

**JACKSONVILLE POLICE AND FIRE PENSION FUND
BOARD OF TRUSTEES
MEETING SUMMARY – OCTOBER 21, 2016
RICHARD “DICK” COHEE BOARD ROOM**

PPFF MISSION STATEMENT:

To provide long term benefits to participants and their beneficiaries

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

PRESENT

Lt. Richard Tuten III, Board Chair
Richard Patsy, Board Secretary
Chris Brown, Trustee
Willard Payne, Trustee

STAFF

Timothy H. Johnson, Executive Director – Plan Administrator
Beth McCague, Consultant
Paul Daragjati, Fund Attorney
Dan Holmes, Summit Strategies – *via video conference call*
Debbie Manning, Executive Assistant
Denice Taylor, AAA Reporters

EXCUSED

William Scheu, Trustee

CITY REPRESENTATIVES INVITED

Anna Brosche, City Council Liaison
Joey Greive, Fund Treasurer
Steve Durden, Office of General Counsel

GUESTS

Brian Smith, FIAC Chairman

Bill Gassett
Eileen Kelley, FL Times Union

I. CALL TO ORDER

CHAIRMAN TUTEN CALLED THE MEETING TO ORDER AT 9:00AM

THE BOARD OF TRUSTEES RECITED THE PLEDGE OF ALLEGIANCE.

TIM JOHNSON INTRODUCED OUR GUEST, BRIAN SMITH, FIAC CHAIRMAN, TO THE BOARD.

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

Charles G. Joyeusaz, Retired Police Officer
William G. Dearborn, Retired Police Officer
Richard A. Caldwell, Active Police Officer
George R. Blackwell, Retired Fire Lieutenant
Vernon M. Evans, Retired Police Officer

III. PUBLIC SPEAKING PERIOD

BILL GASSETT MADE A REQUEST FOR PUBLIC SPEAKING TO THE BOARD. HE PASSED OUT A DOCUMENT TO THE BOARD FOR DISCUSSION.

NO ADDITIONAL SPEAKERS. THE PUBLIC SPEAKING PERIOD WAS CLOSED.

IV. CONSENT AGENDA - ITEMS 2016-10-(1-14)CA

2016-10-1CA MEETING SUMMARIES & FINAL TRANSCRIPT APPROVED

2016-10-2CA DISBURSEMENTS

DISBURSEMENTS B

2016-10-3CA PENSION DISTRIBUTIONS

The following Consent Agenda items 2016-10-(4-13) were approved at the Advisory Committee meeting held on October 18, 2016. Vote was unanimous.

2016-10-4CA APPLICATION FOR MEMBERSHIP (POLICE)

2016-10-5CA APPLICATION FOR SURVIVOR BENEFITS

2016-10-6CA APPLICATION FOR TIME SERVICE CONNECTIONS

2016-10-7CA APPLICATION FOR TIME SERVICE RETIREMENT

2016-10-8CA APPLICATION FOR VESTED RETIREMENT

2016-10-9CA REFUND OF PENSION CONTRIBUTIONS

2016-10-10CA SHARE PLAN DISTRIBUTION

2016-10-11CA DROP PARTICIPANT TERMINATION OF EMPLOYMENT

2016-10-12CA DROP DISTRIBUTIONS

2016-10-13CA RECISION OF DROP PARTICIPATION

2016-10-14CA EDUCATIONAL OPPORTUNITIES

A MOTION WAS MADE BY TRUSTEE BROWN TO APPROVE THE CONSENT AGENDA ITEMS 2016-10(1-14)CA THAT HAVE BEEN REVIEWED AND CALCULATED IN ACCORDANCE WITH ACCEPTED PROCEDURES. SECONDED BY TRUSTEE PAYNE. VOTE WAS UNANIMOUS.

V. EXECUTIVE DIRECTOR'S REPORTS – *Tim Johnson / Beth McCague*

- Monthly Status Report

TIM JOHNSON REVIEWED HIS MONTHLY STATUS REPORT WITH THE BOARD. THIS IS THE END OF THE FISCAL YEAR. YOU WILL SEE THIS DASHBOARD DEVELOP FOR YEAR TO DATE AS WE BEGIN THE NEW YEAR. IT'S A WORK IN PROGRESS.

TIM RECOMMENDED THAT THE BOARD DESIGNATE A SUBCOMMITTEE TO LOOK AT HIS FIRST 90 DAYS ON THE JOB.

THE STAFF WILL HOLD QUARTERLY DROP WORKSHOPS FOR ANYONE INTERESTED. NEW MEMBER ORIENTATION WORKSHOPS FOR POLICE AND FIRE WILL BE HELD IN NOVEMBER AND DECEMBER.

THE HOLIDAY BONUS IS TO BE VOTED ON IN NOVEMBER. THE CHAIRMAN MAY WANT TO MAKE A RECOMMENDATION.

CHAIRMAN TUTEN SAID MEMBERS ARE ALREADY ASKING ABOUT THE HOLIDAY BONUS, AND HE WANTED TO GO AHEAD AND START THE PROCESS TO APPROVE THE BONUS AT THIS MEETING INSTEAD OF WAITING UNTIL NOVEMBER.

A MOTION WAS MADE BY TRUSTEE BROWN TO APPROVE DISBURSEMENT OF CHAPTER FUNDS TO PROVIDE A HOLIDAY BONUS FOR MEMBERS, DIVIDED AS WE DID LAST YEAR, AND APPROVED BY THE ACTUARY, SECONDED BY TRUSTEE PATSY. VOTE WAS UNANIMOUS.

- Consultant's Report

BETH MCCAGUE ADVISED THE BOARD THAT WE HAD FOUR ATTORNEY'S SUBMIT RFP'S. THERE ARE THREE TO BE CONSIDERED AND INTERVIEWED. KLAUSNER'S FIRM WILL CONTINUE TO BE AVAILABLE TO REVIEW SECURITIES LITIGATION FOR THE FUND AS THAT WAS NOT PART OF THE RFP.

BETH WILL SEND INFORMATION TO THE TRUSTEES REGARDING THE ATTORNEY'S TO BE INTERVIEWED. THE BOARD WILL HAVE A DECISION AT THE NOVEMBER MEETING.

VI. COUNSEL REPORTS

- Legal Report – *Steve Durden*

STEVE DURDEN BRIEFLY DISCUSSED WITH THE BOARD THE THREAT TO SUE INVOLVING JOHN KEANE. NO LAWSUIT HAS BEEN FILED YET.

- Legal Report – *Paul Daragjati*

RECEIVED AS INFORMATION

VII. INVESTMENT CONSULTANT REPORTS – *Dan Holmes w Summit*

- Monthly Economic & Capital Market Update – September 2016

RECEIVED AS INFORMATION

- Flash Report – September 30, 2016

RECEIVED AS INFORMATION

- Rebalancing Recommendation

DAN HOLMES RECOMMENDED RE-BALANCING \$7 MILLION TO BRING THE FUND UP TO TARGET. TRANSFER FROM NORTHERN TRUST EAFE TO ACADIAN EMERGING MARKET.

A MOTION WAS MADE BY TRUST PATSY TO APPROVE THE RE-BALANCING OF \$7 MILLION FROM NORTHERN TRUST EAFE TO ACADIAN EMERGING MARKET. SECONDED BY TRUSTEE BROWN. VOTE WAS UNANIMOUS.

DAN HOLMES IS WORKING ON NEGOTIATIONS WITH NEUBERGER AND LOOMIS. AS SOON AS THE CONTRACTS ARE SIGNED, WE WILL TRANSFER IN KIND – NO NEED TO TO USE A TRANSITION MANAGER.

VIII. OLD BUSINESS – *Brian Smith, FIAC Chairman*

- Recommendation for Fund Actuary to Board

BRIAN SMITH DISCUSSED WITH THE BOARD THAT TWO OF THE THREE ACTUARIES INTERVIEWED STOOD OUT AND THAT EITHER ONE OF THESE WOULD BE FAVORABLE. COMPARISONS WERE MADE OF BOTH.

COUNCIL MEMBER ANNA BROSCHE ASKED IF EITHER DO A BLENDED RATE?

SIEGEL, WHO IS THE CITY OF JAX ACTUARY, DID NOT RESPOND BECAUSE THEY WERE CONCERED ABOUT PRECEIVED CONFLICT OF INTEREST DOWN THE ROAD. ERR ON THE CAUTIOUS SIDE.

MILLIMAN CLEARLY HAD A CONFLICT.

A MOTION WAS MADE BY TRUSTEE PAYNE TO ACCEPT THE RECOMMENDATION OF THE FINANCIAL INVESTMENT AND ADVISORY COMMITTEE TO HIRE GRS AS OUR NEW PENSION FUND ACTUARY. SECONDED BY TRUSTEE BROWN. VOTE WAS UNANIMOUS.

IX. NEW BUSINESS

- KBLD Engagement Letter - Approval on condition of legal review

A MOTION WAS MADE BY TRUSTEE BROWN TO APPROVE THE KBLD ENGAGEMENT LETTER AFTER REVIEW BY THE OFFICE OF GENERAL COUNSEL. SECONDED BY TRUSTEE PATSY. VOTE WAS UNANIMOUS.

X. ADJOURNMENT

Police and Fire Pension Fund
Board of Trustees
Meeting Summary
October 21, 2016

CHAIRMAN TUTEN ADJOURNED THE MEETING AT 10:50AM

NOTE: 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.

**TO BE APPROVED AT THE NEXT BOARD OF
TRUSTEE MEETING NOVEMBER 18, 2016**

Rick Patsy, Board Secretary