PRESENT

Lt. Richard Tuten III, Board Chair
Richard Patsy, Board Secretary
Lt. Chris Brown, Trustee – via webex
William Scheu, Trustee – via webex

STAFF

Timothy H. Johnson, Executive Director – Plan Administrator
Steve Lundy, Assistant Plan Administrator
Joey Greive, Fund Treasurer
Lawsikia Hodges, Office of General Counsel
Dan Holmes, Summit Strategies
Pete Strong, Fund Actuary – via webex
Bob Sugarman, Pension Counsel – via webex
Denice Taylor, AAA Reporters

EXCUSED

Willard Payne, Trustee

GUESTS

Randy Wyse, President
Mike Lynch, JFRD
Paul Bennett, COJ

ASSISTANT PLAN ADMINISTRATOR’S NOTE:

Although today’s meeting was noticed as the regularly scheduled September Board of Trustees Meeting, it has been changed to a ‘Workshop’ because of the lack of a physical quorum. This summary follows the discussion; no Board action was taken. The regular September Board of Trustees meeting has been rescheduled for September 22, 2017 at 9AM.

–SL
I. CALL TO ORDER

Chairman Richard Tuten called the workshop to order at 9:15AM.

II. PUBLIC SPEAKING PERIOD

Randy Wyse said that he called the Florida Division of Retirement yesterday and learned that the PFPF has failed to complete the paperwork required to receive the state Chapter Funds. He said that he wants to know why this was not completed on time. He said that the report was due on March 1st. He said that if it is completed now, it would take three months to receive the money, and that the Holiday Bonus is paid from this money.

Timothy Johnson said that the PFPF is currently working on the report, and it should be ready by Friday the 22nd. He said that two reports were due in March, and that he was only aware of one. He said that he prepared the first report himself. He said that this matter coincided with the resignation of the PFPF controller. He said that the PFPF has hired an interim finance manager to prepare the report.

Bob Sugarman asked if the PFPF can ask the State to expedite the request for funds.

Timothy Johnson said that he can try, and that he will call the State personally.

Randy Wyse said that the Members should get the money, and that they do not currently have the money. He asked what’s happening, and that over $11 million is on the line. He said that he overheard Richard Tuten bragging about a 14% return on the Fund, which could have been earned on the $11 million Chapter Funds, but was not, because the PFPF did not complete the report to the State.

Richard Tuten asked if it has been decided exactly where the Chapter Fund money goes.

Randy Wyse said that it is very clear in the collective bargaining.

There were no more requests for Public Speaking. Richard Tuten closed the Public Speaking Period.

Bob Sugarman said that the PFPF needs to pull out all the stops to get this administered.

Richard Tuten asked if there is anything hindering the PFPF from transferring funds to make an advance while waiting on the Chapter Funds from the State.

Lawsikia Hodges and Bob Sugarman said that they don’t know for sure and would look into the matter.
III. COUNSEL REPORTS
Lawsikia Hodges

1. Bailiff Time Service Connections Opinion

Lawsikia Hodges handed out copies of the Bailiff Time Service Connections opinion from OGC. She said that the outcome is the same: regular full-time bailiffs may be entitled to connect their time. She said that the rule has always been that any prior time a Member has served with the City may be connected into the Plan. She said that the original intention was that bailiffs were to work part time, but over the years, many bailiffs ended up working full time hours. She said that a notification to Members needs to be sent so that they may begin submitting applications to connect time.

Richard Tuten asked if the Board needs to vote on this opinion.

Lawsikia Hodges said that it does not need to be voted on.

Timothy Johnson asked what the rate would be to connect time.

Lawsikia Hodges said that the law is very clear on the formula used, and that it is based on the date that the application is submitted to connect time.

Chris Brown said that the PFPF should get the applications in before the raises become effective on October 1st.

Timothy Johnson said that the PFPF will get the applications in before October.

2. Ordinance 2017-647 Appointing Nawal B. McDaniel to the Jacksonville Police and Fire Pension Board of Trustees

Bill Scheu said that he has to leave soon, but wanted to note Nawal’s appointment to the Board by City Council, and that the legislation to appoint her is going through Council now. He said that she is outstanding and will be very helpful to the Fund.

3. Ordinance 2017-564 – Staggering Terms

Lawsikia Hodges said that the Term Staggering legislation is on the consent agenda for the City Council, and will be approved.
IV. INVESTMENT CONSULTANT REPORTS
   Dan Holmes

Dan Holmes briefly discussed performance of the Fund for August. He said there were strong returns across the board. He said that all assets classes are performing above their benchmarks. He said that Brown was successfully terminated, and the funds have successfully transitioned. He said that the funds were transitioned for about $20k less than estimated.

Dan Holmes discussed the performance of specific money managers, such as Wedge, Eagle, Baillie Gifford, Neuberger, and Loomis Sayles.

Dan Holmes discussed the performance of MLPs, noting that he still thinks they’re cheap and remain attractive. He said that research shows that distribution growth should pick up in the next year, and double digit returns are expected in 2018 and 2019.

Timothy Johnson asked if it is too early to see the impact of the hurricanes on MLPs.

Dan said that it looks like it is too early, however Principal has reported no damage from either hurricane to their properties.

Richard Tuten wished Dan Holmes a Happy Birthday.

Dan Holmes gave his personal story of having survived kidney disease, and that he is very lucky to be celebrating his 56th Birthday today.

Timothy Johnson invited Dan Holmes and everyone at the table to share a Birthday cake following the workshop.

V. NEXT MEETING
   Friday, September 22nd, 2017 at 9:00AM

VI. ADJOURNMENT

Richard Tuten adjourned the meeting at 9:54AM.
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.

If any person decides to appeal any decision made with respect to any matter considered at this public meeting such person will need 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. The public meeting may be continued to a date, time, and place to be specified on the record at the meeting.

Additional items may be added / changed prior to meeting.

SL

__________________________
Richard Patsy, Board Secretary

To be approved at the Board of Trustees Meeting on September 22, 2017