
**POLICE AND FIRE PENSION FUND
ADVISORY COMMITTEE
MEETING SUMMARY – JULY 12, 2017 – 9:00AM**

PRESENT

James Holderfield, Chair
Battalion Chief Sean Hatchett, V. Chair
Lt. Ellis Burns, Police Representative
Lt. Michael Lynch, Fire Representative
Lt. Christopher Stover, Fire Representative
Lt. Michael Shell, Police Representative
Rick Townsend, Retired Police Representative

STAFF

Timothy H. Johnson, Executive Director – Plan Administrator
Steve Lundy, Assistant Plan Administrator
Chuck Hayes, Pension Benefits Manager
Lawsikia Hodges, Office of General Counsel
Bob Sugarman, Fund Counsel – via webex

EXCUSED

GUESTS

Steve Zona, President, Fraternal Order of Police

I. CALL TO ORDER

Chairman James Holderfield called the meeting to order at 9:10AM.

II. A MOMENT OF SILENCE WAS OBSERVED FOR THE FOLLOWING DECEASED MEMBERS:

William J. Parks Jr., Retired Fire Chief
Ronald W. Reonas, Active Police Officer
Troy E. Senterfitt, Retired Firefighter Engineer

III. PUBLIC SPEAKING PERIOD

There were no requests for Public Speaking. Public Speaking Period was closed.

IV. CONSENT AGENDA (ITEMS 1-10)

1. MEETING SUMMARY TO BE APPROVED

1. **Summary of the meeting held June 14, 2017**
Copy held in the meeting file.

A motion was made by Sean Hatchett to approve the meeting summary for June 14, 2017, seconded by Michael Shell. The vote was unanimous.

2. APPLICATION FOR MEMBERSHIP

A motion was made by Christopher Stover to approve the Applications for Membership, seconded by Sean Hatchett. The vote was unanimous.

3. APPLICATION FOR SURVIVOR BENEFITS

A motion was made by Rick Townsend to approve the Applications for Survivor Benefits, seconded by Michael Shell. The vote was unanimous.

4. APPLICATION FOR DISABLED CHILD'S BENEFIT

A motion was made by Rick Townsend to approve the Application for Disabled Child's Benefit, seconded by Michael Lynch. The vote was unanimous.

5. APPLICATION FOR VESTED RETIREMENT

A motion was made by Michael Lynch to approve the Application for Vested Retirement, seconded by Christopher Stover. The vote was unanimous.

6. APPLICATION FOR TIME SERVICE CONNECTIONS

The Applications for Time Service Connections were verified with supporting documentation and received as information by the Advisory Committee.

7. REFUND OF PENSION CONTRIBUTIONS

The Refund of Pension Contributions were verified with supporting documentation and received as information by the Advisory Committee.

8. SHARE PLAN DISTRIBUTIONS

The Share Plan Distributions were verified with supporting documentation and received as information by the Advisory Committee.

Sean Hatchett had a question concerning why the distribution to HEATON, James R. was made this month and asked Chuck Hayes to follow up at the next month's meeting.

9. DROP PARTICIPANT TERMINATION OF EMPLOYMENT

The DROP Participant Termination of Employment were verified with supporting documentation and received as information by the Advisory Committee.

10. DROP DISTRIBUTIONS

The DROP Distributions were verified with supporting documentation and received as information by the Advisory Committee.

VI. EXECUTIVE DIRECTOR'S REPORT

Timothy Johnson – taken out of order

Timothy Johnson informed the Advisory Committee on the upcoming elections: two Board of Trustee positions and seven Advisory Committee positions, all of which expire on December 31, 2017. All new terms are four years in duration, from January 1, 2018 through December 31, 2021. He said that a report will be given to the Board of Trustees which will detail the election procedure and timeline. All elections will be held in November.

James Holderfield asked if all the elections are electronic.

Timothy Johnson answered that all elections are electronic, except for the election for the retired Advisory Committee position, which will be by mail ballot.

Michael Lynch suggested that in the future, the terms of the Board of Trustees and Advisory Committee positions be staggered, instead of coming up for election all at the same time.

James Holderfield added that Michael Lynch's suggestion would require an ordinance change.

Timothy Johnson said that he would bring up the issue after the next election in November to the newly elected bodies.

Timothy Johnson discussed the Bailiff Time Service Connection (TSC) issue. Office of General Counsel (OGC) had written an opinion saying that the Bailiffs could get TSCs, however there is uncertainty concerning exactly which Bailiffs are entitled to get TSCs.

Timothy Johnson, James Holderfield, and Steve Zona all discussed how many Bailiffs had inquired into making TSCs.

Chuck Hayes indicated that there were three inquiries.

Timothy Johnson said that he has been down this road before, in which part-time employees work full-time hours, and whether or not these people are due pensions, since they effectively worked as full-time employees.

James Holderfield said that local precedent exists in similar cases, and that hopefully, instances outside the City can be found and researched additionally.

VII. NEW BUSINESS

1. Hankins Letter

Chuck Hayes – taken out of order

Chuck Hayes briefly discussed the TSC made by HANKINS, Jacobs T. which was approved by the Advisory Committee and Board of Trustees in June. HANKINS, Jacobs T. incorrectly assumed he had enough money in the account he specified to make the TSC with the PFPF. He has since requested that his TSC be cancelled. No transaction was made.

Timothy Johnson added that the letter is being presented to the Advisory Committee for transparency purposes, as the Advisory Committee had previously approved the TSC.

James Holderfield noted that the letter was received as information by the Advisory Committee, and no action needs to be made.

V. OLD BUSINESS

1. New Affidavit *Lawsikia Hodges*

James Holderfield asked about question number three on the reemployment affidavit, and why it should be included, as it relates to independent agencies of the City.

Lawsikia Hodges said that it matters because of the Consolidated Government. These agencies are included under the word 'City' under the law.

Bob Sugarman, Lawsikia Hodges discussed the definitions of 'City' in the ordinance and charter as they relate to this issue.

James Holderfield and Lawsikia Hodges discussed previous practices of rehiring PFPF employees by the independent agencies of the City. Lawsikia Hodges said that more research needs to be done.

Bob Sugarman discussed the ambiguity of the definition of 'City' in the ordinance, and how the whole issue of rehiring pensioners by independent agencies may expose the Plan to risk associated with IRS code compliance.

Bob Sugarman said that there are two ways to resolve the issue, first, an ordinance change, and second, a detailed opinion given by the OGC.

James Holderfield said that his biggest concern is putting retirees in jeopardy by having them complete the affidavit.

Bob Sugarman discussed the historical intentions that led to the writing of the specific part of the ordinance relating to this matter. He added that an ordinance change would be the preferred solution to the uncertainty.

Sean Hatchett asked Rick Townsend, the Advisory Committee's retired member, if this affidavit would be too complex and overwhelming for retirees.

Rick Townsend said that yes, it would be an awful lot for the retirees to digest.

Sean Hatchett asked what would happen administratively if retirees returned the affidavit with certain sections blank.

Timothy Johnson said that Sean Hatchett's question is one of many within the problem that needs to be solved. He said that the affidavit needs to be made user-friendly.

Sean Hatchett asked how the affidavit is produced.

Chuck Hayes said that it is produced in the JaxPension software system. Different affidavits are generated for the four classes of people: retirees, survivors, disabled, and children.

Sean Hatchett noted that the system is made by ITD, and they would need to make any changes.

James Holderfield said that he would like an estimate to the cost of making any changes.

3. Correcting Benefit Payment

Lawsikia Hodges – taken out of order

Bob Sugarman and Lawsikia Hodges said that the correction procedure is in OGC's hands.

Bob Sugarman said that the purpose of the procedure would help to ensure that the Board would succeed in any court cases that arise from making benefit corrections to members.

Bob Sugarman added that the procedure would cover policy for Board or Committee hearings, in which members would make their case. He said that this policy could cover benefit correction hearings, disability hearings, and forfeiture hearings.

2. Pension Forfeiture Procedure

Lawsikia Hodges – taken out of order

Timothy Johnson said that he hasn't taken the Rounsville forfeiture issue to the Board of Trustees yet. He said that this is because no formal forfeiture procedure exists on paper. He said that the procedure needs to be airtight before forfeiture is executed.

Michael Lynch asked Bob Sugarman what the status was on his request for an opinion of the In-Service Distribution of the Share Plan to Phase I DROP members.

Bob Sugarman said that his office is looking into the applicable IRS code, State, and local laws. He said he does not have an official answer yet.

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James Holderfield discussed the history surrounding the construction of the Share Plan during the 2015 Pension Reform. He said that it was Klausner's opinion that the distributions were legally sound.

Timothy Johnson and Steve Zona discussed the possibility of the PFPF not making the next annual Share Plan distribution, and that being up to the Unions.

James Holderfield said that this Share Plan Distribution issue should be put on the next month's agenda to discuss, and to maintain the status quo until October, when the 2017 Pension Reform takes effect.

VIII. ADJOURNMENT

Chairman James Holderfield adjourned the meeting at 10:44AM.

NOTES:

Any person requiring a special accommodation to participate in the meeting because of disability shall contact Steve Lundy, Assistant Plan Administrator, at (904) 255-7373, at least five business days in advance of the meeting to make appropriate arrangements.

The public meeting may be continued to a date, time, and place to be specified on the record at the meeting. If any person decides to appeal any decision made with respect to any matter considered at this public meeting such person will need to a record of proceedings, and for such purpose such person may need to ensure that a verbatim record of the proceedings is made at their own expense and that such record includes the testimony and evidence on which the appeal is based.

Additional items may be added / changed prior to meeting.

SL

James Holderfield, Chairman

To be approved at the Advisory Committee Meeting on August 9, 2017