



JACKSONVILLE POLICE AND FIRE PENSION NEWS

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"We Serve ... and We Protect"

OCTOBER, 2016 • FROM THE DESK OF THE EDITOR



Executive Director's Message

By Tim Johnson, Executive Director—
Plan Administrator

The Police and Fire Pension Fund is a plan that pays retirement benefits to more than 5,000 police officers, firefighters and their beneficiaries with an actuarial accrued liability of over \$3 billion. The plan is about 46% funded which means it has 46 cents in assets for every dollar in liabilities. If that trend continues, the plan will eventually be unable to pay benefits which would be counter to its mission: "To provide long term benefits to participants and their beneficiaries."

I've assessed the Fund and concluded that – working in cooperation with all stakeholders – a plan which includes five long-term goals and strategies is necessary for Fund sustainability.

1: Solvency

Recognition that with a \$1.6 billion unfunded liability, the Fund is not in position to pay future benefits to every member indefinitely. I will join police and fire unions in support of Referendum One and work with the FIAC in identifying strategies to improve solvency.

2: Governance

Recognition that trustees operate under newly enacted pension reform ordinances which include new benefit designs, new governance structures, and other negotiated terms. They need tools that help them discharge their complex responsibilities. I will institute best practices that lead to good decision making such as: an annual cycle of work, advanced board books, financial scorecards, rebidding of our contracts, and performance metrics. Best practices like these are shown to increase asset value.

3: Transparency

Recognition of the robust Florida public records law and the demand by the public to have information about the Fund in a complete and timely manner. There is an expectation of responsiveness as well as transparency. I've hired a public records specialist to respond to requests. We are in the process of digitizing all important plan documents. I am formalizing new processes and procedures such as 48 hour acknowledgements, CARE software.

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January, 2017 DROP

— *Attention Active Employees* —

Enrollments in the next quarterly DROP Class will begin November 2nd! Please contact Steve Lundy @ 904-255-7373 to schedule an appointment. Call soon! The enrollment deadline is December 2nd at 12:00PM.

Please remember you must have 20 years of service before the DROP date of January 14, 2017 to enroll in the January DROP.

Final Roll Call

RICHARD A. CALDWELL, September 29, 2016

Police Officer, 13 yrs. Of Service (Active)

GEORGE R. BLACKWELL, September 25, 2016

Fire Lieutenant, 36 yrs. Of Service (Retired 2004)

VERNON M. EVANS, September 14, 2016

Police Officer, 25 yrs. Service (Retired 2004)

BRYANT R. MICKLER, September 3, 2016

Police Lieutenant, 23 yrs. Service (Retired 1983)

JACK E. "Freckles" ANDERSON, August 30, 2016

Police Officer, 26 yrs. Service (Retired 1989)

NOTICE: The Pension Fund office will be closed on October 7th in observance of Fallen Firefighters' Day, November 11th for Veteran's Day, and November 24th and 25th for Thanksgiving.

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4: Education

Recognition that members need to know their benefits under the plan. The more they know, the more they appreciate and the better they can prepare for retirement security. This is especially important as benefits change. For decades the structure was left unchanged. Now there are three different levels of benefits depending on date of hire. And, benefits could change as a result of current negotiations. It is complicated and members need to get the right information from the professionals hired to serve them. Providing education to members about their benefits from the first day of hire to vesting, DROP and beyond is vital to retirement security.

5: Outreach

Recognition that plans focus on primary stakeholders as they should. But there are other stakeholders critical to the success of the plan. Effective organizations communicate measurable results to stakeholders. The Unions, City Council, the Mayor, citizens, media, and regulators should all be informed on what is happening and the implications in language they can understand.

Combined, these long-term strategies will help provide peace of mind to members that the benefits they've earned shall be paid.

ATTENTION RETIREES

— Annual Affidavits —

Retirees of the PFPF, if you haven't returned your annual affidavit yet, please do so as soon as possible!

Every year we send out your affidavit for you to sign and have notarized, which shows that you are still living and entitled to your pension.

For your convenience, you may visit us at the Pension Office to return your affidavit. We will even notarize your affidavit for you (please bring photo ID) free of charge!

Retired Firefighters Luncheon

Tuesday, October 25th from 10AM—2PM
Firefighters Union Hall, 618 Stockton Street

N.A.R.C. Dinner & Meeting

Monday, October 10th at 5:30PM
Fraternal Order of Police, 5530 Beach Blvd.

POLICE AND FIRE PENSION FUND MONTHLY PERFORMANCE UPDATE

(as of August 31, 2016)

	<u>\$ Assets</u>	<u>FYTD</u>	<u>1 Month</u>	<u>3 Month</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>
Total Fund Composite	\$ 1,691,359,437	10.11 %	0.28 %	3.92 %	6.59 %	7.32 %	8.93 %

To see our detailed financial reports, please visit our website at:

<http://www.coj.net/departments/police-fire-pension-fund/annual-report>

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POLICE AND FIRE PENSION FUND MISSION STATEMENT:

To provide long term benefits to participants and their beneficiaries