

**JACKSONVILLE POLICE AND FIRE
PENSION BOARD OF TRUSTEES
MEETING SUMMARY – DECEMBER 22, 2014
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

Walter Bussells, Chairman
Nathaniel Glover Jr., Board Secretary
Dr. Adam Herbert, Trustee
Asst. Chief Larry Schmitt, Police Trustee
Lt. Richard Tuten III, Fire Trustee

STAFF

John Keane, Executive Director-Administrator
Bob Klausner, Fund Attorney
Kevin Stork, Controller
Debbie Manning, Executive Assistant
Cheryl Franzino, Court Reporter w AAA Reporters

CITY REPRESENTATIVES INVITED

Council Member Richard Clark, City Council Liaison – *not attending*
Kirk Sherman, City Council Auditor – *not attending*

GUESTS

Mayor Alvin Brown, City of Jacksonville
Chris Hand, Mayor’s Administrative Aide, City of Jax.
David DeCamp, Mayor’s Administrative Aide, City of Jax.
C. Ronald Belton, Director of Finance & Chief Financial Officer, City of Jax.
Joey Greive, Fund Treasurer, City of Jax.
Randy Wyse, President Jax. Assoc. of Fire Fighters
Steve Amos, President FOP
Phillip Eddins, IAFF, Retired Member
Kelly Dobson, IAFF, Active Member
Chris Brown, Advisory Committee Member
James Holderfield, Advisory Committee Member

C. Quinn, Jax. Chamber
M. Galnor, Jax Chamber
Adam Brown, JSO
Joe Bruce, JSO
Kevin Golino, JSO
Bryan Keiter, JSO
Kevin Miley, JSO
James Padilla, JSO
Mike Pelletier, JSO
Peter & Sean Presti, JSO
Ben Rhoden, JSO
Jimmy Ricks, JSO
Mike Tomberg, JSO
Michael, JSO
Robert (Todd) Weeks, JSO
Richard Reichard, JFRD

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

CHAIRMAN BUSSELLS CALLED THE MEETING TO ORDER AT 9:00am

THE BOARD OF TRUSTEES ALWAYS WELCOMES OUR CITY OFFICIALS TO JOIN US FOR OUR BOARD MEETINGS. WE'RE GLAD TO SEE MAYOR BROWN HERE WITH US TODAY.

MAYOR BROWN SPOKE TO THE BOARD OF TRUSTEES AND TO THE MEMBERS PRESENT AT THE MEETING.

A moment of silence was observed for the following deceased member:

Johnny E. Parker, Retired Fire Fighter Engineer

The Board of Trustees recited the Pledge of Allegiance.

PUBLIC SPEAKING PERIOD

Chris Brown, Police Pension Advisory Committee Member
Pete Presti, JSO
Bill Gassett - *handout*
Todd Weeks, JSO
Kevin Golino, JSO, *did not speak*

TRUSTEE HERBERT MADE A STATEMENT TO THE BOARD THAT HE WAS DISAPPOINTED THAT THE BOARD CALLED A SPECIAL MEETING WHILE HE WAS OUT OF THE COUNTRY TO FURTHER DISCUSS AND ALLOCATE THE HOLIDAY BONUS FOR OUR RETIREES. FOR THE RECORD, IF HE HAD BEEN ABLE TO ATTEND THE SPECIAL MEETING, HIS VOTE WOULD HAVE BEEN AGAINST.

CHAIRMAN BUSSELLS SAID THE FIRST PART OF THE AGENDA WOULD BE TO DISCUSS PENSION REFORM AND TAKE A PRELIMINARY STRAW VOTE ON THE ISSUES THAT WERE ALREADY AGREED UPON. THEN WE WILL GO THROUGH THE ITEMS THAT MAY NEED FURTHER DISCUSSION.

2014-12-1 Retirement Reform Legislation from City Council

- Cost Estimates from Pension Board Consultants - *attachment*
- **Ordinance 2014-386 – E Pension Legislation**
- 2014-386 Fourth Revised Exhibit 1

LOOKING AT ORDINANCE 2014-386-E PENSION LEGISLATION PROPOSED BY THE CITY, THE BOARD WENT ONE BY ONE FOR A STRAW VOTE:

- **Sec. 121.107. CREDIT FOR BROKEN SERVICE, CONTINUOUS SERVICE, PARTIAL YEARS TRANSFERABILITY AND SERVICE AS A FLORIDA STATE CERTIFIED POLICE OFFICER OR FIREFIGHTER. TIME SERVICE CONNECTION – APPROVED UNANIMOUSLY**
- **Sec. 121.116. BOARD OF TRUSTEES' INVESTMENT AUTHORITY. APPROVED UNANIMOUSLY**
- **Sec. 121.117. EXECUTIVE DIRECTOR – ADMINISTRATOR. CLOSED SR. STAFF DEFINED CONTRIBUTION PLAN – APPROVED UNANIMOUSLY**
- **Sec. 121.118. USE OF GENERAL COUNSEL. TO WORK ON VARIOUS ISSUES FOR THE PENSION FUND – APPROVED UNANIMOUSLY**
- **Sec. 121.204(g). SURVIVING SPOUSE BENEFITS. CLARIFICATION ON MARRIED AND LIVING TOGETHER TO INCLUDE ASSISTED LIVING AND NURSING HOMES – APPROVED UNANIMOUSLY**
- **Sec. 121.501. FINANCIAL INVESTMENT AND ADVISORY COMMITTEE CREATED. BOARD AUTHORIZATION - WORK**

WITH KLAUSNER TO REVISE THE LANGUAGE FOR NEXT WORKSHOP

- **Sec. 121.601. POLICE AND FIRE PENSION FUND BOARD OF TRUSTEES AND EXECUTIVE DIRECTOR; FIDUCIARY RESPONSIBILITIES; IMPROPER BUSINESS RELATIONS. EXECUTIVE DIRECTOR – ADMINISTRATOR REQUIRED TO COMPLETE A FINANCIAL DISCLOSURE FORM EACH YEAR – APPROVED UNANIMOUSLY**
- **Sec. 121.604. ANNUAL FINANCIAL STATEMENTS. FILING FINANCIAL REPORTS ELECTRONICALLY – APPROVED UNANIMOUSLY**
- **Sec. 121.605. PUBLIC INFORMATION. APPROVED UNANIMOUSLY**
- **Sec. 121.606. ETHICS, CERTIFICATION AND DISCLOSURE REQUIREMENTS FOR INVESTMENT MANAGERS AND ADVISORS. IMPLIED AUTHORITY – KLAUSNER TO REVISE THE LANGUAGE FOR NEXT WORKSHOP**
- **Sec. 22.02. MEMBERSHIP. QUALIFICATIONS FOR THE TWO CITY COUNCIL APPOINTED MEMBERS TO THE BOARD OF TRUSTEES – APPROVED UNANIMOUSLY**
- **GROUP II MEMBERS – MORE DISCUSSION NEEDED PER TRUSTEE TUTEN. CITY NEEDS TO COME UP WITH THE MONEY.**

ACCORDING TO CHAIRMAN BUSSELLS IF THIS WAS VOTED UPON TODAY, THERE ARE THREE WITHDRAWING FROM APPROVAL, TWO APPROVED.

SPECIAL MEETING SET FOR JANUARY 5, 2014 @ 8:30am

CHAIRMAN BUSSELLS CALLED FOR A 10 MINUTE BREAK AT 10:45am.

CHAIRMAN BUSSELLS RE-CONVEINED THE MEETING AT 10:55am.

DISSCUSSION CONTINUED REGARDING CONCERN FOR QUALITY OF APPLICANTS IN THE FUTURE WITH THESE PROPOSED CHANGES.

WORKSHOP ON PENSION REFORM CLOSED @ 11:20am. MOVE ON TO REMAINING AGENDA ITEMS.

CONSENT AGENDA - ITEMS 2014-12-(1-11)CA

2014-12-1CA MINUTES TO BE APPROVED

1. Minutes of the Board meeting held November 21, 2014. Copy held in the meeting file.
2. Minutes of the Special Board meeting held December 10, 2014. Copy held in the meeting file.

2014-12-2CA DISBURSEMENTS

The listed expenditures in DISBURSEMENTS A have been reviewed and deemed payable. The Police and Fire Pension Fund Controller certifies that they are proper and in compliance with the appropriated budget.

DISBURSEMENTS A

1.	John Keane	\$	816.90
2.	Klausner & Kaufman	\$	23,890.52
3.	Police & Fire Pension Fund for Center State Bank	\$	75,000.00
4.	Dr. Scott Baker	\$	750.00
5.	Summit Strategies	\$	61,466.00
6.	KBLD LCC	\$	10,000.00

TOTAL DISBURSEMENTS A **\$ 171,923.42**

The listed expenditures in DISBURSEMENTS B have been reviewed and deemed payable. The Police and Fire Pension Fund Controller certifies that they are proper and in compliance with the appropriated budget.

DISBURSEMENTS B

Transaction list of Accounts Payable distributions. **\$ 82,800.97**

2014-12-3CA PENSION DISTRIBUTIONS

A.	November 21, 2014	Regular Gross	\$4,313,044.16
		Regular Lumpsum	\$ 0.00

Regular Rollover	\$ 2,025.13
Regular DROP Gross	\$ 816,334.83
DROP Lumpsum	\$ 30,139.61
DROP Rollover	\$ 0.00

TOTAL \$5,161,543.73

B. December 5, 2014

Regular Gross	\$4,317,144.94
Regular Lumpsum	\$ 0.00
Regular Rollover	\$ 0.00
Regular DROP Gross	\$ 817,059.96
DROP Lumpsum	\$ 50,000.00
DROP Rollover	\$ 200,000.00

TOTAL \$5,384,204.90

C. December 19, 2014

Regular Gross	\$6,485,978.88
Regular Lumpsum	\$ 4,416.63
Regular Rollover	\$ 0.00
Regular DROP Gross	\$ 817,769.88
DROP Lumpsum	\$ 125,000.00
DROP Rollover	\$ 0.00

TOTAL \$7,433,165.39

ALL CALCULATIONS AND DOLLAR AMOUNTS HAVE BEEN AUDITED IN ACCORDANCE WITH ACCEPTED PROCEDURES.

2014-12-4CA TIME CONNECTIONS

1. **GRAHAM, Shawn K.**, Prior Wartime Military Service (2 yrs.). Fire Fighter
2. **GRIMES, Stephanie D.**, Prior Wartime Military Service (2 yrs.). Police Officer
3. **HUNTER, Dominic S.**, Prior Wartime Military Service (2 yrs.). Police Officer
4. **MASON, Christopher D.**, Prior Wartime Military Service (1 yr., 10 mths.). Police Officer
5. **MORRIS, Gerald W.**, Prior Florida Service (1 yr., 3 mths.). Fire Fighter Engineer
6. **RESS, Ramon G.**, Prior Wartime Military Service (4 mths., 22 days). Fire

Fighter

7. **STEVENS, Eric**, Prior Florida Service (2 yrs.). Police Officer
8. **WATTS, William B.**, Prior Florida Service (1 yr. 9 mths.). Fire Fighter
Engineer

2014-12-5CA APPLICATION FOR SURVIVOR BENEFITS

1. **SMITH, Nancy S.**, widow of Thomas L. Smith Sr., who passed away on November 1, 2014.

2014-12-6CA APPLICATION FOR VESTED RETIREMENT

1. **CERPA, Julio M.**, date of vesting November 14, 2014, to be placed on pension October 16, 2026. Police Officer
2. **COARSEY, Amy B.**, date of vesting November 13, 2014, to be placed on pension September 17, 2017. Police Sergeant.

2014-12-7CA REFUND OF PENSION CONTRIBUTIONS

1. **VAN HEININGEN, The Estate of Matthew S.**, refund of pension contributions.
Police Officer

2014-12-8CA APPLICATION FOR DROP

- | | | |
|-----|-----------------------|------|
| 1. | ADLER, David R. | Fire |
| 2. | BRADFORD, Carl M. | Fire |
| 3. | BROWN III, Jesse V. | Fire |
| 4. | CULPEPPER, Timothy S. | Fire |
| 5. | HART, David S. | Fire |
| 6. | HOWELL, Joseph R. | Fire |
| 7. | JENSCHKE, Troy A. | Fire |
| 8. | JONES, Terrance A. | Fire |
| 9. | LUKAS JR., Robert A. | Fire |
| 10. | MALLORY II, Louis B. | Fire |
| 11. | PEERY, Michael A. | Fire |
| 12. | REYES, Tammi L. | Fire |
| 13. | ROBERTSON, William T. | Fire |
| 14. | THORNTON, Steven W. | Fire |

Withdrew

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15.	ADAMS JR., William J.	Police	
16.	ARFLIN, Bransom O.	Police	
17.	BARREIRA, Steven J.	Police	
18.	BLANKINCHIP, Dennis W.	Police	
19.	BOWERS, Howsey R.	Police	
20.	BROWNFIELD, Bart P.	Police	
21.	BRUNO, Michael D.	Police	Withdrew
22.	BURTON, Gregory C.	Police	Withdrew
23.	CANNON, James W.	Police	
24.	CHAFIN, Timothy A.	Police	
25.	CHELGREN, David A.	Police	
26.	CROUCH, Dewayne L.	Police	
27.	DAVIS, Tony R.	Police	
28.	DELANO, Scott R.	Police	
29.	DICKINSON, Ford T.	Police	Withdrew
30.	EHELBERGER, Brad F.	Police	
31.	FORD, Charles H.	Police	Withdrew
32.	GAINEY, Amos G.	Police	Withdrew
33.	GOFF, Kevin S.	Police	Withdrew
34.	GOLLEHER, Theron L.	Police	Withdrew
35.	GRANT, Patricia E.	Police	
36.	GUPTON III, Robert M.	Police	
37.	HACKNEY, Thomas R.	Police	Withdrew
38.	HACKSUNDA, Robert P.	Police	Withdrew
39.	HOWARD, Edward L.	Police	
40.	HYSLER, John P.	Police	
41.	IVEY, Patrick L.	Police	Withdrew
42.	JANSON, Daniel A.	Police	Withdrew
43.	JOHNSON JR., Lawrence	Police	
44.	JOHNSON, William M.	Police	Withdrew
45.	JUDGE, James E.	Police	Withdrew
46.	LADUE, Jonathan C.	Police	
47.	LAMB, John T.	Police	Withdrew
48.	McCLAIN, Clyde D.	Police	
49.	MESSERSMITH, Raymond C.	Police	
50.	MILLER, Glenn B.	Police	Withdrew
51.	PETTEWAY, Brenda A.	Police	
52.	PFISTER, Gerard W.	Police	
53.	POWERS, Michael J.	Police	Withdrew
54.	RICHARDSON, Brian H.	Police	Withdrew
55.	RICHARDSON, Michael D.	Police	
56.	SANTIAGO, Juan L.	Police	
57.	SCIANDRA, David A.	Police	Withdrew
58.	SCOTT, Sharon M.	Police	
59.	SMITH, Andrea M.	Police	Withdrew

60.	STRICKLAND, Stephen C.	Police	
61.	ULSCH, Michael F.	Police	
62.	VAUGHAN, Stephen G.	Police	
63.	WARREN, John D.	Police	
64.	WATERS JR., Charles C.	Police	Withdrew
65.	WEBER, Richard L.	Police	
66.	WHITE, Jeffrey S.	Police	Withdrew
67.	WILLIAMS, Reginald K.	Police	

2014-12-9CA DROP PARTICIPANT TERMINATION OF EMPLOYMENT

1. **MARGADONNA, Eleanor W.**, DROP commencement date of July 22, 2011, termination of employment date effective November 21, 2014. Fire Captain
2. **RAY, Teresa Y.**, DROP commencement date of January 22, 2010, termination of employment date effective December 15, 2014. Police Officer
3. **SMITH, Barron L.**, DROP commencement date of April 16, 2010, termination of employment date effective November 21, 2014. Police Officer

2014-12-10CA DROP DISTRIBUTIONS

1. **DENNIS, Terry L.**, a portion of his DROP account paid directly to NuView IRA; the remaining balance of his DROP account paid to him bi-weekly over the next 20 years.
2. **MARGADONNA, Eleanor W.**, a portion of her DROP account paid to her lump sum; the remaining balance of her DROP account paid to her bi-weekly over the next 49.5 years.
3. **PAGE, Ronald S.**, the entire value of his DROP account paid to him bi-weekly over the next 15 years.
4. **RAY, Teresa Y.**, a portion of her DROP account paid to her lump sum; the remaining balance of her DROP account paid to her bi-weekly over the next 10 years.
5. **SMITH, Barron L.**, the entire balance of his DROP account paid to him bi-weekly over the next 48.8 years.

2014-12-11CA EDUCATIONAL OPPORTUNITIES

2015 Institutional Investments Executive Meeting – The Connex Group –

April 19-21, 2015

MOTION WAS MADE BY TRUSTEE SCHMITT TO APPROVE THE CONSENT AGENDA - ITEMS 2014-12-(1-11)CA. SECONDED BY TRUSTEE HERBERT. VOTE WAS UNANIMOUS.

OLD BUSINESS

2014-11-1 FY2014/2015 Budget – December, 2014 review

RECEIVED AS INFORMATION

2014-11-2 Engagement letters from Auditor and Attorney regarding DROP guidelines

- Resolution Retaining Goldstein, Schechter, Koch, CPAS
- Resolution Retaining Christiansen & Dehner, P.A.

MOTION WAS MADE BY TRUSTEE HERBERT TO APPROVE THE RESOLUTIONS FOR AUDITOR AND ATTORNEY. SECONDED BY TRUSTEE GLOVER. VOTE WAS UNANIMOUS.

NEW BUSINESS – ITEMS 2014-12-(1-5)

2014-12-1 Discussed prior to Consent Agenda – *see above*

2014-12-2 Analysis of DROP Enrollment Statistics from FY1999 to January FY2015 – *Board Reports on website*

RECEIVED AS INFORMATION

EXECUTIVE DIRECTOR'S REPORT

Investment Report

2014-12-3 Summit – Flash Report – November 30, 2014 – *Board Reports on website*

RECEIVED AS INFORMATION

2014-12-4 Summit Monthly Economic & Capital Market Update – November, 2014 – *Board Reports on website*

RECEIVED AS INFORMATION

2014-12-5 Summit Rebalancing Recommendations – *attachment*

A MOTION WAS MADE BY TRUSTEE TUTEN TO ACCEPT SUMMIT'S REBALANCING RECOMMENDATIONS. SECONDED BY TRUSTEE HERBERT. VOTE WAS UNANIMOUS.

Legal

2014-12-1 Letter regarding Request for Legal Opinion from Attorney General

DEFERRED

CHAIRMAN BUSSELLS ADJOURNED THE REGULAR BOARD OF TRUSTEE MEETING AT 11:23am.

CHAIRMAN BUSSELLS READ THE STATEMENT ANNOUNCING THAT THE EXECUTIVE SESSION WOULD BEGIN. AN ADDITIONAL PERSON REPRESENTING KLAUSNER'S OFFICE, PAUL DARAGJATI, WAS INCLUDED AS AN ATTENDEE IN THE EXECUTIVE SESSION, NOT PREVIOUSLY LISTED.

THE EXECUTIVE SESSION ENDED @ 11:39am, AND THE REGULAR BOARD MEETING RESUMED BRIEFLY.

TRUSTEE TUTEN MADE A MOTION TO AUTHORIZE KLAUSNER TO FILE AN APPEAL TO THE FLORIDA SUPREME COURT IN THE DENTON CASE. SECONDED BY GLOVER. VOTE WAS UNANIMOUS.

NO FURTHER DISCUSSION. THE BOARD MEETING WAS ADJOURNED @ 11:42am

TO BE APPROVED AT BOARD OF TRUSTEE MEETING ON JANUARY 5, 2014

Nat Glover, Board Secretary