

**JACKSONVILLE POLICE AND FIRE
PENSION BOARD OF TRUSTEES
SPECIAL MEETING SUMMARY – OCTOBER 9, 2015
RICHARD “DICK” COHEE BOARD ROOM**

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.

PRESENT

Chief Larry Schmitt, Chairman
Lt. Richard Tuten III, Board Secretary – *via phone*
Nathaniel Glover Jr., Trustee – *arrived at 9:30am*
Dr. Adam Herbert, Trustee
William E. Scheu, Trustee – *via phone*

CONSULTANT

John Keane, Consultant

STAFF

Paul Daragjati, Fund Counsel
Debbie Manning, Executive Assistant
Denice Taylor, AAA Reporters

EXCUSED

Devin Carter, Controller

GUESTS

Tommy Hazouri, City Council Liaison
Jenny Busby, City Council Liaison Assistant
Steve Durden, Office of General Counsel
Loree French, Office of General Counsel
Lawsikia Hodges, Office of General Counsel
Steve Amos, FOP President
Randy Bryan

Bill Gassett
Curtis Lee
Eileen Kelley, Times Union

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 one business day in advance of the meeting to make appropriate arrangements.

The Board of Trustees recited the Pledge of Allegiance.

CHAIRMAN SCHMITT CALLED THE MEETING TO ORDER @ 9:30AM. THE START OF THE MEETING WAS DELAYED BECAUSE TRUSTEE GLOVER WAS NOT IN ATTENDANCE UNTIL 9:30AM.

WE CALLED INTO THE CONFERENCE BRIDGE ESTABLISHED FOR TRUSTEE SCHEU AND TRUSTEE TUTEN TO PARTICIPATE VIA PHONE.

PUBLIC SPEAKING PERIOD

CURTIS LEE REQUESTED TO SPEAK TO THE BOARD. LOREE FRENCH ALSO SPOKE TO THE BOARD

OLD BUSINESS

Legal

2015-8-1 Amendment to Senior Staff Voluntary Retirement Plan creating Section 10:
Excess Benefit Arrangement - *attachment*

BOB KLAUSNER, FUND COUNSEL, HANDED OUT A LETTER TO THE BOARD REGARDING IRC SECTION 415(M) – EXCESS BENEFIT ARRANGEMENT.

TRUSTEE SCHEU REQUESTED A FORMAL BINDING OPINION FROM THE OFFICE OF GENERAL COUNSEL. HE WANTS THE BOARD TO DEFER THIS TO OGC.

TRUSTEE TUTEN ASKED IF THERE ARE OTHER INDEPENDENT AGENCIES WITH THE CITY WHO HAVE A SIMILAR PROGRAM? JOEY GREIVE STATES YES. FORMER CITY AND FORMER JEA OFFICIALS.

TRUSTEE GLOVER SAID THE BOARD APPROVED THE SSVRP PLAN. THE BOARD KNEW THERE WAS PRESIDENCE. NOW IT COMES TIME TO PAY. THE BOARD CANNOT GO BACK ON ANOTHER DEAL.

TRUSTEE HERBERT ASKED IF THIS WAS A NEW DEAL? PAUL DARAGJATI, FUND COUNSEL, STATED THE ACTUARY CALCULATED THE PLAN SET UP YEARS AGO. DUE TO THE LONGEVITY OF THIS ARRANGEMENT, NOTHING EXTRA WAS PROVIDED FOR JOHN. THIS CONFORMS TO FLORIDA LAW.

JOHN KEANE STATES THIS PLAN OPERATED IN ACCORDANCE WITH IRS RULES. ADMINISTRATIVE MECHANISM. IT WAS APPROVED BY THE BOARD.

CITY COUNSEL LIAISON, TOMMY HAZOURI ASKED LOREE FRENCH WITH OFFICE OF GENERAL COUNSEL TO ANSWER THIS FOR THE BOARD.

LOREE FRENCH SAID THE FACTS WERE NOT CLEAR TO OGC. THERE IS ALREADY A DISPUTE ON THE SSVRP. THIS 415M IS PART OF THAT SSVRP PLAN THEREFORE, THERE IS A DISPUTE.

TRUSTEE SCHMITT SAID IT IS THE BOARD'S OBLIGATION TO COMPLY WITH IRS REGULATIONS. SSVRP IS FULLY FUNDED. IT IS NOT SUBJECT TO ERISA.

Refer to transcript for motion – AMENDMENT TO SENIOR STAFF VOLUNTARY RETIREMENT PLAN CREATING SECTION 10: EXCESS BENEFIT ARRANGEMENT PASSES WITH 4 VOTES TO APPROVE, AND 1 DISAPPROVE.

NEW BUSINESS

2015-10-1SM John Keane Retirement

- (a) Senior Staff Voluntary Retirement Plan Statement of Benefits - *attachment*
- (b) John Keane Unused Annual Leave Payout – *attachment*
(*copy of contracts and amendments incl.*)

MOTION WAS MADE TO DEFER PAYOUT - VOTE WAS UNANIMOUS

- (c) Consulting Contract for John Keane - *attachment*

TRUSTEE SCHEU REQUESTED THE FOLLOWING CHANGES IN THE CONSULTING CONTRACT FOR JOHN KEANE:

- Page 3 of 3 – Item #12 – This agreement may be terminated by either party, with or without cause on 14 7 calendar days written notice.
- Page 3 of 3 – Item #15 – The effective date of this agreement shall be October 1, 2015 and shall expire on ~~October 31, 2015~~ November 30, 2015 unless otherwise extended in writing by mutual consent.

MOTION WAS MADE BY TRUSTEE HERBERT TO APPROVE THE CONSULTING CONTRACT FOR JOHN KEANE WITH CHANGES NOTED TO ITEM 12 AND 15 ON PAGE 3 OF 3. SECONDED BY TRUSTEE GLOVER. VOTE WAS UNANIMOUS.

TRUSTEE SCHMITT CONFIRMED THAT JOHN KEANE WILL SUBMIT INVOICES FOR PAYMENT MONTHLY. JOHN KEANE IS WORKING ON THE SPECIFIC LIST OF PROJECTS PENDING.

TRUSTEE SCHMITT REFERENCED A PRR REQUEST FROM CURTIS LEE REGARDING THE PURCHASE OF AN AIRLINE TICKET BY JOHN KEANE WITH A POLICE AND FIRE PENSION FUND CREDIT CARD.

TRUSTEE SCHMITT HAS INVESTIGATED THIS AND FOUND THAT NO THEFT OCCURRED. THE CARD USED TO PURCHASE THIS TICKET WAS JOHN KEANE'S PERSONAL CREDIT CARD, NOT THE FUND'S CARD.

ALSO, TRUSTEE SCHMITT HAS SPOKEN WITH COUNCIL MEMBER GULLIFORD REGARDING THE FORENSIC AUDIT REQUESTED BY THE CITY. TRUSTEE SCHMITT HAS INVITED THE AUDITORS AND/OR CITY STAFF TO COME TO THE PENSION OFFICE, AND WE WILL PROVIDE THEIR STAFF WITH THE LOCATION OF DOCUMENTS THEY ARE REQUESTING SO THEY CAN SEARCH THE FILES AND MAKE COPIES AS NEEDED.

THE PENSION OFFICE HAS LIMITED STAFF, AND BASED ON THE VOLUME OF DOCUMENTS, TRYING TO LOCATE AND COPY DOCUMENTS SLOWS DOWN THE DAY TO DAY DUTIES CONDUCTED BY THE OFFICE.

2015-10-2SM 2015 Annual Retiree Pension Bonus – *attachment*

TRUSTEE HERBERT MADE A MOTION THAT THRU PENSION REFORM, \$5 MILLION OF THE CHAPTER FUNDS GOES TO THE CITY. \$5 MILLION IS TO BE ALLOCATED TO THE PENSION FUND. FROM THAT, \$2 MILLION GOES TO THE ANNUAL RETIREE PENSION BONUS WITH TRUSTEE GLOVER REJECTING HIS PENSION SUPPLEMENT FOR 2015. THE LEFT OVER FUNDS, APPROXIMATELY \$3 MILLION, ARE TO BE ALLOCATED TO THE SHARE PLAN EFFECTIVE JANUARY 1, 2016. TRUSTEE TUTEN SECONDED. VOTE WAS UNANIMOUS.

ADDITIONAL ITEMS FOR DISCUSSION

Effective immediately, all pending written communications from Curtis Lee to the Police and Fire Pension Fund be transmitted to the Office of General Counsel to advise the Fund as to proper response, if any, by the Fund to such communications - *discussion*

TRUSTEE SCHEU MADE A MOTION TO REFER ALL PENDING WRITTEN COMMUNICATIONS FROM CURTIS LEE TO THE POLICE AND FIRE PENSION FUND TO THE OFFICE OF GENERAL COUNSEL TO ADVISE THE FUND AS TO THE PROPER RESPONSE, IF ANY, BY THE FUND TO SUCH COMMUNICATIONS. SECONDED BY TRUSTEE GLOVER. MOTION PASSED 4 APPROVED, 1 DISAPPROVED.

PERSONNEL COMMITTEE

2015-10-3SM Review of applicants for the Executive Director position

TRUSTEE HERBERT AND TRUSTEE GLOVER REVIEWED THE LIST OF APPLICANTS.

THERE ARE SIX APPLICANTS TO BE REVIEWED FURTHER:

- **BARBARA BUCK**
- **KEN CARLSON**
- **BRIAN MCKENNA**
- **LORI MCKNIGHT**
- **JOSEPH MEHRINGER**
- **LYNN WENQUER**

REFERENCES HAVE TO BE VERIFIED, AND WE NEED TO ASK FOR MORE REFERENCES IF AVAILABLE. CALL EACH APPLICANT TO SEE IF THEY ARE STILL INTERESTED. INTERVIEWS TO BE SET UP WITHIN THE NEXT FEW WEEKS TRYING TO PROCESS 2 OR 3 AT A TIME. PERSONNEL COMMITTEE HOPES TO COMPLETE INTERVIEWS PRIOR TO THE 27TH.

WE NEED TO CONDUCT BACKGROUND CHECKS, CREDIT CHECKS, AND VERIFY IF WE CAN CHECK LEGAL BACKGROUND ON EACH OF THE APPLICANTS.

TRUSTEE HERBERT WOULD LIKE TO GET SEVERAL APPLICANTS HERE FOR THE MEETING ON THE 19TH.

THE MEETING WAS ADJOURNED AT 11:42AM.