



# POLICE AND FIRE PENSION FUND

ONE WEST ADAMS STREET, SUITE 100  
JACKSONVILLE, FLORIDA 32202-3616

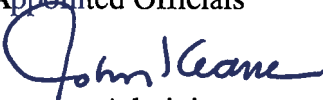
"We Serve... and We Protect"

Phone: (904) 255-7373  
Fax: (904) 353-8837

John Keane  
Executive Director -  
Administrator

**DATE:** June 30, 2011

**TO:** Elected and Appointed Officials

**FROM:** John Keane   
Executive Director - Administrator

**RE:** **2010 ANNUAL REPORT TO THE STATE OF FLORIDA  
DIVISION OF RETIREMENT**

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Attached are copies of the key pages of the 2010 Annual Report of the Jacksonville Police and Fire Pension Fund (the "Fund" or the "PFPF"). The report was prepared under the direction of Kevin Stork, City Comptroller. We appreciate his staff for their vital support in completing this report.

During the fiscal year ending September 30, 2010, the value of the Fund assets **increased \$54,865,495**. The impact upon the stock market from the sub-prime loan debacle and its spill over into the credit markets affected all segments of our economy.

Since October 1, 2009, the financial markets have offered historically weak market returns for the investment portfolios of all of the City's Pension Plans. While a portion of this is attributable to the decline in the stock market, other contributing factors include world wide economic conditions, unstable condition in the Mid East, and the continued unemployment rate.

The investment return information for the fiscal year ended September 30, 2010 was compiled by Summit Strategies Group.

**ANNUAL REPORT FOR YEAR 2010**

**Information provided in this report is public record**

Jacksonville

(CITY)

Police and Fire Pension Fund

(NAME OF FUND)

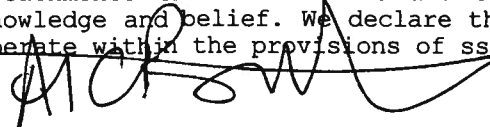
One West Adam Street, Suite 100 Jacksonville, FL 32202

(ADDRESS OF FUND)

STATE OF Florida

COUNTY OF Duval

We declare that the information given in this Annual Report and any attachments thereto is true and complete to the best of our information, knowledge and belief. We declare that the plan was created and continues to operate within the provisions of ss. 175.041 & 185.03, F.S.



CHAIRMAN \*

Signature

Bobby Deal

Please Type: Name of Chairman

**\* Must be member of the Board of Trustees**

One West Adam Street, Suite 100, Jacksonville, FL 32202

Mailing Address

904                      255-7373  
Area Code              Telephone              e-mail



SECRETARY \*

Signature

Nathaniel Glover

Please Type: Name of Secretary

One West Adam Street, Suite 100, Jacksonville, FL 32202

Mailing Address

904                      255-7373  
Area Code              Telephone              e-mail

**THIS PAGE MUST BE NOTARIZED**

CONTACT PERSON FOR ANNUAL REPORT:

John Keane

Name: Please Type


The Municipal Police Officers' and Firefighters' Retirement Trust Funds Office is hereby authorized to contact the person listed above for additional information and/or corrections regarding the annual report.

Administrator  
Title

One West Adam Street, Suite 100  
Jacksonville, FL 32202

Mailing Address

904                      255-7373  
Area Code              Telephone              e-mail



ROBERTA E GORMAN  
Notary Public, State of Florida  
My comm. exp. Sept. 12, 2012  
Comm No. DD 813171

**Chairman:** Subscribed and sworn to before me this 14th day of MARCH, 2011  
Personally known  or produced identification  Type of ID \_\_\_\_\_

**Secretary:** Subscribed and sworn to before me this 14th day of MARCH, 2011  
Personally known  or produced identification  Type of ID \_\_\_\_\_

1. BOARD OF TRUSTEES

Makeup of Board specified in:

Ordinance No. 87-545-273, Section 1,

Dated May 12, 1987

Names of Trustees

Trustees Elected/Appointed By\*

Bobby Deal

Majority of Police Officers

Richard N. Tuten III

Majority of Firefighters

Barbara G. Jaffe

Approved by City Council

Peter Sleiman

Approved by City Council

Nathaniel Glover

Appointed by the other four

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

\* For each Trustee Specify: City Appointee, Police Officer/Firefighter, Elected Fifth Member, or Designated in Ordinance (example: Finance Director, City Clerk or Treasurer). Attach separate page, if necessary.

2. Required Quarterly Board Meetings. List the date (month, day, and year) of one Board meeting in each quarter:

1st 12/09/09

2nd 03/17/10

3rd 06/22/10

4th 09/08/10

3. List all ordinances passed during this reporting period that affect your pension fund. An impact statement **must** be performed for each new ordinance. Any ordinance having no actuarial impact upon the plan **must** have a letter from your actuary attesting to this fact. Please indicate whether or not the ordinance enacted a benefit improvement that was mandated by Chapter 99-1. If yes, please identify whether the benefit improvement was (a) required minimum benefit or (b) extra benefit.

Ord. Number	Date Passed	Impact Statement Date	Y/N a/b Required by Chapter 99-1?
Ord. Number	Date Passed	Impact Statement Date	Y/N a/b Required by Chapter 99-1?
Ord. Number	Date Passed	Impact Statement Date	Y/N a/b Required by Chapter 99-1?
Ord. Number	Date Passed	Impact Statement Date	Y/N a/b Required by Chapter 99-1?

4. CHAPTER FUNDS ONLY

List any benefit improvements implemented during this reporting period and the date effective:

\_\_\_\_\_  
 \_\_\_\_\_

1. ACTUARIAL VALUATION

Contributions (Page 5, Line 3) for this reporting period were made in accordance with the valuation performed by:

Pension Board Consultants, Inc  
Name of Actuarial Firm

Jarmon Welch  
Contact Person Mailing Address

404 892-9798  
Area Code Telephone Number e-mail

Date of Valuation 10/01/08 Period Covered \_\_\_\_\_

2. CERTIFIED PUBLIC ACCOUNTANT

Grau & Associates  
Name of Firm

C. Michelle Blackstock, CPA  
Contact Person Mailing Address

561 994-9299  
Area Code Telephone Number e-mail

3. MONEY MANAGER

See Attached  
Name of Firm

\_\_\_\_\_  
Contact Person Mailing Address

\_\_\_\_\_  
Area Code Telephone Number e-mail

4. PERFORMANCE EVALUATION

Summit Strategies Group  
Name of Firm

Dan Holmes 8182 Maryland Ave, 6<sup>th</sup> Floor, St. Louis, MO 63105  
Contact Person Mailing Address

314 727-7211  
Area Code Telephone Number e-mail

Date of Evaluation 09/30/10 Period Covered 10/01/09-09/30/10

5. LEGAL ADVISOR

Klausner & Kaufman, P.A.  
Name of Firm

Robert Klausner 10059 N W 1<sup>st</sup> Court, Plantation, FL 33324  
Attorney Mailing Address

954 916-1202  
Area Code Telephone Number e-mail

6. PLAN ADMINISTRATOR

Police and Fire Pension Fund  
Name of Firm

John Keane One W Adams Street, Jacksonville, FL 32202  
Administrator Mailing Address

904 255-7373  
Area Code Telephone Number e-mail

JACKSONVILLE  
CITY NAME

POLICE AND FIRE PENSION FUND  
NAME OF PENSION FUND

STATEMENT OF ASSETS AND LIABILITIES

AS OF 9/30/10  
Month/Day/Year

**ASSETS - MARKET VALUE**

1. CASH, CHECKING AND SAVINGS (From pg. 7)	<u>\$1,841,533.00</u>
2. CERTIFICATES OF DEPOSIT (From pg. 7)	<u>\$0.00</u>
3. SHORT TERM INVESTMENTS (From pg. 8)	<u>\$12,172,599.00</u>
4. OTHER CASH AND EQUIVLENTS (From pg. 8)	<u>\$130,071.00</u>
5. U. S. BONDS AND BILLS (From pg. 8)	<u>\$54,690,233.00</u>
6. FEDERAL AGENCY GUARANTEED SECURITIES (From pg. 8)	<u>\$96,141,060.00</u>
7. CORPORATE BONDS (From pg. 8)	<u>\$61,038,500.00</u>
8. STOCKS (From pg. 9)	<u>\$621,300,648.00</u>
9. OTHER SECURITIES (From pg. 9)	<u>\$30,961,503.00</u>
10. REAL ESTATE (From pg. 9)	<u>\$85,987,179.00</u>
11. INVESTMENTS HELD BY INSURANCE COMPANY (From pg. 9)	<u>\$0.00</u>
12. <u>FIXED ASSETS</u> (From pg. 10)	<u>\$573,271.00</u>
13. <u>ACCUMULATED DEPRECIATION</u> (From pg. 10)	<u>\$551,373.00</u>
14. ACCOUNTS RECEIVABLE (From pg. 10)	<u>\$4,443,051.00</u>
15. ACCRUED INTEREST	<u>\$2,680,484.00</u>
16. TOTAL ASSETS (sum of lines 1-15)	<u>\$971,408,759.00</u>

**LIABILITIES**

17. REFUNDS PAYABLE	<u>\$22,313.00</u>
18. PENSIONS PAYABLE	<u>\$9,597.00</u>
19. UNPAID EXPENSES	<u>\$3,116,777.00</u>
20. DROP PLAN PAYABLE	<u>\$183,319,433.00</u>
21. <u>OTHER LIABILITIES/RLA</u>	<u>\$1,554,522.00</u>
22. TOTAL LIABILITIES (sum of lines 17-21)	<u>\$188,052,722.00</u>
23. FUND BALANCE (subtract line 22 from line 16) <u>MUST</u> agree with page 5, line 25>	<u>\$783,356,037.00</u>

JACKSONVILLE  
CITY NAME

POLICE AND FIRE PENSION FUND  
NAME OF PENSION FUND

STATEMENT OF REVENUES, EXPENDITURES & CHANGES IN FUND BALANCE

FOR THE PERIOD ENDING 9/30/10  
Month/Day/Year

REVENUES

1. CONTRIBUTIONS FROM EMPLOYEES (From pg. 14)	\$11,515,989.00
2. CONTRIBUTIONS FROM STATE OF FLORIDA (From pg. 6)	\$8,828,753.00
3. CONTRIBUTIONS FROM CITY (From pg. 6)	\$84,542,087.00
4. CONTRIBUTIONS FROM CITY - FOR EMPLOYEES	\$0.00
5. BUYBACKS/REPAYMENT OF CONTRIBUTIONS	\$669,896.00
6. <u>COURT FINES AND OTHER MISCELLANEOUS REVENUES</u>	\$3,134,061.00
7. UNREALIZED GAINS/LOSSES	\$18,253,914.00
8. INTEREST AND DIVIDENDS	\$20,874,909.00
9. GAIN FROM SALE OF INVESTMENTS	\$34,447,999.00
10. TOTAL REVENUE (sum of lines 1-9)	\$182,267,608.00

EXPENDITURES

11. RETIREMENT PENSION PAYMENTS (From pg. 12)	\$77,400,736.00
12. DISABILITY PENSION PAYMENTS (From pg. 12)	\$1,772,372.00
13. BENEFICIARY PENSION PAYMENTS (From pg. 12)	\$9,284,151.00
14. TOTAL PENSION PAYMENTS (sum of lines 11-13)	\$88,457,259.00
15. TERMINATION PAYMENTS (From pg. 13)	\$190,968.00
16. DROP PLAN PAYMENTS / EXPENSE	\$31,721,189.00
17. INSURANCE PREMIUM PAYMENTS	\$0.00
18. EXPENSES (From pg. 6)	\$6,993,225.00
19. <u>RLA</u>	\$39,472.00
20. _____	\$0.00
21. LOSS FROM SALE OF INVESTMENTS	\$0.00
22. TOTAL EXPENDITURES (sum of lines 14-21)	\$127,402,113.00
23. NET INCREASE / (DECREASE) (subtract line 22 from line 10)	\$54,865,495.00
24. FUND BALANCE - <b>BEGINNING</b> OF YEAR: <u>October 1, 2009</u> <MUST agree with prior year report page 5, line 25>	\$728,490,542.00
25. FUND BALANCE - <b>END</b> OF YEAR: <u>September 30, 2010</u> (line 23 plus line 24) <MUST agree with page 4, line 23>	\$783,356,037.00

1. TOTAL CALENDAR YEAR 2010 POLICE DEPARTMENT PAYROLL: \$ 199,357,723.00

TOTAL CALENDAR YEAR 2010 FIRE DEPARTMENT PAYROLL: \$ 89,081,321.00

**\*\* IMPORTANT \*\*** *The decrease in Fire of \$3.4 million from 2009 was largely due to a decrease in overtime (\$3 million) and part-time salaries (\$500,000).*

This figure must be on a calendar year basis. Police Department Payroll includes all employees of the Police Department (secretaries, dispatchers, police officers, etc.). Fire Department Payroll includes all employees of the Fire Department **EXCEPT** for members included in the Florida Retirement System. **If lower than last year, or significantly higher, please explain!**

2. STATE OF FLORIDA PREMIUM TAX MONEY

FIRE		POLICE	
<u>Date of Deposit</u>	<u>Amount</u>	<u>Date of Deposit</u>	<u>Amount</u>
08/19/2010	4,386,644.00	8/19/2010	4,442,109.00
Total Fire	\$4,386,644.00	Total Police	\$4,442,109.00
TOTAL (page 5, line 2)		\$8,828,753.00	

3. CITY CONTRIBUTION: Please identify any deposits that applied to a prior year's contribution requirements. If additional space is needed please attach a separate sheet of paper.

<u>Date of Deposit</u>	<u>Amount</u>	<u>Date of Deposit</u>	<u>Amount</u>
Bi-Weekly (4 Accts)	\$81,170,863.00		
Bi-Weekly (2 Accts)	\$3,093,369.00		
10-21-2011	\$277,855.00		
TOTAL CITY CONTRIBUTION (Page 5, Line 3)		\$84,542,087.00	

4. DETAIL OF EXPENSES:

ADMINISTRATIVE EXPENSES:

<u>Item</u>	<u>Amount</u>	<u>Item</u>	<u>Amount</u>
PERSONNEL + Admin SERVICES (1)	\$1,367,607.00	DEPRECIATION	\$26,414.00
CENTRAL SERVICES (2)	\$265,763.00	SUPPLIES	\$22,429.00
OTHER SERVICES/CHRG (3)	\$573,680.00		
Sub-Total Admin. Expenses		\$2,255,893.00	

INVESTMENT EXPENSES:

<u>Item</u>	<u>Amount</u>	<u>Item</u>	<u>Amount</u>
PROFESSIONAL SERVICE (4)	\$4,504,522.00	RENTAL	\$232,810.00
Sub Total -- Investment Expenses		\$4,737,332.00	

Total Expenses (Page 5, Line 18) \$6,993,225.00

- (1) Includes Payroll, MED TAX, FICA, Pension, Hospitalization, etc.
- (2) Includes INFORMATION Technologies, motor pool, Copy Center, etc.
- (3) Includes TRAVEL, Postage, phone S, Repairs + maintenance, etc.
- (4) Includes money managers, A ATTORNEY, ACTUARY, AUDITOR, etc.



RICK SCOTT  
Governor

DEPARTMENT OF MANAGEMENT  
**SERVICES**

JOHN P. MILES  
Secretary

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**APPROVED**

**MEMORANDUM**

June 15, 2011

**To:** Mr. Bobby Deal, Chairman  
Jacksonville Police Officers' & Firefighters' Pension Fund

**From:** Office of Municipal Police Officers' and Firefighters'  
Retirement Trust Funds, Division of Retirement

**Subject:** 2010 ANNUAL REPORTS

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This is to advise that we have **reviewed** and **approved** the 2010 Annual Report (s) for the Jacksonville Police Officers' & Firefighters' Pension Fund.

If you have any questions, please contact our office at (850) 922-0667.

mjm

Copy: John Keane, Administrator

**Approved**