BOARD MEMBERS PRESENT: Frazier, Hamby, Jordan, Johnson, Gee, Clark, Ingram
EX-OFFICIO MEMBERS PRESENT: Lackey, Perry, Allison (Interim)
OTHERS PRESENT: Grayson

Chairman David Frazier called the meeting to order at 11:00 AM and served as the presiding officer.

Chairman Frazier stated the purpose of this special called meeting was to receive additional information regarding real estate investment options from J.P. Morgan and an in-house training presentation from the Social Security Administration office.

PRESENTATION(S):

J.P. Morgan Asset Management Real Estate Product
Kathleen Morgenier and Josh Braunstein represented J.P. Morgan Asset Management. They presented information regarding the core real estate flagship fund (also known as Strategic Property Fund).

Ms. Morgenier began by sharing their commitment to partnering with public pensions. Mr. Braunstein shared information regarding the real estate platform and the Strategic Property Fund (SPF). He indicated their focus was on the four major asset classes, i.e., residential, retail, industrial and office. They had an average of 26 years of experience. He briefly shared some details surrounding their Investment Committee process and their core real estate investment strategy. Mr. Braunstein also provided the fund overview and indicated the entry queue for SPF was small at this time.

Upon inquiry from City Manager Bryan Lackey, Mr. Braunstein defined a lifestyle and an urban center.

Mr. Braunstein commented on the performance overview noting SPF is an open ended core investment fund. He briefly shared information regarding the portfolio of malls and offices.

City Manager Bryan Lackey asked if one or more management firms were used to manage the malls. Mr. Braunstein stated they have relationships with many management firms across the spectrum.

Chairman Frazier inquired about the exit queue at which time Mr. Braunstein indicated there was no exit (redemption) queue at this time. Mr. Frazier also inquired about the exit queue during the recession period of 2008-2009 at which time Mr. Braunstein stated there was a redemption queue; however, they were fulfilled during the downturn noting the average time to exit was approximately three to six months to fulfill the liquidity request during that time.

Upon inquiry from Chairman Frazier, Mr. Braunstein stated there were two managers for this fund - Ann Cole and Kim Adams.

Ms. Morgenier closed the presentation by summarizing the highlights of the fund.

Upon inquiry from Board Member Matt Hamby, Mr. Braunstein commented on the minimum investment requirement noting it was negotiable.

There was consensus from the Board to delay discussion regarding the J.P. Morgan real estate product until the November 9 regular scheduled Board Meeting to include Consultant Jeff Swanson.

Windfall Elimination Provision
Tony Burchardt, Social Security Administration, stated he worked out of the Gainesville office which covers 15 counties. He distributed a handout referencing the Windfall Elimination Provision.

Mr. Burchardt stated the Windfall Elimination Provision (also known as WEP) affects each individuals own retirement benefit with the Social Security Administration if they have at least 40 quarters of earnings. He shared details surrounding the various ways the provision can affect retirement, disability and social security benefits. He also shared the weighted formula calculations used to determine the monthly payment amount, the exceptions to WEP, and the Social Security years of substantial earnings.

Upon inquiry from City Manager Bryan Lackey, Mr. Burchardt clarified when a reduction is taken.

Board Member Gary Clark inquired about an individual with dual jobs and receiving a Social Security benefit.

Board Member Horace Gee inquired about survivor’s benefit.

Government Pension Offset
Tony Burchardt, Social Security Administration, distributed a handout referencing the Government Pension Offset. He shared information regarding this provision noting it applies to a spouse, widow or widower benefit. This is a two-thirds offset which means Social Security benefits will be reduced by two-thirds of your government pension.

Chairman Frazier inquired about the effects of his earnings on his spouse’s benefit.

Mr. Burchhardt shared information regarding eligibility for Medicare noting a penalty is applied if not enrolled at the appropriate time as determined by the Social Security Administration.

OTHER BUSINESS:

Real Estate Minimum Investment Requirement
Upon inquiry from Board Member Horace Gee, Chairman Frazier commented on discussions between Consultant Jeff Swanson and J.P. Morgan Asset Management regarding the minimum investment cost.

ADJOURNMENT: 12:23 PM

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David Frazier, Chairman

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Denise O. Jordan, Secretary to the Board