



JACKSONVILLE POLICE AND FIRE PENSION FUND
FINANCIAL INVESTMENT AND ADVISORY COMMITTEE
ANNUAL REPORT
JULY 1, 2017 – JUNE 30, 2018



Prepared by the Police and Fire Pension Fund Administration
Chapter 50, Section 110 Part B

POLICE AND FIRE PENSION FUND
FINANCIAL INVESTMENT AND ADVISORY COMMITTEE
ANNUAL REPORT
Page 2

I. INTRODUCTION

This report contains a summary of all activities of the Jacksonville Police and Fire Pension Fund (PFPF) Financial Investment and Advisory Committee (FIAC) from July 1, 2017 to June 30, 2018. It also lists the current committee members and a short assessment of the committee's effectiveness.

The Financial Investment and Advisory Committee (FIAC) was formed and is governed pursuant to City of Jacksonville Ordinances contained in Section 121, Part 5 (City of Jacksonville Ordinances 121.501-121.506). Their terms were staggered as a result of Ordinance 2017-564-E. Subsequent terms are for 3 years.

The FIAC is responsible for providing advice to the PFPF Board of Trustees on financial matters, actuarial practices and assumptions, investment strategy and policy, the selection of outside financial services providers (including investment managers and advisors), and any other matters requested by the Board of Trustees.

The FIAC holds regular monthly meetings, typically scheduled on the 2nd Friday beginning at 3:30PM. Scheduled meetings may be found online at <http://www.coj.net/departments/police-fire-pension-fund/important-dates>.

II. COMMITTEE MEMBERS

TERM EXPIRATION

Eric "Brian" Smith Jr., Chair	March 1, 2022
Craig J. Lewis Sr., Secretary	March 1, 2020
Tracey Devine	March 1, 2018 <i>(pending Council reappointment)</i>
Rob Kowkabany	March 1, 2018 <i>(pending Council reappointment)</i>
Rodney Van Pelt	March 1, 2020

POLICE AND FIRE PENSION FUND
 FINANCIAL INVESTMENT AND ADVISORY COMMITTEE
 ANNUAL REPORT
 Page 3

III. TABLE OF COMMITTEE ACTIONS

The FIAC has the responsibility and duty to provide advice to the PFPF Board of Trustees on:

- (1) Financial matters
- (2) Actuarial practices and assumptions
- (3) Investment strategy and policy
- (4) The selection of outside financial services providers
- (5) Such other matters as requested by the Board

Meeting Date	FIAC Action (defined above)					Note
	(1)	(2)	(3)	(4)	(5)	
07/14/2017	✓		✓	✓		
08/11/2017					✓	
09/14/2017	✓		✓			
10/13/2017						Ethics Training
11/09/2017						Investment Performance Review
12/08/2017	✓					
12/19/2017						Optional Meeting*
01/12/2018		✓			✓	
01/25/2018						Optional Meeting*
02/09/2018						Investment Performance Review
03/09/2018	✓		✓		✓	
03/20/2018						Optional Meeting*
04/13/2018						Asset/Liability Study
04/17/2018						Optional Meeting*
05/18/2018	✓		✓		✓	
06/08/2018		✓			✓	
06/28/2018						Optional Meeting*

*FIAC Member attendance optional; meeting posted as 'Manager Update'.

Detailed FIAC actions can be found in the meeting summaries posted at:

<http://www.coj.net/departments/police-fire-pension-fund/financial-investment-advisory-committee>

POLICE AND FIRE PENSION FUND
 FINANCIAL INVESTMENT AND ADVISORY COMMITTEE
 ANNUAL REPORT
 Page 4

III. COMMITTEE EFFECTIVENESS

The FIAC has provided insight and advice to the PFPF Board of Trustees on financial, actuarial, investment, and other matters since its creation by Ordinance 2015-304-E just over three years ago.

The past year has been particularly eventful considering the passing of Pension Reform which established new benefit levels, actuarial assumptions, and contribution requirements. The FIAC incorporated items related to Ordinance 2017-259 into the year's work plan (shown below).

Month	Topic
August 2017	General Planning Discussion (Terms, Election, Work Plan
September	Committee Orientation Pt 1 (Investment Policy Statement)
October	Committee Orientation Pt 2 (Ethics/Sunshine)
November	Planning Discussion
December	Investment Policy Statement Draft
January 2018	Officer Elections, Summit Business Summary, 10/1/2017 Actuarial Report
February	Asset/Liability Study Preview, 2016/2017 External Audit
March	Asset/Liability Study Final, Devine & Kowkabany Term Expires
April	Asset/Liability Study
May	Private Equity Workshop, Investment Consultant/Custodian RFI, FYE 10/1/2019 Operating Budget
June	Investment Policy Statement Final, Directed Brokerage & Emerging Manager Program
July	International Small Cap, Asset Allocation/Manager Review Summer Social
August	State/Local Law, Fiduciary Training, Securities Lending
September	Property Review, Private Equity Real Estate

The discipline and engagement of the members has contributed greatly to the committee's effectiveness; both in terms of productivity and value to the Board of Trustees.



Timothy H. Johnson
 Executive Director and Plan Administrator