

**BOARD OF PENSION TRUSTEES
FOR THE
CITY OF JACKSONVILLE RETIREMENT SYSTEM
February 22nd, 2018**

MINUTES

Members Present

**Jeff Bernardo, Chair
Sam Mousa
Mike Weinstein
Diane Moser
Terry Wood
Bruce Tyson**

Staff

**Paul Barrett, Investment Officer
Ray Ferngren, Pension Administrator
Jaime Sawczyn, Pension Assistant
John Sawyer, OGC**

(full recording of the meeting available in the Pension Office)

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

1. **CALL TO ORDER** The Chair called the meeting to order at 2:05pm
2. **PUBLIC COMMENT** None
3. **MINUTES**
 - Copy of January 25th, 2018 Board of Trustees Minutes
 - **RECOMMENDED ACTION: APPROVAL**

Mr. Wood motioned to approve the Minutes and Mr. Weinstein seconded. Discussion was nil and the Chair took a vote. The Minutes passed unanimously.

4. **NEW BUSINESS**

A. CONSENT AGENDA

- Copy of Consent Agenda for Recommended Benefits for General Employees dated February 14, 2018.
- Copy of Consent Agendas for Recommended Benefits for Corrections Officers, December, 5, 2017, January 2, 2018, February 6, 2018

- **RECOMMENDED ACTION: APPROVAL**

Some discussion around the cumulative Correction officers agendas and one refund was mistakenly printed on them—Mr. Ferngren assured the group that will be corrected. Mr. Ferngren went on to point out that the SJRPP to GEPP conversions are winding down. Mr. Mousa asked about the procedure and Mr. Ferngren explained they are now JEA employees and rescind all rights in the SJRPP pension when they convert. Ms. Shuman motioned to approve the Consent Agendas and Mr. Tyson seconded. The Chair took a vote and the Consent Agendas passed unanimously.

5. INVESTMENT AND FINANCIAL MATTERS - Greive/Barrett

- **Q4 Investment Review, Summit Strategies- Dan Holmes (by phone)**

Mr. Holmes began his review with the general capital market report and hit on recurrent themes of low unemployment, recent and forecasted quarterly GDP and the recent change in leadership at the Federal Reserve.

Mr. Holmes covered recent quarterly and monthly performance and though there have been recent more volatile days in the markets, the fund is up approximately 5% for the fiscal year.

Mr. Holmes then covered the recent Flash report and pointed to slight overages in equity allocations, and while this has worked out for the fund, it's his opinion that this overage presents an opportunity to fill out the Diversifying Assets target allocation in the near future.

Summit, along with staff, is working on an Asset Liability study and this will take approximately 3 months. Mr. Mousa asked if they will be proposing a plan or recommending a strategy from this and Mr. Barrett indicated the first meeting will be just discussion on the study in the April timeframe.

Mr. Holmes then covered the highlights of each asset class and pointed to the real estate managers not being perfectly up to date as they report quarterly. Mr. Barrett took a question on the small amount of VNQ in the portfolio from Mr. Wood. Mr. Barrett explained it is there from recent sales from that position and for liquidity reasons—other real estate managers are not as liquid and this present the fund with flexibility.

Mr. Barrett then pointed to the April timeframe for a subcommittee for a workshop on the Diversifying Assets portion of the portfolio and this will include education, strategy, and possible presenters from this asset class. Mr. Barret, consistent with the last

meetings, indicated this will include representatives from the PFPF fund as they are looking into this as well.

Mr. Bernardo then asked a specific question about Eagle Capital and their strong outperformance from the benchmark—he was concerned they may have some “style drift” into Large Cap growth versus Value. Mr. Holmes discussed they are still mainly a value shop and will take positions that have more of a growth appearance, but that he was not concerned.

6. **ADMINISTRATIVE** None

7. **INFORMATION** None

a. **NEXT BOARD OF TRUSTEES MEETINGS**

The next regular BOT meeting will be Thursday, March 22, 2018 at **2:00pm.**

8. **PRIVILEGE OF THE FLOOR** None

9. **ADJOURNMENT** No further business and the Chair ended the meeting at **2:28pm**