

GENERAL EMPLOYEE PENSION PLAN COMMITTEE MINUTES
Wednesday, August 5, 2020 3:00 PM
City Hall Council Chambers, Vero Beach, Florida

PRESENT: Monte Falls, City Manager; Tammy Bursick, City Clerk; John Turner, City Attorney; Gabrielle Manus, HR Director. **Also Present:** Glenn Thomas, Committee Attorney (by phone); Dean Molinaro, Prudential (by phone); Kathy Taube, Risk & Benefits Administrator.

1. CALL TO ORDER

Mr. Falls called the meeting to order at 3:01 p.m.

2. APPROVAL OF MINUTES

Mr. Falls indicated that there was a correction required, where the May 1st transfers were made from the Core Bond Portfolio rather than the Dryden S&P 500 Index as indicated. Mrs. Manus made a motion to approve the minutes of the May 6, 2020 meeting with changes. Ms. Bursick seconded the motion and it passed unanimously.

3. AGENDA ADDITIONS, DELETIONS & ADOPTIONS

Ms. Bursick reported that paperwork was received to discuss a change to the Minimum Distribution Requirements. Mr. Falls said that this will be discussed during Attorney's Matters.

4. PUBLIC COMMENT

None

5. NEW BUSINESS

A. Prudential – June 30, 2020 Quarterly Investment Review

Full report on file at City Clerk's Office.

Mr. Dean Molinaro, Vice President, Investment Strategy of Prudential, presented the Quarterly Investment Review:

2nd Calendar Quarter Return (3rd Fiscal Quarter) 14.05%
Plan Year (Fiscal) Return 2.91%
1 year return 4.12%
3 year return 6.39%
5 year return 6.65%
10 year return 9.06%

Assets as of the end of June total \$95,604,486

Distribution of assets is overweight equities:

59.29% Traditional Equities (Diversified between Large, Mid & Small Cap US, and an allocation to Non-US Emerging Markets will develop)

4.75% Real Estate

35.96% Fixed Income

The following transfers will be implemented on August 3rd, 2020 over a 2 month period to rebalance the portfolio:

From:

\$1,125,000	Dryden S&P 500 Index
\$1,005,000	Large Cap Growth / JPMorgan Investment Mgmt Fund
\$305,000	Small Cap Growth / TimesSquare #

To:

\$1,520,000	Core Bond / PGIM Fund
\$240,000	Real Estate / Cohen & Steers Fund
\$190,000	Large Cap Value / Wellington
\$180,000	International Blend / AQR
\$160,000	QMA Mid Cap Quantitative Core Equity Fund
\$145,000	Small Cap Value / Silvercrest Asset Management Fund

Prudential will be placing QMA Emerging Markets on the watchlist.

Mr. Molinaro announced that he will be retiring and Ms. Jennifer Burett will be taking his place.

6. OLD BUSINESS

None

7. ATTORNEY'S MATTERS

A. Mr. Thomas explained that the Secure Act was passed by Congress back in January, which changes the required minimum distribution age from 70 ½ to 72 ½. Due to this change, the City has the option to adopt this change and an Ordinance or Resolution would need to be submitted to the State with a letter from the the plan's actuary stating that there would be no impact to the plan. Mr. Thomas will prepare and submit the resolution to the City Attorney for review.

Mr. Turner moved to adopt the change. Ms. Bursick seconded the motion and it passed unanimously.

8. NEXT MEETING DATE – Wednesday, December 16, 2020 at 3:00 p.m.

9. ADJOURNMENT

The meeting was adjourned at 3:37 p.m.

/kft