

# City of Gainesville

*City Hall  
200 East University Avenue  
Gainesville, Florida 32601*



## **Minutes - Final**

**February 24, 2022**

**9:00 AM**

**Room 016, City Hall, 200 East University Avenue**

## **Pension Review Committee**

*Jonathan Visscher (Chairperson)*

*Harvey Lewis (Member)*

*David Rader (Member)*

*Matthew Barker (Member)*

*Patrick Keogh (Member)*

*If you have a disability and need an accommodation in order to participate in this meeting, please contact the Office of Equity and Inclusion at (352) 334-5051 at least two business days in advance. TTY (Text Telephone Telecommunication Device) users please call 711 (Florida Relay Service). For Speech to Speech (STS) relay, please call 1-877-955-5334. For STS Spanish to Spanish relay, please call 1-877-955-8773. For STS Spanish to English relay, please call 1-844-463-9710.*

**MEETING INFORMATION****CALL TO ORDER**

The meeting was called to order at 9:00 a.m.

**ROLL CALL**

MEMBERS PRESENT: Jonathan Visscher, Harvey Lewis, David Rader, Patrick Keogh

ABSENT: Matthew Barker

Note: Member Keogh submitted a signed and notarized affidavit of Extraordinary Circumstances and was allowed to attend virtually and vote on applicable agenda items.

STAFF PRESENT: William Johnston, Investment Officer; Gregory Williams, Senior Analyst; Mark Benton, GRU Rates & Investment Director

OTHERS PRESENT: Brendan Vavrica, AndCo Consulting; Nick Hansen, Disciplined Growth Investors; Fred Martin, Disciplined Growth Investors

**ADOPTION OF THE AGENDA**

Adopted

**APPROVAL OF MINUTES**

[210865.](#)

**Regular Meeting Minutes of December 16, 2021 (B)****RECOMMENDATION**

*The Pension Review Committee review the Regular Meeting Minutes of December 16, 2021, and take any action deemed appropriate.*

**Approved as Recommended**

**PRESENTATIONS**

[210867.](#)

**Presentation by Disciplined Growth Investors (B)**

Fred Martin of Disciplined Growth Investors (DGI) reviewed the Plan's long history with DGI. Mr. Martin reviewed the Russia/Ukraine situation, and how DGI analyzes major events, and adjusts portfolio sector holdings in response - oil and gas for example. Economic and company impacts, industry innovations, demand changes and supply chain disruptions related to the Russia/Ukraine situation were discussed. The potential for

valuations benefits from the decline of COVID and the potential opening of the economy was also discussed. Mr. Martin reviewed the Plan's portfolio and how firm changes at DGI had positively impacted the portfolio. DGI had added some talented staff, and had experienced some unfortunate losses. An improved portfolio allocation method was also mentioned. Mr. Hansen discussed DGI's new Salesforce integration, and its expected organizational benefits, particularly in research activities. Portfolio performance and benchmark performance were reviewed. Portfolio management based on fundamental performance, the influx of small retail trading during the pandemic, and purchase & sale decisions within the portfolio were reviewed. Index and benchmark allocations and high returns being driven by a few heavily weighted companies was discussed. Individual portfolio return contributors and their company outlooks were reviewed. Capital markets, impacts from inflation, geopolitical tensions, rate hikes and monetary policy and stimulus packages were discussed. Mr. Visscher asked if Mr. Martin had any plans for retirement in the future, given his tenure with DGI. Mr. Martin assured the Committee that he currently had no plans to leave DGI, and that he was happy with the firm and his role there.

**RECOMMENDATION**

*The Pension Review Committee hear a presentation by DGI covering the General Pension Plan's investment in their small/mid cap growth strategy, and take any action deemed appropriate.*

**Discussed**[210866.](#)**Presentation by AndCo (B)**

Brendan Vavrica of AndCo Consulting gave an update on the Plans investment performance. Mr. Vavrica discussed the Plan's December Quarterly Performance Report, which included AndCo organizational updates. A comparison of value and growth investment style performance over 2021 was discussed. Inflation and interest rate increases during the year, and the Federal Reserve's evolving tightening plans for 2022 were reviewed. The Plan's real estate holdings, and COVID related changes in retail, office, and industrial sectors were discussed. Updated Plan and investment manager returns through January 31, 2022 were discussed. It was noted that TWIN's relative performance against their benchmark had improved. Chinese markets continued to have negative impacts on Baillie Gifford's recent performance, but their longer term performance vastly outpaced their benchmark. Brown Advisory continued to under perform their benchmark due to their lower allocations to higher return companies heavily weighted in benchmark index. AndCo's opinion was that Brown was performing as expected with a defensive portfolio, and did not need to be replaced - the

Committee agreed with AndCo's reasoning, and intended to retain Brown for the time being.

RECOMMENDATION

*The Pension Review Committee hear a presentation by AndCo investment consultant Brendon Vavrica covering market conditions, and Plan investment performance and asset allocations, and take any action deemed appropriate.*

Discussed

## OLD BUSINESS

[210723.](#)

### Calendar Year 2022 Committee Meeting Schedule (B)

Mr. Johnston gave some background to the committee about organizational changes recently at the City and how those changes have impacted the agenda creation and agenda item approval process. Staff was previously unsure if the proposed 2022 schedule dates might need to be adjusted, but was now comfortable with the proposed 2022 dates. The committee approved the 2022 Schedule dates and had no changes.

RECOMMENDATION

*The Committee review the proposed 2022 Meeting Schedule, and confirm which dates & times it wants to meet in 2022.*

Discussed

## NEW BUSINESS

## INFORMATIONAL ITEMS

## PUBLIC COMMENT

## MEMBER COMMENT

## NEXT MEETING DATE

The next meeting of the Pension Review Committee was March 24, 2022 at 9:00 a.m. at City Hall room 016.

## ADJOURNMENT

The PRC meeting was adjourned at 10:36 a.m.

[990562](#)

### REQUIREMENT

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LEAST 48 HOURS IN ADVANCE.

IF A PERSON DECIDES TO APPEAL ANY DECISION MADE BY THE BOARD WITH RESPECT TO ANY MATTER CONSIDERED AT THIS MEETING OR HEARING, THEY WILL NEED A RECORD OF THE PROCEEDING, AND FOR SUCH PURPOSE, THEY MAY NEED TO ENSURE THAT A VERBATIM RECORD OF THE PROCEEDING IS MADE, WHICH RECORD INCLUDES THE TESTIMONY AND EVIDENCE UPON WHICH THE APPEAL IS TO BE BASED. FLORIDA STATUTES 286.0105

THIS MEETING MAY BE CONDUCTED BY MEANS OF OR IN CONJUNCTION WITH COMMUNICATIONS MEDIA TECHNOLOGY, SPECIFICALLY A TELEPHONE CONFERENCE CALL. THE ABOVE LOCATION, WHICH IS ORDINARILY OPEN TO THE PUBLIC SHALL SERVE AS AN ACCESS POINT, PERSON WISHING TO ATTEND SHOULD APPEAR AT THE ACCESS POINT, WHERE TELEPHONE ACCESS TO THE MEETING WILL BE PROVIDED.