

ANNUAL REPORT FOR YEAR 2015


Information provided in this report is public record

Jacksonville, FL
(CITY)
Jacksonville Police and Fire Pension Fund
(NAME OF FUND)
One West Adams Street, Suite 100, Jacksonville, FL 32202
(ADDRESS OF FUND)

STATE OF Florida

COUNTY OF Duval

We declare that the information given in this Annual Report and any attachments thereto is true and complete to the best of our information, knowledge and belief. We declare that the plan was created and continues to operate within the provisions of s. 175.041 and 185.03, F.S.

 CHAIRMAN *
Signature

Larry Schmitt
Please Type: Name of Chairman

* Must be a member of the Board of Trustees

One West Adams Street, Suite 100, Jacksonville, FL 32202
Mailing Address

904 255-7373 bmccague@coj.net
Area Code Telephone e-mail

 SECRETARY *
Signature

Richard H. Tuten III
Please Type: Name of Secretary

One West Adams Street, Suite 100, Jacksonville, FL 32202
Mailing Address

904 255-7373 bmccague@coj.net
Area Code Telephone e-mail

THIS PAGE MUST BE NOTARIZED

CONTACT PERSON FOR ANNUAL REPORT:

Beth McCague
Name: Please Type

The Municipal Police Officers' and Firefighters' Retirement Trust Funds Office is hereby authorized to contact the person listed above for additional information and/or corrections regarding the annual report.

Interim Executive Director
Title

One West Adams Street Suite 100
Jacksonville, FL 32202
Mailing Address

904 255-7373 bmccague@coj.net
Area Code Telephone e-mail

Chairman: Subscribed and sworn to before me this 17 day of March, 2016
Personally known or produced identification Type of ID _____

Secretary: Subscribed and sworn to before me this 17 day of March, 2016
Personally known or produced identification Type of ID _____

STEPHEN LUNDY
Notary Public, State of Florida
My Comm. Expires June 15, 2016
Commission No. EE 207722

STEPHEN LUNDY
Notary Public, State of Florida
My Comm. Expires June 13, 2016
Commission No. EE 207722

1. **BOARD OF TRUSTEES**
Makeup of Board specified in:

Ordinance No. 87-545-273, Section 1, Dated May 12, 1987

Names of Trustees

Trustees Elected/Appointed By*

Larry Schmitt

Police Officer

Richard Tuten III

Firefighter

Nathaniel Glover

Elected 5th Member

Dr. Adam Herbert

City Council

William E. Scheu

City Council

* For each Trustee Specify: City Appointee, Police Officer, Firefighter, Elected Fifth Member, or Designated in Ordinance (example: Finance Director, City Clerk or Treasurer). Attach page, if necessary.

2. **Required Quarterly Board Meetings.** List the date (month, day, and year) of one Board meeting in each quarter:

1st 10/17/14

2nd 1/16/2015

3rd 4/20/15

4th 7/17/2015

3. List all ordinances passed during this reporting period that affect your pension fund. An impact statement must be performed for each new ordinance. Any ordinance having no actuarial impact upon the plan must have a letter from your actuary attesting to this fact. Attach additional pages, if necessary

<u>Ord. Number</u>	<u>Date Passed</u>	<u>Impact Statement Date</u>
<u>2015-304-E</u>	<u>6/9/2015</u>	<u>5/4/2015</u>
<u>Ord. Number</u>	<u>Date Passed</u>	<u>Impact Statement Date</u>

4. **CHAPTER FUNDS ONLY** – List any benefit improvements implemented during this reporting period and the date effective: N/A

5. **MINIMUMS** – Does the plan meet all chapter minimum benefits and standards as of July 1, 2015?
Yes No

If not, which minimums are missing? (attach additional pages if necessary) _____

6. **COLLECTIVE BARGAINING AGREEMENT** Not Applicable?

Effective date of current collective bargaining agreement: IAFF 10/1/12 and FOP 10/1/11

Period covered: IAFF 10/1/12-9/30/15; FOP 10/1/11-9/30/14 Next scheduled agreement: City is in process of negotiating successor agreements.

7. **DEFINED CONTRIBUTION PLAN** – Date established _____

8. Has the plan submitted a **detailed accounting report** with this filing? Yes / No
Date provided to the plan sponsor: _____

9. Did the plan operate under an **administrative expense budget** for the fiscal year?
Date provided to the plan sponsor: _____

1. ACTUARIAL VALUATION

Contributions (Page 5, Line 3) for this reporting period were made in accordance with the valuation performed by:

Pension Board Consultants, Inc
Name of Actuarial Firm

Jarmon Welch 195 14th Street NE, Suite 2307, Atlanta, GA 30309
Contact Person Mailing Address

404 892-9798 penbrd@aol.com
Area Code Telephone Number e-mail

Date of Valuation 10/1/2013 Period Covered 10/1/2014-9/30/15

2. CERTIFIED PUBLIC ACCOUNTANT

KBLD, LLC
Name of Firm

Linda Dufresne, CPA 6960 Bonneval Road, #302, Jacksonville, FL 32216
Contact Person Mailing Address

904 208-4659 linda@dufresnecpas.com
Area Code Telephone Number e-mail

3. MONEY MANAGER

See attached
Name of Firm

Contact Person Mailing Address

Area Code Telephone Number e-mail

4. PERFORMANCE EVALUATION

Summit Strategies Group
Name of Firm

Dan Holmes 8182 Maryland Ave, 6th floor, St. Louis, MO 63105
Contact Person Mailing Address

314 727-7211 d.holmes@summitstrategies.com
Area Code Telephone Number e-mail

Date of Evaluation 10/1/2014 Period Covered 9/30/2015

5. LEGAL ADVISOR

Klausner & Kaufman, P.A.
Name of Firm

Robert Klausner 10059 NW 1st Court, Plantation, FL 33324
Attorney Mailing Address

954 916-1202 bob@robertklausner.com
Area Code Telephone Number e-mail

6. PLAN ADMINISTRATOR

Jacksonville Police and Fire Pension Fund
Name of Firm

Beth McCague One West Adams St. Ste 100, Jacksonville, FL 32202
Administrator Mailing Address

904 255-7373 bmccague@coj.net
Area Code Telephone Number e-mail

Jacksonville
CITY NAME

Jacksonville Police and Fire Pension Fund
NAME OF PENSION FUND

STATEMENT OF ASSETS AND LIABILITIES
AS OF 9/30/15
Month/Day/Year

ASSETS - MARKET VALUE

1. CASH, CHECKING AND SAVINGS (From pg.7)	\$6,960,201.00
2. CERTIFICATES OF DEPOSIT (From pg. 7)	
3. SHORT TERM INVESTMENTS (From pg.8)	\$24,608,680.00
4. OTHER CASH AND EQUIVALENTS (From pg. 8)	
5. U. S. BONDS AND BILLS (From pg. 8)	\$15,658,333.00
6. FEDERAL AGENCY GUARANTEED SECURITIES (From pg. 8)	\$47,414,213.00
7. CORPORATE BONDS (From pg. 8)	\$67,980,881.00
8. STOCKS (From pg. 9)	\$916,358,540.00
9. OTHER SECURITIES (From pg. 9)	\$181,133,922.00
10. REAL ESTATE (From pg. 9)	\$174,872,827.00
11. INVESTMENTS HELD BY INSURANCE COMPANY (From pg. 9)	
12. <u>Prepaid and Fixed Assets</u> (From pg. 10)	\$131,453.00
13. <u>Sec. Lending and Def. Outflow</u> (From pg. 10)	\$141,378,183.00
14. ACCOUNTS RECEIVABLE (From pg. 10)	\$4,901,344.00
15. ACCRUED INTEREST	\$2,233,074.00
16. TOTAL ASSETS (sum of lines 1-15)	\$1,583,631,651.00

LIABILITIES

17. REFUNDS PAYABLE	
18. PENSIONS PAYABLE	\$2,230,505.00
19. UNPAID EXPENSES	
20. DROP PLAN PAYABLE	
21. PREPAID CONTRIBUTIONS	
22. <u>Sec. Lending & Liabilities</u>	\$143,624,515.00
23. TOTAL LIABILITIES (sum of lines 17-22)	\$145,855,020.00
24. FUND BALANCE (subtract line 23 from line 16) <MUST agree with page 5, line 25>	\$1,437,776,631.00

Jacksonville
CITY NAME

Jacksonville Police and Fire Pension Fund
NAME OF PENSION FUND

STATEMENT OF REVENUES, EXPENDITURES & CHANGES IN FUND BALANCE

FOR THE PERIOD ENDING 9/30/15
Month/Day/Year

REVENUES

1. CONTRIBUTIONS FROM EMPLOYEES (From pg. 14)	\$10,469,643.00
2. CONTRIBUTIONS FROM STATE OF FLORIDA (From pg. 6)	\$10,577,853.00
3. CONTRIBUTIONS FROM CITY (From pg. 6)	\$153,014,791.00
4. CONTRIBUTIONS FROM CITY – FOR EMPLOYEES	
5. BUYBACKS/REPAYMENT OF CONTRIBUTIONS	\$468,304.00
6. <u>Court Fines, Transfers, Misc. Revenue</u>	\$5,519,390.00
7. UNREALIZED GAINS/LOSSES	(\$125,978,845.00)
8. INTEREST AND DIVIDENDS	\$30,623,533.00
9. GAIN FROM SALE OF INVESTMENTS	\$39,116,646.00
10. TOTAL REVENUE (sum of lines 1-9)	\$123,811,315.00

EXPENDITURES

11. RETIREMENT PENSION PAYMENTS (From pg. 12)	\$103,400,863.00
12. DISABILITY PENSION PAYMENTS (From pg. 12)	\$1,978,086.00
13. BENEFICIARY PENSION PAYMENTS (From pg. 12)	\$13,605,185.00
14. TOTAL PENSION PAYMENTS (sum of lines 11-13)	\$118,984,134.00
15. TERMINATION PAYMENTS (From pg. 13)	\$404,460.00
16. DROP PLAN PAYMENTS	\$29,244,715.00
17. INSURANCE PREMIUM PAYMENTS	\$0.00
18. EXPENSES (From pg. 6)	\$10,283,078.00
19. <u>Securities Lending Expense</u>	\$215,349.00
20. _____	
21. LOSS FROM SALE OF INVESTMENTS	
22. TOTAL EXPENDITURES (sum of lines 14-21)	\$159,131,736.00
23. NET INCREASE / (DECREASE) (subtract line 22 from line 10)	(\$35,320,421.00)
24. FUND BALANCE – BEGINNING OF YEAR: <u>October 1, 2014</u> <MUST agree with prior year report page 5, line 25>	\$1,473,097,052.00
25. FUND BALANCE – END OF YEAR: <u>September 30, 2015</u> (line 23 plus line 24) <MUST agree with page 4, line 24>	\$1,437,776,631.00

1. TOTAL CALENDAR YEAR 2015 POLICE DEPARTMENT PAYROLL: \$ 186,290,693.00
 TOTAL CALENDAR YEAR 2015 FIRE DEPARTMENT PAYROLL: \$ 92,088,975.00

**** IMPORTANT ****

This figure must be on a calendar year basis. Police Department Payroll includes all employees of the Police Department (secretaries, dispatchers, police officers, etc.). Fire Department Payroll includes all employees of the Fire Department **EXCEPT** for members included in the Florida Retirement System. ***if lower than last year, or significantly higher, please explain!***

2. STATE OF FLORIDA PREMIUM TAX MONEY

<u>FIRE</u>		<u>POLICE</u>	
<u>Date of Deposit</u>	<u>Amount</u>	<u>Date of Deposit</u>	<u>Amount</u>
<u>9/9/15</u>	<u>5,136,371.00</u>	<u>9/9/15</u>	<u>5,441,482.00</u>
Total Fire <u>\$5,136,371.00</u>		Total Police <u>\$5,441,482.00</u>	
		Total (page 5, line 2) <u>\$10,577,853.00</u>	

3. CITY CONTRIBUTION: **Please identify any deposits that applied to a prior year's contribution requirements.** If additional space is needed please attach a separate sheet of paper.

<u>Date of Deposit</u>	<u>Amount</u>	<u>Date of Deposit</u>	<u>Amount</u>
<u>Bi-Weekly</u>	<u>\$153,014,791.00</u>		
		Total City Contribution (Page 5, Line 3) <u>\$153,014,791.00</u>	

4. DETAIL OF EXPENSES

ADMINISTRATIVE EXPENSES – Must include expenses required in section 175.061(8)(a)1., and 185.05(8)(a)1., F.S., at a minimum (attach additional pages if necessary)

<u>Item</u>	<u>Amount</u>	<u>Item</u>	<u>Amount</u>
<u>Personnel Services</u>	<u>\$1,050,317.00</u>	<u>Prof Serv. Non-Inv</u>	<u>\$659,289.00</u>
<u>Office Space Rent</u>	<u>\$250,512.00</u>	<u>Central Services</u>	<u>\$143,931.00</u>
<u>Supplies</u>	<u>\$7,297.00</u>	<u>Other</u>	<u>\$243,025.00</u>
		Sub-Total Admin. Expenses <u>\$2,354,371.00</u>	

INVESTMENT EXPENSES

<u>Item</u>	<u>Amount</u>	<u>Item</u>	<u>Amount</u>
<u>Professional Service</u>	<u>\$7,697,756.00</u>	<u>Building Expenses</u>	<u>\$230,951.00</u>

Sub Total -- Investment Expenses \$7,928,707.00
 Total Expenses (Page 5, Line 18) \$10,283,078.00

#18

Jacksonville Police and Fire Pension Fund
Detailed Administrative Expenses Report

Personnel and Benefits

Salaries	\$822,081
FICA	\$7,347
Medicare Tax	\$11,981
Pension Contribution	\$113,041
Defined Contribution	\$6,462
Other Post Employment Benefits	\$18,125
Group Dental Insurance	\$2,436
Group Life Insurance	\$2,194
Group Health Insurance	\$61,875
Workers Compensation	<u>\$4,775</u>
	\$1,050,317

Professional Services

Actuary	\$142,479
Appraiser	\$3,500
Auditor	\$49,884
Governance Services	\$11,812
Legal	\$361,725
Medical	<u>\$23,400</u>
	\$592,800

Operating

Office Space Rent	\$250,512
Information Technology	\$70,547
Copy Center/Mailroom	\$58,799
Fleet	\$3,628
General Counsel	\$10,960
Postage	\$2,612
Travel	\$2,948
Depreciation	\$11,500
Insurance	\$10,047
Office Supplies	\$7,297
Other services and Charges	\$130,745 *
Misc.	<u>\$151,658 **</u>
	\$711,253

Investment Expenses

Money Manager	\$7,419,393
Pension Investment Advisor	\$245,864
Custodian	\$32,500
Building and Garage Expense	<u>\$230,952</u>
	\$7,928,709

Grand Total \$10,283,078

*Other service charges: deferred pension expense for deferred outflow

**Misc.: Repairs maint., telephone, judgements, employee training, dues



FLORIDA DEPARTMENT OF MANAGEMENT SERVICES

retirement

We serve those who serve Florida

Bureau Local Retirement Systems
Municipal Police Officers' & Firefighters' Trust Funds' Office
P.O. Box 3010
Tallahassee, FL 32315-3010
Tel: 850-922-0667 | Fax: 850-921-2161 | Toll-Free: 877-738-6737

Rick Scott, Governor

Chad Poppell, Secretary

APPROVED

MEMORANDUM

August 15, 2016

To: Mr. Larry Schmitt, Chairman
Jacksonville Police Officers' &
Firefighters' Pension Fund

From: Office of Municipal Police Officers' and Firefighters'
Retirement Trust Funds, Division of Retirement

Subject: 2015 ANNUAL REPORTS

This is to advise that we have reviewed and approved the 2015 Annual Report (s) for the Jacksonville Police Officers' & Firefighters' Pension Fund.

The 46th Annual Police Officers' and Firefighters' Pension Conference is scheduled for November 2-4, 2016, sponsored by the Department of Management Services, Division of Retirement. **There is no registration fee to attend.** The program will be held at the Radisson Resort, Orlando Celebration. The hotel is located at 2900 Parkway Boulevard, Kissimmee, FL, 34747. You may make hotel reservations by calling 407-396-7000. If you call to make a reservation, please state you will be attending the conference.

If you have any questions, please contact our office at (850) 922-0667.

mjm

Copy: Beth McCague, Interim Executive Director ✓
Devin D. Carter, CPA, Chief Financial Officer
Robert Klausner, Plan Attorney

Approved