

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

DATE: September 29, 2015

TIME: 2:36 to 3:55 p.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
Adam Herbert, Trustee
Nathaniel Glover, Jr., Trustee
William E. Scheu, Trustee

ALSO PRESENT:

John Keane, Administrator/Executive-Director
Paul Daragjati, Board Counsel
Debbie Manning, Executive Assistant
Devin Carter, Controller
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:

Denice C. Taylor, FPR
AAA Reporters
233 East Bay Street, Suite 912
Jacksonville, Florida 32202
904.354.4789

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

TABLE OF CONTENTS

PAGE

Work Shop

Public speaker, Curtis Lee

Board Meeting called to order

Personnel Committee

Signature authorization

Certificate of reporter

3

8

8

66

73

P R O C E E D I N G S

September 29, 2015

2:36 p.m.

- - -

CHAIRMAN SCHMITT: All right. It's 2:36. I call the meeting to order.

Please rise and pledge allegiance to the flag of the United States of America, and to the Republic for which it stands, one nation, under God, indivisible, with liberty and justice for all.

Let the record show that Chairman Schmitt, Secretary Tuten, Trustee Herbert and Trustee Scheu are all present. Trustee Glover is en route.

We'll go ahead and get started with the public speaking period. We have one public speaker.

MS. MANNING: Yes. Curtis Lee.

MR. LEE: My name is Curtis Lee. My address is on file.

First, I have copies for all trustees of the email I sent yesterday, in case you didn't read it. Incidentally, you should read all my emails as fiduciaries.

First issue: I still don't have a document

1 I requested on September 25, regarding Devin
2 Carter. Mr. Keane distributed the document on
3 that date at the Board meeting concerning his
4 misdemeanor. Clearly this is a public record.

5 When I asked both Mr. Tuten and Mr. Keane
6 for it, I was refused. It is not online either
7 as of this morning. In short, please comply with
8 the law or I will be forced to sue.

9 Plus, I've asked you all for your 2015
10 evaluations of Mr. Keane. This obligation cannot
11 be evaded or fobbed off.

12 Second: While the pension fund conceals
13 documents relating to those misdemeanors, they
14 post a picture of a dog online. I find this very
15 strange.

16 Third: I provided two documents to you. I
17 only have one copy. I'll give them both to the
18 chair, Mr. Schmitt. Please share copies with
19 others.

20 The first -- the longer of the two documents
21 shows that Mr. Keane used fund resources to
22 secure an airline ticket for Nancy Keane. This
23 favoritism may constitute theft. Please see my
24 email for details.

25 Fourth: The other document is three pages

1 of receipts from invoices that the pension fund
2 pays to Robert Klausner's law firm. There are
3 highlight -- highlit portions. This shows that
4 Mr. Keane used the pension fund to pay Klausner
5 over \$4,000 to research and prepare a lawsuit
6 against the pension fund.

7 This was a big gift to Randy Wyse
8 personally. Randy Wyse then sued the city and
9 the pension fund. I believe this constitutes
10 criminal conduct. It surely was unethical.

11 One billing entry in particular stands out.
12 Quote: "Draft pleadings, re firefighter suit
13 against fund and city" -- unquote -- "\$1,140."

14 It's mind boggling that Mr. Keane would have
15 the pension fund pay money so that his own
16 lawyers could be used against the pension fund.

17 There's many, many more unethical behaviors
18 of Mr. Keane. I've given you outlined -- a
19 seven- or eight-page outline of his misconduct
20 periodically.

21 Do not give Mr. Keane a consulting contract.
22 Investigate him, audit him, sue him. And if
23 appropriate, as is probable, refer him for
24 prosecution. Mr. Keane has disgraced the pension
25 fund repeatedly. Thank you.

1 Any questions?

2 MR. SCHEU: Mr. Chair, if it will solve
3 anything, I'll give him what John passed out.

4 CHAIRMAN SCHMITT: Perfect. Does that take
5 care of that public records request?

6 MR. LEE: It appears to be. Thank you.

7 CHAIRMAN SCHMITT: All right.

8 And no other speakers? All right. That
9 will close the public speaking session.

10 DR. HERBERT: Bill, just for the record,
11 could you indicate what you just gave him so that
12 it's clear that that portion of his request is
13 being addressed?

14 MR. SCHEU: That was the email that
15 Mr. Keane passed out at our meeting Friday that
16 had to do with the prior record for Devin Carter.

17 CHAIRMAN SCHMITT: So there was a
18 document -- if I'm understanding correctly, there
19 was a document that was passed out to the Board
20 members at the meeting Friday, the 26th, I
21 believe it was.

22 MS. MANNING: I wasn't here. The 25th.

23 CHAIRMAN SCHMITT: That document that you
24 just gave a copy of to Mr. Lee is that document
25 that was handed out to the Board members?

1 MR. SCHEU: Correct.

2 CHAIRMAN SCHMITT: And it's in reference to
3 Mr. Devin Carter?

4 MR. SCHEU: Correct. And I guess for the
5 record, Mr. Lee acknowledged that the public
6 record request has now been satisfied.

7 MR. TUTEN: Yes. Because after the meeting
8 he came up and asked for a copy. I had my copy
9 that I kept with me, and I didn't have another
10 one. I asked John. John said he didn't have
11 any, we'd put it on the website.

12 CHAIRMAN SCHMITT: Right. And, you know, we
13 try to abide by the public records laws as much
14 as we can. And the public records laws do
15 require us to fulfill those requests in a
16 reasonable amount of time. And I think we've met
17 that obligation in this circumstance.

18 So thank you for giving us that copy.

19 MS. MANNING: Normally they are posted on
20 the website, but I was on vacation. So I was not
21 here to do that after the meeting.

22 CHAIRMAN SCHMITT: Any other discussion on
23 that issue? Okay.

24 The next item is referenced to the Personnel
25 Committee. Before we get into that, we'll take a

1 recess and wait for Trustee Glover to arrive. It
2 is now 2:40. We stand in recess.

3 (A break was taken; thereafter, the Board
4 meeting continued as follows, with the additional
5 appearance of Trustee Glover:)

6 CHAIRMAN SCHMITT: I call the meeting back
7 to order.

8 The next item on the agenda is from the
9 Personnel Committee. Dr. Herbert.

10 DR. HERBERT: Thank you.

11 First, I'd like to talk about a proposed
12 schedule. It seems to me that to the extent that
13 we can be aggressive in this search process, if
14 we have more candidates, is to move quickly on
15 it.

16 So our personnel liaison or HR person will
17 be back in town tomorrow, so I will be able to
18 talk with her. But let me suggest something
19 along these lines. And the key question for
20 Trustee Glover is what his schedule is like.

21 But what I would like to propose formally is
22 that we ask personnel folks to give us a list of
23 all the candidates by the 5th of October -- so
24 next week -- so that Trustee Glover and I can
25 individually go through all of these.

1 And if your schedule is such that we can do
2 it, schedule a meeting of the committee on the
3 9th for the purpose of discussing our perspective
4 with regard to potential finalists for the
5 search, to see if we have anywhere from one to
6 five candidates that we think look good and that
7 are worth our bringing to the full committee.

8 Obviously any member of the Board can attend
9 that meeting as we go through them. And if any
10 of you want to see all the candidates, we can ask
11 HR to make those available as well. There are
12 over 30 candidates.

13 MR. TUTEN: Okay. So that's the ones that
14 have applied already?

15 DR. HERBERT: Right.

16 MR. TUTEN: Okay. Because I was going to
17 ask you about the current list.

18 DR. HERBERT: I'm going to come back to that
19 in just a minute.

20 MR. TUTEN: Okay.

21 DR. HERBERT: So the thing we don't know is
22 whether or not we have some outstanding
23 candidates in there right now. And if we do, my
24 bias would be to go ahead and -- if we have one
25 or two that we think are outstanding, go ahead

1 and proceed with the search as opposed to
2 dragging it out because we really need someone
3 here as soon as possible.

4 And assuming we follow the kind of timeline
5 I'm talking about, we won't probably get anyone
6 here until the first of December.

7 MR. TUTEN: Right.

8 DR. HERBERT: So it's important for us just
9 to kind of think about that. And I would like to
10 have somehow here -- I don't know how you guys
11 feel -- I would like to have someone here before
12 the beginning of next year.

13 MR. TUTEN: Right.

14 DR. HERBERT: So this schedule is predicated
15 on the assumption that we have strong candidates
16 in the pool and that we could then move
17 aggressively.

18 So on the 5th we ask that all the candidates
19 who meet the qualifications be given at least to
20 Trustee Glover and I from the committee
21 perspective, but if any of you or all of you want
22 to see all the candidates, then we will make
23 those available.

24 And then, again, from Trustee Glover's
25 perspective, if you could potentially be

1 available for a meeting on the 9th.

2 MR. GLOVER: Mr. Chairman, I am out of town
3 next week, but I come back an Friday, the 9th.

4 Now, I don't mind if I'm coming back early
5 to come on back and then come to a meeting, but
6 let me call the office and see what my flight is
7 like.

8 DR. HERBERT: Okay.

9 MR. GLOVER: Because we don't need to lose
10 any time. If it's in the evening, it's a
11 deal-breaker. If it's in the morning, if I come
12 back early, we can do it that afternoon.

13 Is that all right, Mr. Chair?

14 CHAIRMAN SCHMITT: Fine for me.

15 MR. TUTEN: I want to interject something,
16 Dr. Herbert. Now, you may know, maybe Joey
17 knows. When the city -- the city is aggregating
18 a list of people that have applied for the job,
19 correct?

20 DR. HERBERT: And that meet the
21 qualifications.

22 MR. TUTEN: Okay. Has to meet the
23 qualifications.

24 Now, what -- what I'm trying to get to is I
25 want to make sure that, you know, we're not

1 overlooking someone who the city may or may not
2 deem met the qualifications.

3 In other words, I remember the list that we
4 had, but I don't -- I want to make sure that
5 these people have -- you know, if the city says
6 this guy doesn't meet the requirement, well,
7 then, which box is it that he doesn't meet?

8 Because, you know, I think this goes back to
9 what we talked about before, where it would be
10 great to find the perfect candidate, you know,
11 according to all our criteria. That would be
12 lovely.

13 But sometimes that doesn't happen and I'm
14 afraid -- I just don't want the city to
15 prematurely eliminate someone just because, you
16 know, they have a rote list and a rote -- you
17 know, and that's what I'm afraid of, we're going
18 to be doing this over and over and over again if
19 we don't actually see who it is that's applying.

20 If they are disqualified, according to the
21 city, why were they? You know, at least let's
22 see that, because I would like to see those.

23 DR. HERBERT: Sure.

24 Joey, do you have a comment on that?

25 MR. GREIVE: Through the Chair, Trustee

1 Tuten, I think the suggestion that was mentioned
2 at last week's meeting, to compile the list of
3 those who, you know, failed to meet the HR
4 screen-down and why, I think that's a good idea
5 for the Board to see.

6 MR. TUTEN: Right, yeah.

7 DR. HERBERT: And it is my intention to ask
8 for that. I just can't talk to her until
9 tomorrow, but I will ask for all the names so
10 that we have -- since what you're talking about,
11 if she could give us a chart with all that, and
12 then the ones that clearly meet from their
13 perspective all the qualifications.

14 So we'll have all that available.

15 MR. SCHEU: I just -- I think this is good,
16 but I just really think from the community's
17 perspective we really need to make sure on the
18 city processes that this is a national search.

19 I don't know what those -- you-all know what
20 those processes are, but I assume that they are,
21 because I think we need to cast a wide net. I
22 think we have an opportunity to really, really go
23 forward in a good position.

24 MR. TUTEN: Well, yeah, I agree with your --
25 your part is actually separate from mine. I

1 think we're casting a pretty wide net. We've got
2 28 people.

3 The problem is once they actually get here,
4 I just want to make sure they're not, you know,
5 stopped prematurely --

6 MR. SCHEU: No, I'd like to see everybody.

7 MR. TUTEN: Yeah, right. Because the Board,
8 we're responsible for hiring them. Like I said,
9 you know, I don't want somebody coming back later
10 and say, Hey, I applied, why didn't you guys put
11 me on the final list? I say, Well, did you have
12 anything? Yeah, I did. Well, who told you you
13 couldn't apply, you couldn't -- well, the city
14 did.

15 Well, I just don't want that to happen.

16 DR. HERBERT: Would all the trustees like to
17 have a copy of the list?

18 CHAIRMAN SCHMITT: I think that would be a
19 good thing.

20 MR. SCHEU: To protect the applicants,
21 what's the Sunshine rule on this? Does anybody
22 know?

23 CHAIRMAN SCHMITT: I don't think there's any
24 exemption for applicants.

25 MR. SCHEU: Okay.

1 DR. HERBERT: Anyone whose name is in the
2 pool is subject to public review.

3 MR. TUTEN: Did you apply, Bill? Is that
4 what you're trying to tell us?

5 (Laughter)

6 MR. SCHEU: No, no.

7 DR. HERBERT: So I must say that I think one
8 of the benefits of that is that if we set the
9 meeting up for the 9th --

10 MR. GLOVER: I'm fine.

11 DR. HERBERT: Perfect. Then any trustee
12 that wants to come can also come to that. You
13 know, I think the goal ought to be, again, for us
14 to try to identify -- to determine if we have
15 anywhere from one to five candidates that clearly
16 meet our expectations. And if not, then that
17 means that we've got to do something else.

18 But my assumption is that we now have over
19 30 applicants, because the last count a week or
20 so ago, it was 28. So I would be shocked if we
21 don't have more than that.

22 And then if we meet on the 9th, we could be
23 in a position to report to the full Board on the
24 16th, at our regularly scheduled meeting the
25 results. And that might mean that we need to

1 advertise further or we need to extend the
2 deadline for our review process.

3 And then if by some chance -- and this is an
4 ideal scenario -- if by some chance we find that
5 there is a person or two people, we could
6 potentially invite them to a special meeting.

7 And so I wanted to also check to see about
8 either the 23rd or the 26th for the possibility
9 to bring a candidate or two in to have interviews
10 with us, with the possibility of then being able
11 to make a selection.

12 MR. TUTEN: You say the 25th or -6th?

13 DR. HERBERT: Either Friday, the 23rd, or
14 Monday the 26th.

15 MR. SCHEU: I'm going to be out of town on
16 the 16th, and I was going to ask if we could
17 change it to -- I'll be back in Jacksonville on
18 the 18th for that whole next week.

19 Would there be any appetite for moving that
20 meeting to either earlier or later in that week?
21 That would mess up your interview, I guess.

22 DR. HERBERT: We can do the 9th. I think in
23 order to do some of this, it's important, but at
24 least for the 9th for us to go through that
25 screening process just so we have a census of

1 what the pool looks like.

2 And then the main thing on my schedule is I
3 am out of the country for a month.

4 MR. SCHEU: When do you leave?

5 DR. HERBERT: I leave on the 27th, 28th, one
6 of those two dates. I have to look, but one of
7 those two. Maybe the 28th, my flight is.

8 MR. GLOVER: Now, just for the record, and I
9 know you-all have been expecting this, but I
10 agreed to -- I'm going to resign my position on
11 the Board after the first regular meeting in
12 October.

13 MR. SCHEU: We ought to put it October 31st,
14 then.

15 (Laughter)

16 MR. GLOVER: Emphasis on "first regular
17 meeting."

18 CHAIRMAN SCHMITT: That's 2017?

19 MR. SCHEU: He didn't specify.

20 MR. GLOVER: I mean, I know most of you knew
21 that was coming, but we'll just make it official
22 here as whenever you schedule the meeting, I'm
23 going to make certain that I make the next
24 meeting, the next regular meeting, not including
25 the personnel meeting.

1 DR. HERBERT: So you would definitely be
2 with us until the 30th, the end of the month, the
3 end of October?

4 MR. GLOVER: That's not what I said.

5 DR. HERBERT: I was just trying to approach
6 it in a different way.

7 MR. SCHEU: Well, if you stayed, it would be
8 just for that month. If your process does show
9 promise, then it would be vital for you to --

10 MR. GLOVER: Well, let me -- let me just say
11 this. My big initiative was to get the pension
12 deal done with the city, and I want to stay long
13 enough to kind of get this process going as it
14 relates to getting some good candidates in here.

15 But I also feel like we need to start
16 looking for a transition person to decide who
17 that next director will be. But we've -- we've
18 been working on that Personnel Committee
19 together, so we just want to get some good
20 candidates teed up so that a decision can be made
21 on who that is.

22 Now, I did move it from the 1st of October
23 to the first regular meeting. That's what I'll
24 do.

25 MR. SCHEU: But you didn't say how long

1 after that meeting. Just keep your options open.

2 DR. HERBERT: The key is whether or not one
3 week would make a difference for you. If we're
4 able to meet that following week, the 23rd or the
5 26th, because the next thing, then, is that the
6 four of us have to select a fifth trustee.

7 And I guess implicit in what you're saying,
8 then, is that we need to begin thinking about
9 good candidates --

10 MR. GLOVER: Yeah, yeah.

11 DR. HERBERT: -- for that, that all four of
12 us could get.

13 MR. GLOVER: Yes, the best person. Not that
14 you will forget, but I'm the fifth guy, and that
15 means --

16 CHAIRMAN SCHMITT: The four of us need to
17 select them.

18 MR. GLOVER: Yes. The four of you-all need
19 to be thinking about who would be a good
20 candidate. And we really do need somebody that's
21 going to be able to move it forward.

22 DR. HERBERT: Well, you've been part of this
23 selection process. What's happen historically?
24 I guess we can put an end to this, or do you want
25 to finish this and come back and deal with that?

1 MR. TUTEN: Now, you're talking about as far
2 as the fifth trustee?

3 DR. HERBERT: The fifth trustee.

4 MR. TUTEN: People will nominate --
5 somebody -- John will nominate somebody. You
6 will nominate. Whoever anybody comes up with
7 that they think will be a good fit, you know, and
8 have some sort of experience, et cetera, et
9 cetera. Then we'll just talk about it and we'll
10 vote on it. It's as simple as that, you know.
11 Hopefully it will be painless.

12 MR. SCHEU: Let me do a little lobbying
13 here.

14 With the change in what the fund's
15 governance is about, it's important that that
16 person -- I think, since it's going to be about
17 managing assets, that financial experience is
18 something I'm going to be interested in.

19 MR. TUTEN: I agree with you, Bill, but I'm
20 going to interject the Rich reality here.

21 What happens from time to time in this
22 situation, as we've seen, you know, we were lucky
23 to get you when Walt resigned. You know, there's
24 not a long list of people out there.

25 You know, sometimes -- I'm not saying you're

1 settling, but sometimes, you know, the perfect
2 candidate doesn't come along. You know, so you
3 just have to -- while I agree, the better -- the
4 more financial, the better.

5 They may not necessarily have that, but they
6 may have, you know, organizational skills,
7 management. Who knows, you know?

8 MR. SCHEU: Yes. I was just thinking the
9 issues as it relates to labor management issues
10 is a lot different because we're not doing that
11 anymore.

12 MR. TUTEN: Right. Exactly.

13 CHAIRMAN SCHMITT: So the worries about that
14 would be -- would tend to be less, I would think.

15 MR. GLOVER: But if I was -- if I was
16 thinking this process through, I would say the
17 diversity on the Board is what is the main
18 ingredient for the selection of the right person.
19 And that's supposed to -- the way that usually
20 falls out is that you would be looking for a
21 certain person that's got certain things.

22 And each individual will have a sense for
23 what they see as the right person to serve on
24 this Board. And, really, the one that will
25 survive is the one that can win the majority of

1 three of the four here, which would mean that you
2 would have served -- you would have achieved the
3 diversity of what collectively you want.

4 I mean, that's -- that's generally the way
5 the process works. Yeah, yeah. So -- which
6 could be -- because with an equal voting
7 component, you know, you can deadlock it all day.
8 But you've got to put somebody on the table that
9 can win consensus from both sides, you know.

10 CHAIRMAN SCHMITT: Okay. And I'll throw my
11 two cents in also.

12 To me, the financial aspect and knowledge is
13 more, but not the most important. With the level
14 of governance that has been installed and the
15 oversight that we have for investments, just the
16 way it's set up, we pay a consultant to do a lot
17 of research and keep us informed. If we have
18 additional questions, they dive into it and they
19 do the analysis. They're at our beck and call to
20 do that. That's what we pay them to do.

21 We have the -- now we'll be getting into
22 place very soon the Investment Advisory
23 Committee, which is going to be another level.
24 In addition to that, we have the city resources,
25 including Joey.

1 The job of the trustees is far greater than
2 knowing specific aspects about investments.

3 MR. SCHEU: Agreed.

4 CHAIRMAN SCHMITT: So for me, the person
5 needs to have a greater knowledge of operations
6 and management and, you know, some long-term
7 focus on objectives and how to get there from
8 where we are, and to be able to work with other
9 people to get those things accomplished.

10 The financial aspect? That's great. But we
11 can teach them if they don't have that. Or at
12 least they don't have it to the extent that we
13 want them to, we can provide that education. And
14 we do have a lot of oversight on that.

15 So that's my thinking on who this person
16 needs to be.

17 MR. SCHEU: Sure.

18 MR. GLOVER: That's what I'm talking about.
19 Yeah. It will be a -- it will be a lot of mix,
20 but the proof will be what can survive the vote,
21 and that's all. And it works.

22 DR. HERBERT: May I ask another question of
23 Trustee Tuten?

24 When you guys have done this in the past,
25 did you have -- were there several nominees? I'm

1 just worried about how we do some of this --

2 MR. TUTEN: Appearance-wise or
3 fairness-wise?

4 DR. HERBERT: And also people being
5 embarrassed that their names were -- came up and
6 they weren't selected.

7 MR. TUTEN: Right.

8 DR. HERBERT: Was that ever a question that
9 you had?

10 MR. TUTEN: No. I mean, you can't really do
11 a -- I mean, you hate to say you could do a
12 formal search because it's not a paid position.
13 So I don't think you have to worry about that.
14 It's usually just informally.

15 You know, Bill might know somebody he used
16 to work with or a friend. I might know -- and
17 you know, you throw it out there. We'll look at
18 the whole list and, you know, talk about each
19 one. And you ask me, I ask you, you ask him, and
20 then maybe the mayor's got somebody he likes.
21 Who knows?

22 You know, it's all very informal, always has
23 been, because like I said, it's not paid, it's
24 voluntary. So you don't have to worry about
25 impropriety. No, I don't think anyone is going

1 to get mad if you don't give them a nonpaying
2 volunteer position they have to show up to. You
3 know, it hasn't happened yet. I haven't heard it
4 yet, you know.

5 DR. HERBERT: So it sounds like what we need
6 to do when we have our next meeting, we need to
7 come forward with some potential names. Is that
8 the way we would do this? And discuss those.
9 And maybe even -- if we put a name on the table,
10 we've talked with them first to see if they would
11 be willing to serve?

12 CHAIRMAN SCHMITT: I would definitely think
13 that would be something we would want to do
14 before.

15 MR. TUTEN: Well, yeah. I would think -- I
16 would think before you even came up with a name,
17 you know, that just -- make sure that -- you
18 know, give you a simple yes-or-no question.

19 Hey, if someone was to nominate you to be a
20 trustee on the pension board, would you want to
21 do it? Yes or no. You know, I mean -- because
22 I'm afraid you might run into a lot more nos than
23 you realize.

24 MR. GLOVER: Well, in this environment,
25 you're going to have some people apprehensive

1 about it. I mean, maybe three years ago it
2 wouldn't have been the case, but, I mean, it is
3 what it is now.

4 So, yeah, you want to ask them first and
5 then -- because you don't want someone to come
6 out formally and then turn you down. I mean,
7 that doesn't need to be said, but I know we all
8 feel like that. Yeah.

9 DR. HERBERT: Is it the view of the group
10 that we ought to talk about that at the formal
11 meeting on the 16th and throw out the names and
12 see if there's any --

13 MR. TUTEN: Now, when are you talking --

14 DR. HERBERT: -- or whenever we have that
15 scheduled meeting?

16 MR. TUTEN: You're talking about at the
17 normal October meeting?

18 DR. HERBERT: Yeah, the normal October
19 meeting.

20 MR. SCHEU: Again, I don't want to rush it.
21 I would like -- if we have the names, I would
22 like to reflect -- when there's a meeting at
23 which we're going to discuss and vote on them, I
24 would like to reflect upon it.

25 CHAIRMAN SCHMITT: I agree. We have names

1 to present and we can discuss them, but I think
2 we should not vote on the same day we get the
3 names.

4 DR. HERBERT: Absolutely not.

5 MR. TUTEN: Right. And there's four of us
6 still, you know. It's not -- so there's still
7 enough to get something done. And then we might
8 have to be nicer to each other for a little
9 while. You know, you still get three out of
10 four, you know.

11 And, truthfully, I don't think there's
12 anything coming up that's going to be any sort
13 of -- you know, contentious or anything. It's
14 just procedural at this point.

15 CHAIRMAN SCHMITT: Of course, it still
16 weighs on me that we will not find a replacement
17 nearly as good as what we have.

18 MR. GLOVER: You're kind. A little
19 exaggeration, but you're kind.

20 MR. GREIVE: At least not as well dressed.

21 DR. HERBERT: Right. Who dresses as well
22 and also has the experiential base.

23 CHAIRMAN SCHMITT: Now -- and this is kind
24 of related to the search for the new executive
25 director. These candidates, when they're

1 applying, are now seeing a Board that is going to
2 be 40 percent different. There's five of us.
3 Two are going to be swapped out here very
4 shortly.

5 So that may be a consideration of who we're
6 getting as candidates, too. Hopefully not, but
7 something I would think that they would be
8 considering as they're applying for the position.

9 And hopefully we can give them enough
10 information to let them know that the
11 replacements that we have are quite stable and
12 capable.

13 MR. TUTEN: Well, there's going to be a
14 learning curve anyway, though, gentlemen,
15 because, I mean, you know, you saw the book John
16 gave to the trustees. It's this big.

17 They're not going to know 112. They're not
18 going to know 175, 185. They may have caught
19 some of this stuff in the paper with the pension
20 reform.

21 You know, truthfully, they're so far behind
22 the curve usually anyway, it takes a while to
23 catch up. So at this point, you know, hopefully
24 we can find somebody that is familiar with the
25 stuff, has good judgment, has a history of good

1 judgment, that type of thing, and then we just
2 take it from there.

3 CHAIRMAN SCHMITT: Back to the scheduling.

4 DR. HERBERT: Yes. You said that the
5 currently scheduled meeting, the 16th, does not
6 work?

7 MR. SCHEU: It doesn't work for me, and I
8 apologize. But I'll be there all the next week.
9 I can do anything from the 19th to the 23rd.

10 DR. HERBERT: The 23rd is the Friday.

11 MR. GLOVER: I can't do the 23rd. I've got
12 the Board of Trustees -- you heard what the other
13 president said. No, you can't do that.

14 (Laughter)

15 DR. HERBERT: That's one thing you don't
16 mess with.

17 MR. SCHEU: What about the 19th, that
18 Monday, which is just a day later? Or to 20th.

19 MR. GLOVER: I can do the 19th.

20 DR. HERBERT: I just have a doctor's
21 appointment that morning, but I can do it in the
22 afternoon.

23 MR. TUTEN: That date is fine. I'll be at
24 the fire station all day.

25 DR. HERBERT: I should be able -- that

1 shouldn't last -- anywhere from about 11:45 on, I
2 can do it on the 19th.

3 CHAIRMAN SCHMITT: Do you want to do 1:30,
4 the 19th of October?

5 MR. GLOVER: 1:30.

6 MR. SCHEU: Thank you-all for that
7 accommodation.

8 CHAIRMAN SCHMITT: And Debbie will make sure
9 that gets posted on the website.

10 Okay. And that will be the meeting to go
11 over the culled-down list?

12 DR. HERBERT: Yes.

13 CHAIRMAN SCHMITT: Okay. So you-all are
14 still going to meet on October 5th?

15 DR. HERBERT: Well, what will happen is that
16 we'll get the list on the 5th, and I'll get
17 copies of that to Debbie so you can circulate
18 that to all the trustees. And then we would meet
19 on the 9th --

20 CHAIRMAN SCHMITT: Okay.

21 DR. HERBERT: -- for the purpose of
22 reviewing the candidates, and then that gives us
23 that next week in case something else happens
24 that we need to deal with.

25 MR. GLOVER: What time on the 9th?

1 DR. HERBERT: What works best for you? I
2 can do it anytime on that day.

3 MR. GLOVER: Let's get it over with. Let's
4 do 9:00, our regular meeting time.

5 DR. HERBERT: 9:00, October 9th.

6 MR. SCHEU: Will there be arrangements to
7 call in if we decide we want to do that?

8 CHAIRMAN SCHMITT: Yes.

9 MR. SCHEU: We can make arrangements for
10 that if someone wants to call in?

11 MS. MANNING: Oh, sure.

12 MR. SCHEU: Great. Thank you.

13 MR. TUTEN: You said the 19th was at 1:30?

14 CHAIRMAN SCHMITT: Correct. So 9:00 on
15 October 9th and 1:30 on the 19th.

16 DR. HERBERT: And we should be able to make
17 a presentation to the Board, then, on the 19th.

18 CHAIRMAN SCHMITT: Okay. We're all caught
19 up on that.

20 DR. HERBERT: And then if we want to
21 interview candidates, we could -- in fact, maybe
22 what we ought to do is just see what happens on
23 the 9th with regard to a candidate, if there's
24 someone who really looks good and a couple that
25 really look good, and we'll just reach out to

1 everyone to see if we can have this special
2 meeting.

3 Or we can either -- but we need to have our
4 meeting so we can see if there's agreement on it,
5 and then have a follow-up interview session with
6 one or two or whoever they might be.

7 MR. TUTEN: Yeah. I think we should be able
8 to do it in one day, but the 23rd, I don't think
9 would be a problem.

10 DR. HERBERT: Good.

11 MR. SCHEU: Could I ask a question?

12 First of all, at Rogers Towers we found that
13 once we get this -- as far as it's related to
14 lateral hires, that we have the candidates go
15 through an assessment that Hogan Consulting does,
16 psychological assessment for fit. You-all are
17 probably not familiar with it.

18 We found it really helpful. Is that part of
19 the process that we might consider for the final
20 people?

21 DR. HERBERT: I think -- in terms of what
22 the city does normally, what happens with regard
23 to senior-level positions? Is there a -- do
24 people go through any kind of assessment process?

25 MR. GREIVE: My understanding, based on

1 personal experience of being hired was, there's a
2 background check. You come in, you get
3 fingerprinted. You have to come in for an
4 on-boarding day on either a Monday or a Thursday.

5 You do fingerprinting. You submit all your
6 information to do the background check, and then
7 the same day you go to one of three Care Spot
8 locations for drug testing.

9 And I think that's the extent to which we do
10 screening. You know, if the Board wanted to do
11 something along those lines, you know, of Myers
12 Briggs --

13 MR. SCHEU: Yeah. It's a real short thing.

14 MR. GREIVE: I think that would be an
15 additional -- we could talk to HR.

16 MR. SCHEU: Can you do that, please?

17 DR. HERBERT: Yes.

18 MR. SCHEU: We use Hogan Consultants. It's
19 about \$700 for the assessment.

20 CHAIRMAN SCHMITT: And that's something like
21 a fitness-for-duty type.

22 MR. TUTEN: Is it like a Myers Briggs?

23 MR. SCHEU: No. It's really -- I don't know
24 what they -- they've got their own -- it's a
25 psychological. They do values. They do -- there

1 are five categories.

2 And we have found it unbelievable. We did
3 it at the seminary when I was up there. And it
4 just gives you a sense of how they fit and what
5 their -- what their personalities are.

6 MR. TUTEN: Do you get assigned, like, four
7 letters? Like an E, an N --

8 MR. SCHEU: No, it's not just the Myers
9 Briggs. But there are five different categories,
10 and then the psychologist meets with the group
11 and goes over the report. So it's very helpful.

12 DR. HERBERT: What was the name again?

13 MR. SCHEU: Hogan Consulting.

14 CHAIRMAN SCHMITT: Would you like to do that
15 on the ones that we cull down and everyone we
16 bring in for interviews?

17 MR. SCHEU: I think once you get to the
18 final two or something. I don't think you'd --
19 so I think from the final two, because that tells
20 you how they're going to relate to your other
21 personnel.

22 MR. TUTEN: Well, the only thing I'll ask
23 about that is, first of all, before we do
24 anything, we have to set the parameters as to how
25 it relates to what we're looking for. In other

1 words, what are we looking for?

2 Number 2: Who is going to interpret this?
3 Is it like an MRI where they have a separate
4 doctor that tells -- you know, writes a report on
5 their personality, or are we all going to get the
6 report and -- I mean, I took child psychology in
7 college, which was nice, but --

8 MR. SCHEU: No. There's a consulting
9 psychologist that you call in and -- in most of
10 our cases it's a she. And she goes through it
11 and spends an hour on each one, hour and a half,
12 whatever it takes.

13 And what also is helpful is when the
14 candidate is selected, the psychologist meets
15 with them to help them know if they might need
16 improvement. So it's really a great employment
17 tool.

18 MR. DARAGJATI: If I can make a comment real
19 quick.

20 CHAIRMAN SCHMITT: Go ahead.

21 MR. DARAGJATI: If that document is tendered
22 to the Board, it becomes a public document. I
23 think you guys should take that into
24 consideration as well.

25 MR. SCHEU: That's a good point.

1 MR. TUTEN: Yeah, I don't know. I mean,
2 I've never done that as far as here. I mean,
3 we're looking at work experience, this, that, and
4 a background check.

5 But I don't know -- what you said, Paul, was
6 good because I don't know how many people would
7 be comfortable taking a psychological exam and
8 having it out there on the web in case they
9 didn't get hired. And then -- you know, not that
10 anybody crazy is going to show up.

11 MR. SCHEU: I agree. I think we just ought
12 to hold that as a possible tool.

13 DR. HERBERT: Okay. Well, that's the --
14 those are the major issues, and then we will come
15 in at the meeting on the 19th with proposed
16 possible candidates for the fifth position.

17 MR. GLOVER: One of the things -- one of the
18 things I try to do in the interviews, to get to
19 what Bill is talking about, I ask this question
20 of all the candidates:

21 Is there anything out there in your history
22 that would raise eyebrows or that we would have
23 to answer questions about when this -- if your
24 name is announced? And usually they will respond
25 to that question.

1 And then if we select someone and we subject
2 them to a closer scrutiny again, and if we find
3 out that they lied during their interview
4 process, then that bleeds over into the integrity
5 issue then.

6 MR. SCHEU: Sure.

7 MR. GLOVER: So I hear what you're -- you
8 want to make sure you don't get someone who's
9 just been released from -- I don't want to say
10 this in a public -- some place where, you know,
11 people go when they're a little off center, you
12 know. That's about as mild as I can put it.

13 But that kind of thing, you can ask that in
14 a gentle way, and it's a reasonable question in
15 an interview process because we are a public
16 board. And let them answer that question so you
17 can achieve this kind of thing. You won't get
18 the details, but you can achieve the same thing.

19 DR. HERBERT: Okay. Well, those are the
20 major items with regard to the search.

21 The next thing that we needed to talk
22 about -- and this really -- I think all the Board
23 members can take part in this conversation, you
24 know. This was a committee discussion. So we
25 can bring it back to the full Board.

1 But as we discussed at the last meeting, we
2 addressed one of the critical issues. There are
3 two major challenges for us as part of this
4 transitional process. One is on the investment
5 side. And with Joey -- he's able to do what we
6 talked about. And, again, I just appreciate Mike
7 Weinstein's feeling that we're all in this
8 together.

9 The next part is on the management side.
10 Let me also tell you that when I talked with
11 Mike, he indicated that if for any reason we need
12 some help from Kevin, that he would try to work
13 with us also, especially coming to the end of the
14 year, with helping Devin on anything that looks
15 like it's important, where he has the knowledge
16 about what's going on. Mike said that he could
17 make that happen as well.

18 So we know we have -- between Devin and
19 Kevin, if we have any issues along those lines,
20 that would be helpful.

21 But there are so many additional matters
22 that have to be done on the management side, that
23 I think it's clear that we have to have someone
24 who is at least providing some oversight on all
25 of this.

1 And there's some matters that will actually
2 require someone here on the staff to deal with
3 collecting data. I don't know how the payroll
4 thing, for example, works or who signs off on
5 those without him being here, without John being
6 here.

7 But there are little things like that that
8 have got to be addressed. But I think one thing
9 that I think John has done is he's hired some
10 good people, and they can -- everyone has their
11 assignments and they can do what needs to be
12 done.

13 But we still have to have someone who can
14 provide overarching leadership, and I have been
15 trying to identify someone who might come in full
16 time.

17 In doing that it occurred to me that there's
18 one other possibility, and I don't know whether
19 he would be willing to do it, whether or not
20 those in his chain of command would agree to it;
21 but to have the chairman, since he deals with so
22 many of these things on a day-to-day basis
23 anyway, if -- if you would -- if you could see
24 your way through doing some of this in terms of
25 providing overarching leadership, and then figure

1 out what else you might need to make it work.

2 Again, I don't know how the sheriff would
3 feel about that, let alone how you would feel
4 about it. But it seems to me that you know so
5 much now about what's going on here, what needs
6 to be done, that if you would be willing to do
7 it, we don't have to go out and bring in someone
8 who has got to learn everything.

9 And then we end up with a new executive
10 director coming in versus some -- I just want to
11 throw that out for discussion to see, one, how
12 you would feel about it, Larry, you know.

13 And as you know, in many companies that's
14 one of the things that happens, is that the
15 chairman of the Board will frequently come in to
16 help for short periods of time. And I think what
17 we're talking about is maybe a couple of months.

18 Again, I don't -- I don't know what everyone
19 is doing -- I have a general feel to what
20 everyone is doing right now, but what you would
21 need to have here for support if you were to
22 assume this kind of role.

23 I just want to throw that out because I
24 don't -- I haven't seen anyone that could clearly
25 address this short term, and John's last day is

1 tomorrow. So it's just critical that we have
2 someone that fills that role immediately.

3 I think that would be a natural -- I'm not
4 trying to put a lot of pressure on you, but I
5 just want to throw it out just to see if it would
6 be something that you would consider doing on
7 behalf of all your colleagues.

8 CHAIRMAN SCHMITT: Right. Well, I didn't
9 quite see that one coming. Maybe I'm losing my
10 edge.

11 MR. SCHEU: That's what happened at the
12 seminary. I was The board chair and didn't
13 even (inaudible)

14 DR. HERBERT: So you understand.

15 MR. SCHEU: It's short term. Because it may
16 be that when you get the candidates out, we'll
17 have a sense of whether we need a real interim,
18 like Tommy Hazouri was saying. It may be that we
19 need a real interim, but we don't -- we don't
20 need that yet.

21 DR. HERBERT: And the problem is we don't
22 have -- frankly, we haven't had time to
23 identify --

24 MR. SCHEU: I've been working on some of
25 that.

1 DR. HERBERT: Oh, great. Good.

2 MR. SCHEU: But, I mean, I'm not in a
3 position to say anything.

4 MR. GLOVER: I think we stopped right here.

5 MR. SCHEU: He's got deer in the headlights'
6 look.

7 MR. TUTEN: Go ahead, Larry. Do you want to
8 say something?

9 CHAIRMAN SCHMITT: Well, I mean, I will do
10 whatever I need to do to make it through this
11 process for the members. I mean, that's why
12 we're all here. As many of you may know, I do
13 have a full-time job as well that oftentimes
14 extends beyond 40 hours a week.

15 So one of the keys to all this is how my
16 sheriff, my current sheriff, feels about this and
17 that may -- I would say I'm going to have to have
18 a discussion with him and he might want to have a
19 discussion with some of you-all.

20 Timewise, obviously, my plate just got quite
21 a bit fuller, but I'd be able to manage it. It's
22 a lot more work that I wasn't expecting, but
23 willing to do.

24 MR. SCHEU: Good.

25 MR. TUTEN: Well, gosh, why do I always feel

1 like I'm the Debbie Downer of the group?

2 The only problem I have -- first of all, I
3 don't know if Larry can actually do it, being in
4 the sheriff's office and this being an
5 independent agency.

6 With that said, that doesn't -- I think
7 Larry would be fine either way. The problem I
8 see is the fact that this transition management
9 has been delayed, delayed. And now we're
10 basically up against literally the last day,
11 which is obviously not the way to do things.

12 John is obviously a very, very hot topic
13 these days. He's a lightning rod. There's
14 people that are coming after him for this, that
15 and the other. That doesn't concern me as a
16 Board member.

17 What concerns me is all the little things
18 that we have to do every day, that have to get
19 done every day, which, like I said, I've been
20 down here 13 years and there's lots of things
21 that I have no clue as to what goes on with
22 because John deals with that stuff. He's been
23 dealing with it for a long time.

24 Now, we've already got the process
25 identified. Truthfully, if it was me, I would

1 hire somebody and have them shadow -- I would
2 have had them shadowing John six months ago. But
3 we didn't. We're here. Let's just deal with it.

4 The problem I have is, from a pension fund
5 standpoint, regardless of what's all going on out
6 there, regardless of what, you know, people say,
7 the truth is we have 12-, 1300 current members in
8 the fire department. We have I don't know how
9 many people in the police, way -- a lot. We have
10 a couple thousand retirees.

11 This is not a matter of, you know, Well, if
12 somebody can do it good enough or -- we're not
13 going to do that because I don't want the members
14 coming back to me saying, Well, why didn't you
15 guys -- look, the best solution is offer John a
16 contract.

17 We don't have to specify if it's going to be
18 a year or six months. We'll say, Leave it
19 open-ended until we find a replacement and we're
20 comfortable with him taking over, because I'm
21 afraid that there's so many little things that
22 happen on a daily basis -- like, for instance, if
23 Debbie has a problem with something that's going
24 on in Tallahassee.

25 I mean, no offense to you, Larry, because I

1 don't -- who do you call? Where do you go? Who
2 is the person we talk to?

3 You know, you just -- there's a myriad. I
4 know sometimes the press and people outside like
5 to oversimplify what it is we do here, but what
6 they don't understand is we do it with a minimum
7 level of staffing, always have.

8 The truth is we should have had an assistant
9 director a year or two ago who would have been
10 shadowing John, who would have -- all we would
11 have had to say was, Number 2, you're Number 1
12 until further notice. But we got our funding
13 taken away and that's a whole nother story.

14 The truth is we're here now. It's not
15 ideal, believe me. But, you know, it's going to
16 be up to the Board to vote, but my thinking is
17 John stays in place, we give him a contract, we
18 work out the terms when he gets back. If he says
19 yes or no -- I don't know if he's going to say
20 yes or no.

21 But we continue on this path that we're on.
22 Joey is handling the financial stuff. So that's
23 one less thing John has to really worry about.
24 And then we can start smoothing this thing over
25 for the next guy because the truth is, we don't

1 know, the next candidate, he may have just been
2 an assistant director somewhere, but he might be
3 perfect for us.

4 How much is it going to take to get him up
5 to speed? We don't know that. And it's just --
6 I just don't feel comfortable, you know, going
7 from a well-oiled machine, whether you like John
8 or not, to seven people that work here and then
9 hopefully they catch what they're supposed to.
10 Because if they don't, you know, whether it's
11 Larry, you, me or Randy in the audience, I don't
12 know how to correct it.

13 CHAIRMAN SCHMITT: Go ahead.

14 DR. HERBERT: In terms of my reaction, what
15 I would say is I would be more comfortable with
16 Larry coming in trying to -- give him a chance to
17 assess what needs to be done. If he feels that
18 it's essential that we have a contract with John
19 to do something, then he can come back and tell
20 us that.

21 But I just have a lot -- based upon
22 everything I've seen since I've had an
23 opportunity of working with you on the Board, I
24 just think that you have the skills necessary to
25 make those assessments and to determine what best

1 can be done to assure the effective operation of
2 the enterprise, and that may include a contract.

3 But I think that, you know, John has served
4 us very well. And I think about some of the
5 challenges that he's been dealing with, and I
6 think we ought to respect that as much as
7 possible.

8 I just come down on the side that having
9 Larry if -- since he's indicated a willingness to
10 help, to ask him to do that, get him to assess
11 what needs to be done.

12 In the meantime, we're going to be working
13 very aggressively to expedite this search. If he
14 concludes that something else needs to be done
15 over the next two months, then we can do that.

16 I mean, if it looks like we can't hire
17 someone in November and it ends up being later,
18 we clearly have to have an interim probably on a
19 full-time basis, and we can make that judgment at
20 that time.

21 But personally I feel comfortable with Larry
22 doing it and for him to make a judgment if he
23 feels that he needs someone else to do this, or
24 if he concludes that we really need someone
25 full-time.

1 I can tell you, I've talked to several
2 folks, and going back to what you were saying,
3 Trustee Glover, not a lot of interest.

4 MR. TUTEN: Well, I think part of that
5 problem, Dr. Herbert, is I think a lot of people
6 understand what the job entails as far as the
7 level of knowledge.

8 To give you an example -- was it last
9 meeting, Friday, or the one before? I can't
10 remember. When John showed up the computer
11 printouts of all the payroll stuff.

12 Now, I don't know, maybe Larry knows all
13 about it. I have no earthly idea. Or whoever we
14 bring in knows all about it. I know the only guy
15 that knows all about it because he was here from
16 the start is John.

17 And like I side, personalities aside,
18 whether you like him or not, it doesn't concern
19 me. What concerns me is making sure this thing
20 stays on track until we get the right people in
21 place. We've got one day to decide if -- and,
22 truthfully, I mean, I don't know if legally we
23 can do it with Larry as far as being a part-time
24 loaner to an independent agency from the
25 sheriff's office. Because he is a chief. You

1 have a whole, what, squadron or whatever you-all
2 call it to run? And, you know, the sheriff is
3 going to have to replace him with somebody.

4 DR. HERBERT: Well, not necessarily, though.
5 Pardon me for interrupting.

6 Because if he's doing this -- much as with
7 the case with Joey. It's the same basic
8 principle. Joey works for the city, but he's
9 going to help us out --

10 MR. TUTEN: Right.

11 DR. HERBERT: -- and the same thing would
12 happen with Larry. Now, from a legal
13 perspective, I'm not an attorney. I don't know
14 whether or not there would be any problems or
15 issues with the chairman of the Board filling
16 that role on an interim basis. He's not being
17 paid for it.

18 MR. DARAGJATI: I don't know the answer to
19 that. We would have to look at it, to be honest
20 with you. I hate to shoot from the hip and give
21 you an answer that may or may not be correct.

22 MR. TUTEN: Well, that -- go ahead, Bill.

23 MR. SCHEU: I was just going to say, sort of
24 splitting the difference here, because I agree
25 with a lot of what you say, I'm really concerned

1 that we need a real interim.

2 John has indicated he would be willing to
3 stay on on a consulting basis. I think we've got
4 community perspectives and we've got what's right
5 for the organization. So how can we do that?

6 It might be that between now and the 19th,
7 we could -- I would be amenable to having a
8 consulting contract with John for that period of
9 time on some basis that you could negotiate.

10 So we pick that up, and then take that time
11 to check the legality of what you could or could
12 not do, what the sheriff has to say about it.
13 And by that time -- I've been working -- and
14 there may be somebody that would be a good
15 interim.

16 So when we come to that meeting on the 19th
17 either deciding to go forward with John or -- I
18 would not have a stated time anyway. I would say
19 either of us can terminate it, you know, on short
20 notice. I wouldn't want to say one month, two
21 months or until we get the next person. I would
22 want to make it an at-will contract.

23 But at the same time we then might have an
24 indication whether we would be able to get a new
25 interim on some sort of basis, still using John

1 on a consulting basis. I think that's very
2 important.

3 But in terms of the management of the
4 organization, which is what you were really
5 talking about and what Tommy was talking about, I
6 think we've got somebody closer.

7 MR. GLOVER: You still haven't heard from
8 him on a couple of things. I mean, does he want
9 to do it? Are you willing to go to the sheriff
10 and ask him? Can you do it? Is it legal for him
11 to do it?

12 But the first thing -- and do you think you
13 can do it, knowing what you know about it? I
14 think that's still where we start from right
15 there before we go any further.

16 CHAIRMAN SCHMITT: I mean, operationally, I
17 think I can do it. That's not what I would lose
18 sleep over. Not having John as a resource, that
19 would be trouble. He's got more knowledge about
20 this place than all of us put together. And to
21 just have him walk out the door and not utilize
22 any of that, to me, would be foolish.

23 And, again, whether you like the guy or not,
24 that is a side note. We have to do what's in the
25 best interest of the members.

1 MR. GLOVER: Whether you like John or not?
2 Is that what you said?

3 CHAIRMAN SCHMITT: Right.

4 MR. GLOVER: Well, I think -- I think
5 whether we -- I think -- and I agree with public
6 perception. But we're a governance board, and
7 what we are charged to do is look at what's in
8 the best interest of our constituency and the
9 best interest of this operation, and we have to
10 call it the way it is.

11 Now, that -- that might be one of those
12 situations like, you know, a sheriff elected
13 president. You have to make some calls that you
14 know this is not going to go over well. But if
15 it's in the best interest and you're trying to do
16 the right thing for the right reason, I think we
17 make the call on that.

18 MR. SCHEU: Absolutely. And that's why I
19 would be in favor of continuing John, to let us
20 have time to think about it. Let Larry talk with
21 the sheriff and find out legally whether it can
22 be done, and go to the -- and have an arrangement
23 with John through that period so that we know
24 we're covered so that on the 19th we'll be in a
25 position to say, Yeah, we want to go this way or

1 that way, but we're not sort of grasping at it
2 today.

3 MR. TUTEN: Like I said, I don't -- it's not
4 that -- I don't think that Larry is unqualified
5 to do it. I'm pretty sure he is. The problem
6 comes into -- it's just like when you get
7 promoted to officer on the fire department. You
8 know, you've ridden with a lieutenant for ten
9 years. You've driven him. You know. You really
10 don't because you've never ridden over on that
11 side of the truck.

12 Well, now you realize that there are so many
13 hidden things. And the truth is that, while,
14 yes, we have Joey helping us, Joey's got
15 experience with the financial part of it. So
16 that's where the problem comes in with our friend
17 Larry here, is the fact that there's so many
18 little hidden things.

19 And I understand all the outside pressure.
20 I do. But that's not my concern. My concern is
21 making sure this pension fund -- that people get
22 their checks, we do the balances correctly, we
23 get the new pension plan incorporated correctly,
24 whether that takes a month, two months, three
25 months, whatever it takes, we get it done because

1 the problem is if we don't do it correctly, we do
2 mess up, John is not responsible for that all.
3 This Board is.

4 And my only concern with putting Larry in
5 charge and having him decide two, three months,
6 Well, you know, I really need John, well, why do
7 we need John now? What did you screw up, Larry?
8 Did you screw up something? Accidentally or not,
9 you know.

10 I prefer not even go down that road because
11 then we've got the members to contend with
12 because this is their retirement fund. This is
13 their pension check. This is their life.

14 To me, it just seems like it would be --
15 incorporate like what you said, Bill. Let's just
16 get -- you know, it's piecemeal. It's not --
17 it's not perfect, but . . .

18 MR. SCHEU: Would you entertain a motion to
19 negotiate a short-term consulting arrangement
20 with John to carry us through the next meeting?
21 And then we can make the decision.

22 John is critical to this. And, you know,
23 the community perception is one thing, but we've
24 got to get it right. And these members out
25 here -- I've learned. I mean, we have -- we have

1 people out there that are dependent upon this
2 organization.

3 So if you'd entertain it, I would make that
4 motion, that we ask you to negotiate that with
5 John on that basis.

6 CHAIRMAN SCHMITT: I'm going to add to that.

7 Well, first I'm going to read this. This is
8 out of Section 22.05 of the charter. This is
9 about the Board, our Board.

10 "Each member of the Board shall discharge
11 his duties solely in the interest of the
12 participants and beneficiaries of the
13 Jacksonville Police and Fire Pension Fund for the
14 exclusive purpose of providing benefits to
15 participants and their beneficiaries and to frame
16 reasonable expenses of administering the plan and
17 shall exercise such care and diligence as is
18 necessary to accomplish the purpose, according to
19 the provisions of the Florida state statute."

20 To me, that's what I center myself around
21 when I'm doing this. And that's -- the outside
22 pressures, the accusations, false accusations,
23 the inaccurate news stories, the rhetoric from
24 City Council members, all of that has to be put
25 aside, and we have to do what is right for our

1 members. And I agree, we need to have John here.

2 MR. GLOVER: What we think is right, what we
3 think is right, that will serve our constituency,
4 in the best interest of our constituency.

5 And that could be one way or the other, but
6 I hear what you're saying. I can hear and see
7 both sides of it.

8 But I think you entertain the motion, we get
9 a second and we put it to a vote.

10 MR. SCHEU: With the motion is the addition
11 that we'll get the legal stuff, you'll talk to
12 the sheriff and all that, because we want to keep
13 our flexibility open at this point.

14 CHAIRMAN SCHMITT: So the motion is?

15 MR. SCHEU: That we use the chairman to
16 negotiate a short-term relationship with John to
17 cover us through the next meeting on the 19th
18 where he would be responsible for the management
19 of the fund.

20 CHAIRMAN SCHMITT: And the operations.

21 MR. SCHEU: The operations of the fund,
22 until we could then readdress the issues on the
23 19th.

24 MR. TUTEN: Well, before we get to that
25 part, I know this might be overstating the

1 obvious, though, but let's assume that Larry goes
2 to bat under the table. Now we've got another
3 trustee to replace while we're trying to find a
4 director.

5 So now we're -- I mean, it's going to be --
6 I don't even know how that even works as far as
7 having to have another -- you can't have an
8 election for a temporary trustee, I don't think.

9 MR. SCHEU: That's why we need to get this
10 squared away. That's why I'm not in favor of
11 voting on it now. I think we ought to get with
12 John now until the 19th so we can get all these
13 questions answered.

14 MR. TUTEN: Okay. I didn't hear that part.
15 Sorry. I'm trying to simplify things. That's
16 all.

17 CHAIRMAN SCHMITT: So the motion on the
18 table is for negotiating a contract with John
19 just as a consultant through October 19th.

20 MR. SCHEU: Yes.

21 MR. TUTEN: Yeah.

22 CHAIRMAN SCHMITT: Do I hear a second?

23 MR. GLOVER: I'll second it to get it on the
24 floor.

25 CHAIRMAN SCHMITT: Additional discussion?

1 MR. TUTEN: Should we limit it to that date?
2 Because what I'm afraid of is we'll be back here
3 on the 19th again, we haven't found anybody, we
4 have to reopen the search.

5 I mean, can we word it to where it's like,
6 until the Board decides that the services are no
7 longer needed, or something to that extent?
8 Because if you put the 19th and we draw up a
9 contract for him to sign until October 19th, if
10 we're right back here again on the 19th, then
11 we're going to have to make another motion for
12 another contract. And it just seems like it's
13 sort of, you know . . .

14 CHAIRMAN SCHMITT: Well, I think it's
15 important for us to have the flexibility to say,
16 It ends now, or it can go on in perpetuity. We
17 have to have the flexibility to say -- I think we
18 have to have the flexibility to say on whatever
19 day. You know, this time we're going to the
20 19th, but that doesn't mean it's going to go to
21 the 20th.

22 MR. TUTEN: Well, in other words, we could
23 put something, Services rendered as needed, until
24 the Board determines at a future date, and we
25 will promise to give you X amount of days notice.

1 Like we do with money managers. We give them 30
2 days notice even if they sign a contract. You
3 know, I mean, I'm just trying to save us from
4 having to go through all this again.

5 MR. SCHEU: Well, again, I'm not in favor of
6 making it -- because the tendency, as good as
7 that sounds, the tendency is, Well, then, we'll
8 just carry it on. I'm not prepared to carry it
9 on.

10 I want to really explore whether an interim
11 and capable person could be done. And I think by
12 the 19th we'll know that. So I would like to
13 hold our feet to the fire and say, Yes, sir, by
14 then Larry will have answers to those questions
15 and we will be in a much better position than
16 just doing it today with really not a lot of
17 information.

18 MR. TUTEN: Oh, yeah. I'm not worrying
19 about us determining somebody by the 19th. I'm
20 just worried about if for some reason we don't,
21 or if the guy that we hire -- or woman that we
22 hire says, Look, I'm familiar with X-Y-Z pension
23 down in Tampa, but I'm not familiar with what you
24 guys are doing up here; I would be more
25 comfortable if someone would get me up to speed.

1 Well, let's just face facts. The only
2 person that's going to get that person up to
3 speed is John. It's not going to be us. It's
4 going to be John. So, you know, like I said, I'm
5 just trying to -- I'm not disagreeing with what
6 anybody says. I'm just saying I would rather
7 just keep it to the point we don't have to go
8 through all this again.

9 MR. GLOVER: Well, what I hear is that we're
10 talking about John in the interim between now and
11 the next Board meeting. That gives Dr. Herbert
12 and myself to continue to look for an interim too
13 as we look at these other candidates. And when
14 we get to our next meeting, that would determine
15 where we go from there with whatever the
16 situation presents.

17 If it's the end of the two weeks, that's his
18 motion, until the next meeting. Then we will
19 have another decision to make. But right now I
20 think what he's saying is I'm limiting it to the
21 next meeting.

22 Now, unless you can convince him to modify
23 his motion, he's saying next meeting, and so
24 that's it.

25 CHAIRMAN SCHMITT: And beyond the next

1 meeting, are you seeing us having an interim
2 hired at that point?

3 MR. SCHEU: I don't know. I would say at
4 that next meeting we'll know what your status is,
5 so that's an option. We'll know whether it would
6 be better to go ahead and have a longer-term
7 relationship terminable on some basis with John
8 where he would do it. Or we would have somebody
9 else that we could think, Well, yeah, over the
10 short period of time, that person might be
11 willing to serve as management, because I think
12 we'll be in that position.

13 MR. TUTEN: While we're here with that,
14 Paul, is appointing, say, an interim director --
15 let's say I have a guy I went to school with and
16 he got his Ph.D. in economics, yadda, yadda.
17 There's not -- what's the process of us
18 appointing him?

19 In other words, like I said, I don't want
20 there to be any appearance that we're favoring
21 somebody we know either in our personal life or
22 professional life, even if it's for interim
23 director.

24 Is there anything we need to abide by or
25 adhere to? Do we need to put -- you know, in the

1 Times-Union and say, Hey, we're looking for an
2 interim director? Or is this -- can we find
3 someone, approve them as a Board, and not be, you
4 know --

5 MR. DARAGJATI: Assuming you don't violate
6 the standard ethical issues that would come with
7 hiring any type of contract employee, then I
8 think it would be best if you're going to hire an
9 interim director, you may want to do it as an
10 independent contractor-type of employee, a
11 consultant.

12 MR. SCHEU: Exactly.

13 MR. DARAGJATI: That would be the easiest
14 way to do it, and that way there's no issues of
15 them being able to outlive their contract. I
16 mean, it's just like any other professional that
17 you hire for this fund, lawyers, money managers,
18 anything else. I think that would probably be
19 the most efficient way.

20 And as far as personal contacts with the
21 Board, as long as you make it known to the rest
22 of the Board that Mr. Doe here, I went to school
23 with him back in high school. But as long as
24 you're not profiting in any manner whatsoever,
25 there shouldn't be a problem.

1 It would -- as far as belt and suspenders,
2 announce that you know this person, announce that
3 you encouraged them to apply for the position,
4 and announce any type of -- if you have any type
5 of economic arrangement from them on something
6 else, either side business with them, whatever,
7 make sure everybody knows that.

8 And then you may not want to -- you may want
9 to recuse yourself from voting on that particular
10 issue.

11 But I think just the regular standard
12 ethical issues that you consider in every vote
13 you make would apply here.

14 CHAIRMAN SCHMITT: I think there's a very
15 good possibility that if there is an interim
16 director, it's going to be somebody that one of
17 us knows. That's where our pool is probably
18 going to come from, because most likely they're
19 going to be -- to carry us through this period.

20 In addition, I would like me to be Plan C,
21 not Plan A.

22 MR. GLOVER: I'm sensing that.

23 MR. TUTEN: Yeah. And I think by doing it
24 that way, I really am just trying to streamline
25 and get this thing done as fast as possible

1 because it really has drug on way too long.

2 CHAIRMAN SCHMITT: I agree.

3 MR. TUTEN: And a lot of it -- really, most
4 of it was out of our control because we had
5 pension reform up until about three weeks ago it
6 seems like. So we haven't been able to deal with
7 stuff like this, because even though we've been
8 here for one meeting today, we see it's already
9 branched out, you know, as they so often do.

10 And I have no problem with Larry being in
11 charge just as long as -- you know, if John
12 consults two days a week, three days? It doesn't
13 matter to me, but I want to be able to make sure
14 we have someone that knows, Yeah, you're having
15 trouble with payroll? Oh, you need to call
16 so-and-so over at City Hall, or so-and-so. Or,
17 This is where you really need to look. Debbie
18 may not know or Devin may not know. I surely
19 don't, you know.

20 MR. SCHEU: And that's why we need a
21 consulting arrangement with John.

22 MR. TUTEN: So did you make a motion? Is
23 that what --

24 MR. SCHEU: Yes, I did make the motion. I
25 think it gives us maximum flexibility to come

1 back on the 19th prepared to discuss it.

2 CHAIRMAN SCHMITT: So, once again, to
3 summarize the motion, I will negotiate with John
4 a consultant arrangement with him through the
5 19th, to run basically the day-to-day operations.

6 Any suggestion on number of hours?

7 MR. SCHEU: I would leave that in your
8 judgment.

9 DR. HERBERT: I'd just make it an hourly
10 contract.

11 MR. SCHEU: Right.

12 CHAIRMAN SCHMITT: With a cap?

13 DR. HERBERT: With a cap.

14 MR. SCHEU: No benefits, straight hourly.

15 DR. HERBERT: A 1099-kind of thing.

16 MR. TUTEN: Right.

17 MR. SCHEU: And don't forget the General
18 Counsel's office is available to do this kind of
19 thing. So they -- now, if you want, I'll call
20 Jason when the meeting is over and tell him what
21 we've done. We're going to need some legal help
22 on that, and that's what they're there for. And
23 that doesn't cost us anything.

24 CHAIRMAN SCHMITT: That sounds good. So
25 that's the motion.

1 Do we have a second?

2 MR. TUTEN: Second.

3 CHAIRMAN SCHMITT: Any further discussion?

4 (No responses.)

5 CHAIRMAN SCHMITT: All in favor?

6 (Responses of "aye.")

7 CHAIRMAN SCHMITT: Opposed?

8 (No responses.)

9 CHAIRMAN SCHMITT: Passes unanimously.

10 All right. That was the Personnel
11 Committee.

12 DR. HERBERT: That concludes the agenda that
13 I had to bring to the Board.

14 CHAIRMAN SCHMITT: The last item we have on
15 the agenda is the signature authorization fund,
16 treasurer.

17 MR. GREIVE: Did John leave you guys with
18 anything on that?

19 MS. MANNING: Yes. I have the forms you
20 sign. So I guess we just need to vote on it. We
21 just need to approve it. It's just Larry,
22 Tuten -- we have the original form. I can go get
23 it. We didn't make copies, I guess.

24 DR. HERBERT: This is what we agreed on at
25 the last meeting in terms of authority that will

1 be given to Joey?

2 MS. MANNING: I believe so, yes.

3 MR. SCHEU: So we don't need another motion.
4 We've already approved it.

5 MS. MANNING: You've already approved it.
6 Good. I wasn't at the last meeting, so I
7 apologize.

8 MR. GREIVE: Through the Chair, I think
9 procedurally all that needs to happen is the
10 secretary would need to sign that.

11 CHAIRMAN SCHMITT: So we can show that for
12 information purposes.

13 And is there any additional items?

14 MR. SCHEU: Just this thing. So are we
15 deferring this until -- this is the ad? Because
16 it seems to me that if we find them, we don't
17 need to do that yet.

18 DR. HERBERT: Yeah. I would like to hold
19 off on this ad now until we see what the pool
20 looks like.

21 MR. TUTEN: Joey, do you want to say
22 something?

23 MR. GREIVE: The only thing I would -- I
24 would say, Mr. Chair, is, you know, *Pensions &*
25 *Investments* magazine is widely followed, widely

1 known. I think the majority of the Board members
2 get a copy. Pretty much everybody in the
3 industry has the app too. So we get the little
4 alerts, you know, when jobs pop up and stuff like
5 that.

6 So if and when the Board decides to post, if
7 you need to post -- I mean, it is -- I noticed
8 it's over \$2,000. So that may be given some
9 consideration. But if you decide to post, that
10 will be casting the net as wide as you ever could
11 in the industry.

12 DR. HERBERT: Well, the posting day would be
13 10/5. So do we post it once?

14 MR. TUTEN: Yeah. You can always call them
15 up and see if they can -- I'm sure they can.

16 Let me ask, what was the last advertisement
17 in? Was it in *Pension & Investments*?

18 MR. GREIVE: Yes.

19 DR. HERBERT: Yes.

20 MR. TUTEN: Was it just a line, like in the
21 back where you see -- just like a sentence, it
22 wasn't a block or anything?

23 DR. HERBERT: Actually, I thought it was a
24 block.

25 MS. MANNING: For the deputy executive

1 director, it looked just like this one.

2 MR. GREIVE: It looked a lot like this.

3 MR. TUTEN: Oh, okay.

4 MS. MANNING: And it was 2000- -- I think it
5 was around --

6 MR. TUTEN: So basically the same ad.
7 They're just doing it again. I gotcha.

8 Let me ask you, what's the next step up for
9 the ad? In other words, more real estate on the
10 page and how much is it?

11 MR. GREIVE: For an extra \$300, looking at
12 the second page, it looks like you could become a
13 featured job. So you would show up at the top of
14 all the postings.

15 MR. TUTEN: I mean, maybe that -- to me, if
16 just seems like a featured job, additional 300 --
17 would it help? Do you think it would be more
18 prominent? Do you think it doesn't matter?

19 MR. GREIVE: Well, I read this periodical
20 every month when it comes out. And that page
21 with the jobs is only one page, so it's not a lot
22 to get through. Maybe you save 300 bucks. I
23 don't think it makes it prominent enough to pay
24 for that.

25 MR. TUTEN: Is *Pension & Investments* the

1 only avenue we have? I mean, is that -- or is
2 that just the best avenue?

3 MR. GREIVE: There's GFOA as well, but then
4 you're casting the net with kind of the
5 government finance crowd, not -- you know, in
6 *Pensions & Investments*, you're getting the
7 endowment crowd, the foundation crowd, the
8 corporate pension-plan crowd. You're getting a
9 pretty wide net.

10 But to Trustee Herbert's point, you know,
11 maybe, depending on the candidates you've already
12 got, maybe you save the \$2,000. I don't know
13 what the candidate pool looks like.

14 MR. TUTEN: Well, I'm afraid, too, if we
15 post it, like tell them to ASAP it, then we're
16 still going to be open, you know, after the
17 initial round. Then we get back to that whole,
18 Hey, I put my application in, you know, why
19 didn't you -- so I think we either hold it for
20 now --

21 DR. HERBERT: My bias is to hold it. Let's
22 just see. Because we'll know in a few days what
23 the pool looks like, and if it looks like this --
24 looks like it's weak, if the Board doesn't have a
25 problem, I'll just go ahead and ask that we post

1 this so we don't have to wait for another meeting
2 to do it.

3 MR. SCHEU: We can just delegate that to the
4 Personnel Committee based on your meeting when
5 you think it's a good idea.

6 DR. HERBERT: Okay.

7 CHAIRMAN SCHMITT: I would have no issue
8 with posting it now. If you want to wait, use
9 your judgment and see what kind of applicants we
10 get and then decide from there, I'm fine with
11 that.

12 MR. SCHEU: It's just important that we know
13 that we've cast a large net.

14 DR. HERBERT: Yes. I've got you.

15 Okay. Well, I'll talk with Rhonda. She's
16 back tomorrow, get a feel for the pool, and she
17 may have some advice on that also, in which case
18 I'll call back over.

19 MR. TUTEN: And I would ask the other
20 trustees, too, once you get the list and it's
21 given to everybody, you know, it's sent out, that
22 we all spend some time, you know, really for
23 whatever metric you have personally --
24 (inaudible) -- you know, that we kind of come
25 in -- and that way we don't have to sit here and

1 go, These are my top five. And then you say,
2 Well, no, these are -- well, I go, That's a good
3 idea. And then maybe hopefully we'll find
4 somebody that's, you know, good enough to go and
5 then we can all wrap this up and go home.

6 MR. SCHEU: We don't need somebody that's
7 just good enough to go. I hope we get a really
8 good, really outstanding person to come in.

9 MR. TUTEN: Well, I agree a hundred percent,
10 Bill. I have -- I have thoughts on that process,
11 but I'm going to save them for a later date, my
12 friend. Let's see what comes out of it first.

13 CHAIRMAN SCHMITT: One last comment.

14 I took the liberty of asking the staff to
15 make extra copies of the Board packets to place
16 on the table for anybody in the public who wanted
17 them. I think it's the right thing to do and
18 save us time, in addition.

19 MR. SCHEU: Very good.

20 CHAIRMAN SCHMITT: So I've asked them to do
21 that for each one of the meetings.

22 And if there are no further items --

23 DR. HERBERT: I move we adjourn.

24 CHAIRMAN SCHMITT: We are adjourned.

25 (The Board meeting adjourned at 3:55 p.m.)

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 3 through 72, is a true and correct computer-aided transcription of my stenographic notes taken at the time and place indicated herein.

DATED this 15th day of October, 2015.

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

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