procurement rules, since it's a fee outside the scope of the general consultant contract. Staff will present a Private Credit Consultant RFP during the upcoming Board meeting.

7. OLD BUSINESS

None

8. ADMINISTRATIVE

Mr. Stadelmaier pointed the Board members to the redlined version of Chapter 120. Board vote is not required, final comments are welcomed.

9. INFORMATION

The next regular BOT meeting is scheduled for Thursday, November 21, 2019, at 2 PM.

10. PRIVILEGE OF THE FLOOR

None

11. ADJOURNMENT

Chair Bernardo adjourned the meeting at about 3:05 PM.