

JACKSONVILLE POLICE AND FIRE PENSION FUND  
SPECIAL MEETING OF THE BOARD OF TRUSTEES

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DATE: October 9, 2015

TIME: 11:07 to 11:40 a.m.

PLACE: Jacksonville Police and Fire Pension Fund  
One West Adams Street  
Suite 100  
Jacksonville, Florida 32202

BOARD MEMBERS PRESENT:

Larry Schmitt, Board Chair  
Richard Tuten, III, Secretary (via phone)  
Adam Herbert, Trustee  
Nathaniel Glover, Jr., Trustee  
William E. Scheu, Trustee (via phone)

ALSO PRESENT:

John Keane, Consultant  
Paul Daragjati, Board Counsel  
Debbie Manning, Executive Assistant  
Joey Greive, Fund Treasurer

These agenda matters of the special meeting of the JPFPP Board of Trustees came on to be heard at the time and place aforesaid, when and where the following proceedings were reported by:

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AAA Reporters  
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Jacksonville, Florida 32202  
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## P R O C E E D I N G S

October 9, 2015

11:07 a.m.

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DR. HERBERT: I call the meeting to order. Let me begin with a summary of where we are with regard to applications.

I've had several conversations with our HR consultant. We, as of yesterday, had 42 applications. And what she did was to go through all of them to address the question of whether or not they met the requirements, the qualifications, that we established for the position.

Of the 42, her review indicated that eight of the candidates did not meet the qualifications and that 34 did meet them.

So I think all of you have received the list of names of all of the candidates. I did ask, pursuant to Trustee Tuten's request, that we be provided information as to why folks did not meet the qualifications.

We also -- frankly, we had so many pieces of paper with regard to the candidates that it was just prohibitive to attempt to make paper copies of each of them.

So I asked Debbie if she would send the application, and if there were a few things that related to their qualifications, to include those. Debbie did send that to each of us. We also have here in the office printed copies of all of the documents.

As you may have noticed on a couple of things that were sent to you, we had instances in which there were 40 or 50 pages of materials for a few of the candidates. I didn't think that much of that was very helpful.

But in any event, what I think we would probably benefit from doing is just getting a general sense from everybody as to your feelings about the pool, beginning, obviously, with Trustee Glover, who is a member of the committee, and then see if other members of the Board have thoughts.

And let me begin with my observations since I've gone through all of these a few times.

It seemed to me that -- and I was a little surprised at this. I was looking at in terms of things that were really important to me, folks who have prior pension leadership experience.

I was looking for investment experience. I

was looking for executive -- and this ties back into the pension leadership thing, but executive experience.

Some people might be assistant executive directors, that sort of thing, so that they have had some leadership experience. But I was interested in executive experience; that is, the CEO for the organizations in which they've worked.

And what I've done is to have two groups. The first group is strong pension leadership and investment experience. And I would put in that category folks that we would definitely want to interview.

And then second is folks who may not have the extensive position -- pension leadership experience, but do have investment experience as well as executive experience, but not necessarily having worked in the pension arena, but clearly having experience on the investment side.

And utilizing those criteria, again, I was trying to identify no more than five people. What I came up with is that there was one candidate who I put in that Group 1; that is, very strong pension leadership as well as

investment experience. And I don't know how to pronounce her last name.

Her first name is Lynn, and the last name is spelled, W-E-N-G-U-E-R.

MR. KEANE: Wagner (phonetic).

DR. HERBERT: I'm sorry?

MR. KEANE: Wagner.

DR. HERBERT: Wagner?

MR. KEANE: From Fort Lauderdale?

DR. HERBERT: Yes.

So that was one candidate that I thought we should definitely interview. The fact that she's had more than a decade of experience in leading a police fire and pension board and two in another city in South Florida, beach communities, she was head of the General Employees Pension Fund and she has all of the bona fides in terms of certifications and that sort of thing that we would naturally expect. So she is one person that I think we should try to interview as soon as possible.

And then the second group -- and she was the only one that I saw that had the pension leadership experience that, while not essential, I think enhances the prospects of success in

leading our enterprise.

And then I had five people that I put into Group 2, the folks with investment and executive experience, varying levels of those. But I put Ken Carlson; Steven Mormann, M-O-R-M-A-N-N; Joseph Mehringer, M-E-H-R-I-N-G-E-R. Joseph is his first name. And the last person is Nathan Kutt, K-U-T-T.

And so of those four, they are similar, although some with more experience than others. But my view is in looking at the applications that we have right now, and to the extent that the pension leadership experience is a significant plus, I would definitely want to bring Lynn in, Lynn Wenguer in, as soon as possible before she is convinced to stay where she is or might be recruited elsewhere.

So those are my five names and the person that I think we should definitely bring in for an interview as soon as possible.

MR. TUTEN: Adam, first of all, before I make a couple comments, and I'm with you on a couple of these already, but what were the other four?

I got Joseph Mehringer. I got Ken Carlson.

I got the first one, Wenguer. Who are the other two?

DR. HERBERT: Okay. Steven Mormann,  
M-O-R-M-A-N-N --

MR. TUTEN: Okay.

DR. HERBERT: -- and Nathan Kutt, K-U-T-T.

MR. TUTEN: Yeah. Wenguer was one of my top two. So that's good. The other one was actually someone you didn't mention, which was Lori McKnight. You know, she's got a lot of history in pensions, and I don't think -- I think maybe she didn't quite have the executive experience, but looking at her résumé in depth, that was the other one that I was comfortable with actually calling for an interview.

Now, the one when you said, Mehringer, Joseph, he was kind of on the Group 2 bubble with me as well. So you've got two there, three, but I didn't necessarily put them into any groups for a couple reasons that we won't get into that right now.

And then Carlson, similar reasons, like I said. Moves too much, you know. I'll make a couple quick comments.

The first thing is like you said. One thing

I noticed with a lot of these people is they were heavy in investments and banking, which was good, but they really don't have any pension-type experience, you know.

And while that stuff is important to me, we have a consultant, we have a Board -- if we were interviewing for a CFO, that would be different.

The only other concern with a lot of these is the fact they live out of state. And, I mean, I think somebody was from South Dakota or something. I'm like, Wow. I have a concern that they're not going to be here very long. That's -- that's my biggest thing.

And I'll tell you, another concern is, too, is somebody that's applying for a leadership position, there were a lot of applications where spaces were left blank that I went to look for key information like salary, why -- you know, reason for leaving, things like that that, you know, one or two spaces, fine. It's a city application. Everybody -- you know, we know.

But that was a trend with a lot of these people that to me personally, if you're going to take the time to apply for a \$200,000-a-year job, that to me just automatically said, Hey, you're



out. That's just what I did. And that's about it.

The only other comment that I'll have is the city's criteria for some of the people that passed, while on paper I think they're okay, if you dig a little deeper past the basic qualifications, they really -- they really shouldn't have been on this list.

Like I said, there's people that were involved in banking for years, whether they're personal financial planners. That's fine, as I said, but they really didn't have anything really peripheral to do with a pension plan.

And, you know, I understand that we may not find the perfect fit; but, you know, I think we did the right thing with letting the Board look at this, because I'm not confident -- the city's process is limited. Let's just put it that way.

But those are my names.

For the Group 2 names, if somebody's got a pen there, write it down. Mine was Katz, Steven; McKnight; Brian Myers. You know, Tobe, and -- I guess.

THE REPORTER: And who was that? I'm sorry. I didn't hear.

MR. SCHEU: What was that one? The first one was Tobe, did you say?

MR. TUTEN: The first one was Katz, Steven Katz.

MR. SCHEU: I got that.

MR. TUTEN: Okay. The second one was Myers.

MR. SCHEU: Yes.

MR. TUTEN: Tobe, Christopher Tobe, T-O-B-E.

MR. SCHEU: Yes.

MR. TUTEN: And Adrienne Valley (phonetic), the last name on the list.

Now, those were guys that were sort of on the bubble with me, you know, that we could get into a discussion of this, that and the other if you wanted to.

But to me the two strongest were, McKnight, Lori McKnight. She works, I think, for FRS or has a history there. And the one you mentioned before, the Wenguer, Lynn. Let's just call her Lynn. And I have questions about her as well.

But as far as a candidate, you know, looking at credentials approach, to me those two, the two females, were actually the two strongest, in my opinion.

That's it.

DR. HERBERT: Trustee Glover?

MR. GLOVER: I'm fine with the report.

Mr. Chair, I just want to add one caveat. I think we need to make sure we're sensitive to diversity, and I'm just talking about people that we look at or even interview; and we probably -- I would prefer that when we start our interview process, we also just see if we can't include a local person.

So I just want to cover those bases because I think we too often overlook that, and you're subject to a little bit of scrutiny when you do it. You almost always can explain it, but it would be a good idea to cover your base while we're looking at it to evaluate.

MR. TUTEN: Do you think it would be -- I mean, like we're doing thus far. I mean, maybe have two lists from the Board, the people that we think are the top, and then like Adam did where the other people are in Part B.

Because like I said, outside of the names, I don't really know -- you know, I looked at a few that were from Jacksonville, sort of, but that part of it, honestly, Sheriff, just didn't come into the equation with me.

MR. GLOVER: I understand. I understand. I mean, that's a thought. And, I mean, as I said earlier today in the Board meeting, it's the Board's call.

I'm just saying that I just often -- and just a philosophical perspective on mine is that we're always looking outside and we never consider people right here. And when you consider people here, you also accelerate the political piece of it too, which I think has value in the matrix when you start looking at people who are qualified.

DR. HERBERT: Bill, how about you?

MR. SCHEU: Adam, this is Bill.

I really didn't get through all of them. I got through, I'd say, about 20. So I'm -- and I'm trusting you-all's judgment.

One reason I went into this with the view of what you charged us with was to look at whether we felt like we needed to spend \$2,000 for that advertisement.

And my criteria being primarily investment-related and management in financial fields, I didn't really -- about managing the pension fund, which I probably overlooked. I

didn't get to Ms. Wenguer, but I'll do that.

But thinking that the banking, slash, investment and management, there were two names that had those experiences. One was Barbara Buck, who I think also was one who had some experience either with the JEA or some other place. She's with Regions Bank now in Jacksonville, I think, Sheriff.

And the other one was Brian McKenna, who I think is with Smith Barney -- no, I don't remember. I think it was Smith Barney. But he was here, down in Orlando, wants to come back to Jacksonville. But both of those have sort of the banking, financial-wealth management parts of it.

Brian McKenna also -- I got a call from Pat Kilbane, who is a lawyer in town, who knows him, and he was very high about him. So I made a special point of looking at that, but I didn't get all the way through.

But I would like to add those two to the list, if that's appropriate. And I would hope we wouldn't say who our favorite is at this point, but we put them all in one, make our individual comments, and then interview as many as we think necessary, or maybe cut it down a little further

after we've had a little more time to reflect upon it.

DR. HERBERT: Right. Well, the key thing it seems to me is, in setting up my two categories, I wasn't trying to prioritize necessarily, but just looking at the kinds of experiences and backgrounds that they had.

So what I hear is that Lynn Wenguer, or however that's pronounced, would definitely be someone that we would want to interview. And then what I heard Trustee Tuten saying is that Lori McKnight; is that correct?

MR. TUTEN: Correct.

DR. HERBERT: And coming back to your comments, Trustee Scheu, you said Barbara Buck and Brian McKenna.

Are both of those people that you would definitely want to interview?

MR. SCHEU: I think so. At least get to the next stage. I mean, I don't think we need to interview ten people.

DR. HERBERT: Right.

MR. SCHEU: Maybe we can -- particularly because I didn't get through all of them, which I understand is my fault. Maybe before we -- maybe

cut down to four interviews or five, but I'd leave that to you-all's judgment.

DR. HERBERT: Well, I think maybe what we could do is start off with those four. And the critical question is: Do we feel after interviewing them that we have the right person? And I would like to try to arrange to set these up as soon as possible.

Let me just tell you -- and I think we just need to think this through a little bit. Trustee Glover has indicated that he's going to leave the Board by the end of this month.

MR. GLOVER: Well, actually --

DR. HERBERT: At some point this month. I'm not giving him a chance to respond to that. And I think I mentioned I'm going to be out of the country. I've leaving on the 27th and I won't be back until November the 25th.

So if we aren't able to have interviews over the next two weeks, obviously what would happen is that there would be three board members that would end up having to meet to make the decision.

So we either need to try to do something before the 27th, or we just know that we've got to select the fifth member of the Board, and then

plan on doing it after Thanksgiving.

So if we start off with these four, what I would like to do is to try to schedule them to come in for interviews.

And my thought is as follows: That we would have each candidate interviewed by the Board of Trustees. We can do that individually or as a group, with the advisory committee potentially. If we could schedule all this.

John, the question is: Do you think we could get all those folks together to interview or as many of them as would be available?

MR. KEANE: Are you talking about the new financial advisory committee --

DR. HERBERT: No, no.

MR. KEANE: -- or our regular pension advisory?

DR. HERBERT: Yes, our regular advisory.

MR. GLOVER: That's a good idea.

DR. HERBERT: And I would think we might want to --

MR. TUTEN: Adam?

DR. HERBERT: Yes.

MR. TUTEN: Hello?

DR. HERBERT: I'm here. Go ahead.



MR. TUTEN: Many times -- if you'll indulge me for just a second.

DR. HERBERT: Please.

MR. TUTEN: If we're going to do four, I don't have a problem doing five, and I would like to add Joseph Mehringer, because he's one of two that we both agreed on, not that, you know, Bill doesn't like him or anything.

But I think somebody that two, you know, looked at as far as being, you know, possible, I think it would behoove us to have at least, you know, one more.

DR. HERBERT: I feel very --

MR. SCHEU: I noticed on my notes, I also thought highly of Tim Clausen (phonetic), and I think Ken Carlson.

DR. HERBERT: Yeah, I had him on my list also.

MR. SCHEU: Okay. Now, that's six. That would be all right.

DR. HERBERT: I think that just looking at the pool, narrow it down to six is very good.

So in terms of the interview process with members of the Board, our advisory committee, John Keane, I think Joey would be an important

person for them to talk with.

And then the question is: Should we also invite the police and fire union presidents to meet with them or -- I think we have the advisory committee, so that probably takes care of that. And we have trustees.

So unless someone feels something to the contrary, what we would do is go ahead then and set up the interviews with trustees, advisory council members, John Keane, Joey, and I don't know whether the other advisory committee is -- the investment advisory committee is up and running, and I don't know that they would know; but between John and Joey, I think we would get most of our -- we'll get a pretty good understanding of their background in the investment management area.

Is everyone comfortable with that? Nat?

DR. HERBERT: I'm fine.

MR. TUTEN: Yeah. I would -- you're talking about having the advisory committee interview them first and then having them come to us, or being there at the same time?

DR. HERBERT: Not necessarily at the same time. The thing we've got to do is just work out

the schedule. I just wanted to try to identify the individuals or groups that we would definitely want them to talk with in order to get feedback; and also, frankly, by doing this, what we're able to accomplish is to build a base of relationships that would be necessary when the person comes on board.

MR. TUTEN: Okay. I don't have a problem with them putting their input into it.

What I'm hoping is not going to happen, because the advisory committee members are -- a lot of them are in the investment community, there might be one or two conflicts here. And hopefully they'll keep that in mind, and if there is, they're -- you know, No comment, because the last thing I want to deal with is something like that.

MR. KEANE: Rich, he's talking about the pension advisory committee, not the new financial --

DR. HERBERT: Right.

MR. TUTEN: Oh, oh, okay. Gotcha.

MR. SCHEU: I agree with that, and it might be that you want to ask them to just have one or two, so we don't -- you know, going to an

interview with ten people is not a lot of fun.

MR. GLOVER: That's what I was going to kind of suggest, Mr. Chair.

You set up a time that you can entertain an interview and see if we can have some representation from the advisory, the trustees, and, you know, set them up in a day. I think -- and they'll have to get here. And if they can and there's a good reason, you might set up an alternate date for a second sitting and get it -- get it done.

And I would say the advisory committee, instead of having the whole advisory committee here --

DR. HERBERT: Have two people.

MR. GLOVER: -- have a couple of them -- well, let them decide who they want to send --

DR. HERBERT: Right.

MR. GLOVER: -- and let's go ahead and get it expedited.

DR. HERBERT: Okay.

MR. KEANE: Let's change that to three. That way they can send a police representative, fire representative, and a retiree.

MR. GLOVER: Okay.

DR. HERBERT: Okay. So what we'll do is we'll ask for three representatives from that advisory committee. We'll invite all the trustees, and then we'll have a separate meeting with John and Joey.

So what I'll do then is I'll work with John and Debbie to schedule interviews for Lynn Wenguer, for Lori McKnight, for Barbara Buck, for Brian McKenna, for Joseph Mehringer, and for Ken Carlson.

MR. KEANE: Are these people from out of town?

MR. GLOVER: Got one, I think.

DR. HERBERT: One or two.

MR. SCHEU: Would you mind repeating that, Adam? I'm sorry.

DR. HERBERT: Yes. Lynn Wenguer, W-E-N-G-U-E-R; Lori McKnight, Barbara Buck, Brian McKenna, Joseph Mehringer and Ken Carlson.

MR. SCHEU: Thank you.

MR. KEANE: Now, when do you want to do this, when you get back?

DR. HERBERT: We're going to try to start the process as soon as possible.

MR. KEANE: Okay. Before you leave?

DR. HERBERT: Yeah, right.

So our goal would be to have all of these done before the 27th.

MR. KEANE: The ones from out of town, I don't know whether we have to pay their transportation or not. I'll have to check on what the city program is for that.

Sometimes they have to provide transportation expenses, but as you pointed out a while ago, you invite them to come. If they don't come, they don't come.

DR. HERBERT: Right, yeah.

Well, what we'll do is we'll find out what the rules of the games are with regard to paying for visits. And obviously the other thing we've got to deal with, I've talked with Rhonda about this, is we'll have to do some background checks, criminal and credit. But we'll work on that.

MR. KEANE: Do you want us to go ahead and start it on these selected?

DR. HERBERT: I think it might be good to do that so that --

MR. TUTEN: Adam, I hate to cut in on you, buddy, but let me ask you this. Maybe, Bill, you can do this.

Is there some way we can check their legal background as well as lawsuits and stuff goes? I mean, I know we'll do the criminal, but that's not necessarily going to show up in the FDLE report.

MR. SCHEU: You know, we can ask -- I don't really know. HR may know that. We also could have a staff person just Google each of them and see what they find.

MR. TUTEN: Yeah. You know, if there's been any sort of harassment complaints or lawsuits brought by, you know, customers, just stuff like that.

DR. HERBERT: We'll take care of all that. The bottom line is all that's critical information. We'll talk with HR and we'll make sure that's done.

MR. TUTEN: Okay.

MR. SCHEU: In that light, could someone start checking the references? And in some cases it was a bother that they didn't bother to put down any references, but to the extent that people did put down references, we can at least get that out of the way too.

MR. KEANE: We will.

DR. HERBERT: Okay. So what we'll do is I'll make sure we have a comprehensive background check, and we'll have reference checks.

We'll call each one of them and tell them that we'd like for them -- that we're taking them to the next step in our process, and that as part of that process, we do need to begin these checks right away, and our intent is to do it very quickly. And we're going to try to schedule -- we will schedule interviews for everyone that can come within the next two weeks.

MR. TUTEN: Okay. When are you thinking about trying to schedule the interviews for? What week, Adam?

DR. HERBERT: Let me pull up this calendar.

Let me ask this. Is the week of the 19th -- I forgot, Bill, what you said. Are you going to be out of town all that week?

MR. SCHEU: No, I'll be in town all that week. That's great for me.

DR. HERBERT: Okay. So let's shoot for the week of the 19th.

MR. TUTEN: That's fine.

DR. HERBERT: And try to get all of them in during that time period.



MR. KEANE: Do you want to do several in a session, two or three at a time? You know, how do you want to -- set aside, like, a morning to do two or three?

DR. HERBERT: Why don't we first see which folks are interested, and then we'll figure it out from there, but --

MR. GLOVER: Which could make it, you know, because if you gave them 30 minutes --

MR. TUTEN: We may need to check with the candidates first, too, because they all have full-time jobs and we may have to stretch it out just based on availability.

DR. HERBERT: And that's why I just said, we'll try to do it during that week, and we can potentially get two or three candidates in in a day.

MR. KEANE: We'll do that. I'll coordinate that.

DR. HERBERT: So we'll get back to everyone with regard to timing and everything, but we'll proceed with these six right away, make phone calls today to give them a sense of where we are.

Anything else for the committee, Trustee Glover?

MR. GLOVER: I don't know -- is it appropriate to start some dialogue about the fifth member?

DR. HERBERT: In fact, at the last meeting we talked about the fact that we wanted everyone who was interested to put forward names of potential candidates for the fifth member, and that we would check to ascertain their interest before putting their name forward.

Can we put that on the agenda for the 19th, with the understanding that we're going to try to resolve that, if possible?

MR. SCHEU: That's great. That's great.

MR. TUTEN: Fine with me.

DR. HERBERT: So we'll plan on doing that then.

So please get your thinking caps on and talk with folks that you think would be good additions to the Board.

MR. KEANE: So there's going to be a trustee meeting on the 19th.

DR. HERBERT: Yes. Trustee Board meeting on the 19th.

MR. KEANE: And you want to try to maybe at the same time interview some of the people then?

DR. HERBERT: If we could get some that day, that would be great.

MR. KEANE: All right. That'll be fine.

MR. GLOVER: Now, I got on my calendar a trustee Board meeting on the 16th. But we're talking about a trustee Board meeting on the 19th?

DR. HERBERT: Well, I think what happened was that the 16th, Trustee Scheu wasn't going to be here --

MR. GLOVER: Oh, I got it. Already got it. Yeah.

DR. HERBERT: -- so we changed it to the 19th. I had it in both places also.

MR. GLOVER: Is it 1:30?

MS. MANNING: Yes.

DR. HERBERT: Yes.

MS. MANNING: On the 19th.

MR. TUTEN: What time?

DR. HERBERT: It's 1:30 on the 19th.

MR. TUTEN: 1:30 in the 19th?

DR. HERBERT: Yes, sir.

And hopefully we can get all these interviews in that week and be in a position to take some action.

MR. KEANE: Okay.

DR. HERBERT: Okay. Thank you very much.  
If there's nothing else -- Trustee Glover, do you  
have anything else?

MR. GLOVER: No, no. I'll have comments at  
my last meeting.

MR. KEANE: On the 19th.

MR. GLOVER: On the 19th.

DR. HERBERT: Trustee Tuten, do you have any  
other comments?

MR. TUTEN: Nat, that's your penultimate  
move.

MR. GLOVER: Yes.

DR. HERBERT: Yes, it is.

MR. TUTEN: I've had fun. It's been a  
pleasure, gentlemen.

DR. HERBERT: Okay. If there's nothing  
else, we stand adjourned. Thank you very much.

(The Personnel Committee meeting adjourned  
at 11:40 a.m.)

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## CERTIFICATE OF REPORTER

I, Denice C. Taylor, Florida Professional Reporter, Notary Public, State of Florida at Large, the undersigned authority, do hereby certify that I was authorized to and did stenographically report the foregoing proceedings, and that the transcript, pages 2 through 28, is a true and correct computer-aided transcription of my stenographic notes taken at the time and place indicated herein.

DATED this 23rd day of October, 2015.

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Denice C. Taylor, FPR  
Notary Public in and for the  
State of Florida at Large

My Commission No. FF 184340  
Expires: December 23, 2018