

# City of Gainesville

City Hall  
200 East University Avenue  
Gainesville, Florida 32601



## **Minutes - Draft**

May 27, 2021

9:00 AM

City Hall Auditorium

## **Pension Review Committee**

*Jonathan Visscher (Chairperson)*

*Harvey Lewis (Member)*

*David Rader (Member)*

*Matthew Barker (Member)*

*If you have a disability and need an accommodation in order to participate in this meeting, please contact the Office of Equal Opportunity 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 relay, please call 1-877-955-8773. For STS French Creole relay, please call 1-877-955-8707.*

## MEETING INFORMATION

### CALL TO ORDER

The meeting was called to order at 9:01 a.m.

### ROLL CALL

Members Present: Jon Visscher, David Rader, Harvey Lewis, Matthew Barker

Staff Present: William Johnston, Investment Officer; Gregory Williams, Pension Analyst Senior; Cintya Ramos, Finance Director; Mark Benton, GRU Rates & Investment Director; Fred Murry, Assistant City Manager

Others Present: Brendon Vavrica, AndCo Consulting; Brian O'Brien, Citizen; Don Sheppard, Citizen

### ADOPTION OF THE AGENDA

Adopted

### APPROVAL OF MINUTES

#### [210024.](#) Regular Meeting Minutes of March 25, 2021 (B)

RECOMMENDATION

*The Pension Review Committee review the Regular Meeting Minutes of March 25, 2021, and take any action deemed appropriate.*

Approved as Recommended

### PRESENTATIONS

#### [210025.](#) Presentation by Barrow Hanley Global Investors (B)

Barrow Hanley representative Bill Underwood was unable to attend the meeting due to illness, so the presentation was postponed until a future meeting.

RECOMMENDATION

*The Pension Review Committee hear a presentation by Bill Underwood from Barrow Hanley Global Investors on the Plan's U.S. Equity Large Cap Value portfolio, and take any action deemed appropriate.*

Postponed

#### [210026.](#) Presentation by AndCo (B)

AndCo Investment consultant Brendon Vavrica gave an economic & market update, and reviewed Plan's investment performance. Economic recovery continued with the help of the

Federal Government's stimulus packages, and the increasing number of people vaccinated against Covid-19. Many of the Plan's investment managers had high investment returns during the first four months of 2021, and value stocks were outperforming growth stocks in the current positive markets. Fixed income results were negative as bond markets reacted to fears of inflation, pushing up rates and driving down prices, and although interest rates had increased, they were still relatively low. Real Estate returns were moderate, and there was continued movement away from urban areas. AndCo expected a negative impact on the office space sector, though they didn't expect a complete collapse. Brown Advisory's performance and adherence to protocol was discussed. DGI's recent personnel issue was discussed, and it appeared that the matter related to a partner leaving the firm had been resolved.

**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****NEW BUSINESS****[210027.](#)****Pension Review Committee Applicant Review and Recommendation (B)**

The PRC Applicant Review Sub-Committee reviewed Patrick Keogh's PRC application and determined that he was qualified to serve on the PRC. A motion was made and passed by the PRC to recommend that the General Pension Plan Board of Trustees appoint Mr. Keogh to the PRC. Staff indicated that an agenda item with that recommendation would be submitted to the Board at their upcoming meeting.

**RECOMMENDATION**

*The PRC Applicant Review Sub-Committee consider the PRC application from Patrick Keogh, and make any recommendation deemed appropriate for submission to the Board of Trustees.*

**Approved, as shown above**

**INFORMATIONAL ITEMS****PUBLIC COMMENT**

Citizen attendee Brian O'Brien asked the PRC about a difference between the General Pension Plan asset balance reported in the City's FY20 ACFR and the asset balance reported on AndCo's 9/30/20 Investment Performance Report. Staff explained that AndCo's 9/30/20 Investment Performance report only included investment assets held at the Plan's custodian bank State Street, while the City's ACFR included those investment assets as well as all internal Plan assets held at the City. The City issued pension obligation bonds in September 2020, and received the related bond proceeds on 9/29/20, so those bond proceeds are included in the General Pension Plan assets in the City's ACFR. Because the bond proceeds were not transferred to State Street until early October 2020, they were

not included in AndCo's 9/30/20 Investment Performance Report, but were reflected in AndCo's 10/31/20 Investment Performance Report. Mr. O'Brien was concerned that the bond proceeds assets were being included as City assets, rather than Pension Plan assets. Staff responded that the pension obligation bond proceeds were reflected in the FY20 ACFR as General Pension Plan assets, not City assets. Mr. O'Brien appeared to be satisfied with staff's explanation.

Citizen Donald Sheppard also voiced concerns about where the bond proceeds assets were reflected in the FY20 ACFR, and inquired about the Plan's Revised FY16 -FY19 Actuarial Valuation Reports. The Committee advised Mr. Sheppard that he could make a Public Records Request to view the revised Actuarial Valuations. The Revised FY16 -FY19 Actuarial Vals were attached as backup to the related 5/20/21 Board of Trustees Meeting Agenda where they were approved, and they are available on the City's Agendas & Minutes webpage. Staff also reiterated that General Pension Plan assets had been audited and were reflected properly on the FY20 ACFR.

## MEMBER COMMENT

Chairmen Visscher discussed his Pension Review Committee Presentation given to the General Pension Plan Board of Trustees on 6/03/21. Mr. Visscher had requested that staff review and update the existing PRC Resolution language related to PRC applicant experience requirements. Staff indicated that they would be working on revising the Resolution language with the City Attorney.

Staff also discussed updated advisory committee meeting guidance that requires all committee members to start attending meetings in person, or be considered absent. Chairman Visscher asked for clarification from the City concerning virtual/telephonic member attendance. Staff indicated that they would get clarification from the City Attorney on advisory committee meeting attendance requirements.

## NEXT MEETING DATE

The next Pension Review Committee meeting date is June 24th, 2021 at 9:00 a.m. in the basement of Gainesville City Hall, room 016.

## ADJOURNMENT

The meeting was adjourned at 9:53 a.m.

[990562](#)

## REQUIREMENT

IN ACCORDANCE WITH THE AMERICANS WITH DISABILITIES ACT OF 1990, PERSON NEEDING A SPECIAL ACCOMMODATION TO PARTICIPATE IN THIS PROCEEDING ARE REQUESTED TO NOTIFY THE EQUAL OPPORTUNITY DEPARTMENT AT 334-5051 OR CALL THE TDD PHONE LINE AT 334-2069 AT

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.