

JACKSONVILLE POLICE AND FIRE PENSION FUND

BOARD OF TRUSTEES MEETING

DATE: October 19, 2015

TIME: 1:30 p.m. to 2:40 p.m.

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

BOARD MEMBERS PRESENT:

Chief Larry Schmitt, Board Chair
Lt. Richard Tuten, III, Board Secretary
Dr. Adam Herbert, Trustee
Nathaniel Glover, Jr., Trustee
William E. Scheu, Trustee

ALSO PRESENT:

Bob Klausner, Fund Attorney
Devin Carter, Controller
Debbie Manning, Executive Assistant
Paul Daragjati, Board Counsel

CONSULTANT:

John Keane

CITY REPRESENTATIVES INVITED:

Tommy Hazouri, City Council
Steve Durden, OGC

These agenda matters of the regular meeting of the JPFPF 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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P R O C E E D I N G S

October 19, 2015 1:30 p.m.

CHAIRMAN SCHMITT: It's 1:30. We will call the meeting to order.

MR. KEANE: Everyone please rise and join me in a moment of silence for our following deceased members: Winferd J. Jolly, retired police lieutenant; James A. Wright, retired police officer; Peter W. Knox, III, retired police officer.

(Moment of silence.)

MR. KEANE: Amen. Please remain standing and join me as

(All in unison) We pledge allegiance to the flag of the United States of America and to the republic for which it stands, one nation under God, indivisible.

CHAIRMAN SCHMITT: First item on the agenda is the public speaking period. We have one.

MS. MANNING: Curtis Lee.

MR. LEE: Hello, my name is Curtis Lee. My address, 7124 --

MR. HAZOURI: Will you talk a little louder, Curtis?

MR. LEE: All right. My name is Curtis Lee.

1 My address is 7124 Claremont Creek Drive,
2 Jacksonville, Florida 32222.

3 First I had asked you earlier to post the
4 Summit Flash Reports instantly upon your
5 receipt of them, in other words, within the
6 first few days of each month for the prior
7 months. The public should have this
8 information as soon as you do, in other words,
9 without any delay.

10 Secondly, I pass out five documents, one
11 for each trustee. These are new public record
12 requests. As should be quite obvious to all by
13 now, I am very unhappy with the status quo
14 regarding the responses to public records
15 requests. There has been many delays and
16 violations of the law. It is not just me
17 saying that; the courts agree.

18 Henceforth, I am submitting public records
19 requests to you five trustees personally so
20 that you are jointly and severally and
21 personally liable for delays in violations.

22 Thank you.

23 CHAIRMAN SCHMITT: That will close the public
24 speaking period.

25 Next item we have is the consent agenda

1 items.

2 MR. KEANE: Yes, sir, Mr. Chairman.

3 The normal items: Minutes, disbursements,
4 pension distributions, calculations, time
5 service connection, application for membership,
6 clear and unrestricted. Under Trustee Rule
7 13.3, application for survivor benefits,
8 application for vested retirement and refund of
9 pension contributions, drop participant
10 termination of employment, drop distributions.

11 And that concludes the consent agenda, Mr.
12 Chairman and Trustees, all the regular items.

13 CHAIRMAN SCHMITT: And the motion to --

14 MR. TUTEN: I'll make a motion we accept the
15 consent agenda.

16 MR. GLOVER: Second.

17 MR. SCHEU: Since I'm new, the procedure for
18 this, it goes through the staff and it's all
19 completed. We can rely on the staff to do that?

20 CHAIRMAN SCHMITT: Yes.

21 MR. SCHEU: That would not be appropriate for
22 the Board to get into.

23 CHAIRMAN SCHMITT: These are the regular daily
24 administrative functions basically, what the
25 pension fund staff does every single day. The

1 disbursements are reviewed with internal controls
2 in place and any items that would be deemed
3 irregular would come to the Board's attention.

4 MR. SCHEU: Thank you.

5 MR. KLAUSNER: Mr. Scheu, I think what
6 distinguishes them is payments of benefits.
7 Refunds of contributions are all ministerial acts.
8 And whereas, for example, later on today you have a
9 grant of a disability. That's a discretionary act.
10 That is why that would be taken as a separate item.

11 MR. SCHEU: Thank you.

12 CHAIRMAN SCHMITT: Any further discussions?

13 All in favor, Aye.

14 (In unison) Aye.

15 CHAIRMAN SCHMITT: Opposed?

16 Ayes pass unanimously.

17 MR. KEANE: Old business, Mr. Chairman.

18 Retirement Leave Account Annual Payout.

19 CHAIRMAN SCHMITT: We have the retirement
20 leave payout calculation in 2015-10. We had
21 received this, I think, at the past meeting. If
22 there are any questions on the calculation, Devin
23 Carter is here, the controller, to answer any
24 questions you might have.

25 MR. HERBERT: Could you just discuss it

1 briefly to make sure we know exactly what we are
2 looking at here?

3 MR. CARTER: Pretty much we are looking at,
4 this is Mr. Keane's annual leave that he accrued
5 over his period. As far as the attachment that is
6 behind it, I show that his accrual rate was like
7 15.38 hours per pay period, and that was in
8 accordance with his contract.

9 Then also if you notice on the right-hand
10 side where you see the comp time in, that is
11 the comp time that he earned which, of course,
12 he would not be reimbursed for that.

13 CHAIRMAN SCHMITT: That is in the right column
14 on the --

15 MR. CARTER: Yes, which the total is 317
16 hours.

17 CHAIRMAN SCHMITT: So he earned an additional
18 317 hours in comp time, but he will not be paid any
19 of that.

20 MR. CARTER: That's correct.

21 CHAIRMAN SCHMITT: And this calculation --
22 Devin also got with the previous controller to look
23 over the calculations, kind of make sure there was
24 a separate set of eyes on it. Although I was able
25 to look at it, it was consistent with our previous

1 payouts have been calculated and tied to the
2 payroll.

3 Any further discussion on any of the
4 questions?

5 MR. SCHEU: You probably need a motion.

6 CHAIRMAN SCHMITT: Do we have a motion to make
7 a payout?

8 MR. TUTEN: You need a motion? I will make
9 it.

10 CHAIRMAN SCHMITT: Second?

11 MR. GLOVER: Second.

12 CHAIRMAN SCHMITT: Discussion.

13 MR. SCHEU: I am really grateful you-all
14 deferred it to this time because it gave us some
15 time to look at it. I went back and looked at the
16 employment agreement and all of the amendments. I
17 couldn't do the calculations. I assume the
18 calculations are right.

19 MR. CARTER: Yes, that is why I put the chart
20 behind it based on number of years to show how much
21 would be accrued per year.

22 MR. SCHEU: That was very helpful.

23 MR. CARTER: So that facilitated the process
24 as far as going through all the amendments and
25 whatnot because I did the same thing you did.

1 MR. SCHEU: I did go through mine; also asked
2 the general counsel's office. In looking at some
3 of those, I had questions about some of them from a
4 legal perspective. I made my own conclusions about
5 them, and I asked Steve Durden to take a look at
6 it. And I asked Steve Durden to be here today just
7 to confirm that.

8 And we have concluded that the employment
9 agreement is an agreement -- doesn't matter
10 what we think about it but it is a binding
11 agreement, and so I'm going to vote in favor of
12 this.

13 But we did dig through the research
14 necessary to make that conclusion. I know
15 you-all had all done that ahead of time, but I
16 thought that was important.

17 MR. GLOVER: Well, I landed on the same point
18 that you landed on that it was -- it was an
19 agreement. It was properly voted on and passed.
20 And I know we had different, differing opinions but
21 then it's clear that when that happens, it comes
22 here to the government being the board. And being
23 that what it may -- personal feelings, I think you
24 have to set aside.

25 And so I appreciate your diligence

1 because, with that being in the record, we will
2 probably satisfy some people but we agreed on
3 it and we should do exactly what I hope we're
4 about to do here and that is approve based on
5 the prior agreement.

6 MR. SCHEU: Thank you.

7 CHAIRMAN SCHMITT: Any other discussion?

8 MR. HERBERT: Mr. Chairman, after we take
9 action, I want to make a comment but afterwards.

10 MS. MANNING: Who made the first? Scheu or --

11 CHAIRMAN SCHMITT: Tuten made the motion.

12 MS. MANNING: I had Tuten -- I didn't hear a
13 second.

14 MR. GLOVER: I did second. It was on the
15 floor for discussion.

16 CHAIRMAN SCHMITT: Any further discussion?

17 All in favor?

18 (In unison.) Aye.

19 CHAIRMAN SCHMITT: Opposed?

20 Passed unanimously.

21 MR. HERBERT: I think one of the lessons that
22 we learned from this is that it's important to have
23 a deputy. The practical reality is that John has
24 not been able to take off in part because we had to
25 have some senior leadership here, and I think this

1 just reinforces the importance of having both an
2 executive director and a deputy so it is possible
3 for both of them to take off.

4 And I know that we didn't take action at
5 one point because counsel asked us not to but
6 again it seems to me that it wears out the
7 leader. The leader needs to have that time
8 away. And so I just hope that we learn a
9 lesson about the importance of having both of
10 those positions filled so that we do have that
11 added depth. And also it is an opportunity for
12 both the director and the deputy to take time
13 off to get refreshed.

14 CHAIRMAN SCHMITT: I will add some comments to
15 that as well. We are seeing here the effects of
16 delaying hiring a deputy director. We don't have a
17 deputy director in place to have learned however
18 many months that we had an opportunity to bring
19 them up to speed for John's departure.

20 And I want to say further that doesn't
21 apply just to the executive director and deputy
22 director position. There are other positions
23 within the police and fire pension fund
24 administration that I think we need to take a
25 look at as a board and take a look at filling

1 some of those other positions that are needed
2 to make this a more effective and efficient --
3 public records being one of those -- where we
4 just don't have the staff to fill those
5 efficiently at this point.

6 MR. HERBERT: I agree.

7 MR. SCHEU: That leads me to say that I would
8 hope that going forward we are in the period of
9 transition. And I hope some of these policies --
10 you-all may have compared them with the city and
11 corporate and private sector and all that but
12 carrying over leave for a long period of time, how
13 long is the carryover appropriate?

14 This is a contract we lived by, but I hope
15 we will look at all of those policies so we can
16 get something that is consistent with what the
17 city and private sector is doing. And I do
18 think that we may have too small a staff. This
19 is very interesting today at these interviews
20 that we really are a small knit organization.

21 CHAIRMAN SCHMITT: Important but still small.

22 MR. HAZOURI: Mr. Chairman, I just want to
23 ask, and it may not be proper or it may not be --
24 but just two things. On the conflict between the
25 general counsel and here -- just what I read in the

1 paper and I haven't inquired -- is that ongoing or
2 is that moving in a positive direction? I don't
3 know if we're free to talk about that, counselor.

4 MR. KLAUSNER: Yes is your answer.

5 MR. HAZOURI: Yes? Well, nothing has changed
6 from 30 years ago in your answer. What's -- as
7 much as you can say, I just want to make sure
8 that --

9 MR. KLAUSNER: We are making progress.

10 MR. HAZOURI: -- we are making progress. And
11 you-all are meeting again?

12 MR. KLAUSNER: Yes, we are making progress and
13 it's been collegial, and in diplomatic-speak, we
14 have had frank discussions.

15 MR. HAZOURI: The second one, and I don't know
16 if it was brought up in finance today, but I am
17 curious about -- to avoid any legalities of it,
18 subpoenas and all, where are we on you-all
19 submitting the forensic report? Any discussions on
20 that?

21 Is that -- John, that should be pretty
22 much public information.

23 MR. KEANE: I can answer that. Everything he
24 asked for, we have given him over a month ago is
25 the answer to the question.

1 MR. HAZOURI: There's nothing else. I am not
2 the lawyer here asking, but there's nothing else
3 they are going to be asking. I want to make sure
4 that everything is still transparent because I
5 think as John departs and as you-all, the new
6 members, come on board and new director comes, that
7 everything is, you know, not a fresh start but a
8 continuation of positive communication between the
9 council, between the mayor, between the pension
10 board and, of course, those you-all represent.

11 I didn't know -- I didn't want to see
12 something stopped in the middle of, you know,
13 debates on who got what.

14 MR. KLAUSNER: We are in those discussions.

15 MR. HAZOURI: That is part of your
16 discussions?

17 MR. KLAUSNER: Clear the decks of all
18 remaining issues.

19 MR. HAZOURI: Good. I appreciate that because
20 I would like to feel comfortable to know everything
21 is moving along and not just getting stifled
22 somewhere. And six months down the road when we
23 try to fund the pension and do some of the things,
24 these things aren't stifling us from moving
25 forward.

1 MR. KLAUSNER: That is exactly the plan.

2 MR. HAZOURI: Thank you.

3 CHAIRMAN SCHMITT: I would like to reiterate
4 from the Board's perspective, we want them to have
5 all the documents they want to have. We have
6 nothing to hide. Whatever documents they are
7 requesting, if we can find them, they can have
8 them.

9 MR. HAZOURI: I wasn't questioning that. I
10 wanted to make sure that things were moving, and
11 they have got this and they have got this. What
12 you read is not necessarily what you get, except
13 for yesterday. And if I -- you know, just to make
14 sure that everything is moving along and then by
15 the time the end of the year comes with the new
16 members, we are in good shape.

17 CHAIRMAN SCHMITT: I am glad you are here in
18 person because a lot of times what you read is not
19 what actually has happened.

20 MR. HAZOURI: Yesterday was pretty much
21 accurate between the mayor and I, but other than
22 that --

23 CHAIRMAN SCHMITT: But yes.

24 MR. HAZOURI: Glover says, Oh, no.

25 MR. GLOVER: No.

1 CHAIRMAN SCHMITT: You can bring your message
2 back to council members.

3 MR. HAZOURI: I will do that.

4 CHAIRMAN SCHMITT: Whatever we can do to help
5 that process along, we are more than willing to do.
6 And the knowledge I have is there's nothing that we
7 are holding up that they have asked for.

8 MR. HAZOURI: I appreciate that. Thank you.

9 CHAIRMAN SCHMITT: Any other discussion on
10 those items?

11 MR. HAZOURI: Thank you.

12 MR. KEANE: Next item is Budget Review, Mr.
13 Chairman and Trustees. Devin?

14 MR. CARTER: On your attachment you will see
15 the fiscal year '15-'16 budget. We just start
16 October 1st so we don't have too many expenditures,
17 but I want to reiterate the full budget for this
18 year. And you will see where I broke out
19 professional services showing how much we had
20 budgeted for this year.

21 Also you will notice on line 3 which is
22 terminal leave, which is 110,000 that right
23 there pretty much will be for John's leave.
24 But since it's for last fiscal year, it will be
25 paid out of last fiscal year budget. So that

1 is 118,000.

2 So this line item here will be pretty much
3 reduced so you won't see any actual there
4 because you have got the previous year.

5 CHAIRMAN SCHMITT: That was already included
6 in last year.

7 MR. CARTER: Yes, for 118. I didn't include
8 last year's budget due to the fact I am in audit.
9 So next meeting I will have it finalized almost.

10 MR. HERBERT: I am not sure I understand. The
11 118,589, is that what you are talking about the
12 pension contribution?

13 MR. CARTER: No, it's terminal leave, annual
14 leave payout.

15 MR. HERBERT: It's 108?

16 MR. CARTER: It is 110 this year, but last
17 year we budgeted \$118,000. So what I am saying
18 this leave that we just approved will be paid out
19 of last year's budget for it is for that period.

20 MR. HERBERT: Not this, no.

21 MR. CARTER: So you won't have any actual that
22 period unless someone plans on leaving. So what
23 I'm trying to say is you can pretty much realign
24 the budget or use that for something else
25 accordingly as needed.

1 CHAIRMAN SCHMITT: Any other questions or
2 comment on it. Mr. Scheu?

3 MR. SCHEU: Given the realignment from the
4 reform and, not to put my good friend, Mr.
5 Klausner, on the spot but --

6 MR. KLAUSNER: It's okay.

7 MR. SCHEU: But with a budget of 400 --

8 MR. KLAUSNER: That is based on last year's
9 numbers.

10 MR. SCHEU: Last year. So you can expect a
11 significant reduction.

12 MR. KLAUSNER: If you look at the bills over
13 the last -- most of our litigation is gone. The
14 Weiss case is set for a final hearing in a week,
15 and that is an hour over with the judge. There's
16 one appellate case we have going on which I told
17 the Board I would do on a contingent basis. If we
18 win, I would get paid. If we don't win, I don't
19 get paid and save us a lot of money.

20 And there is one other case that is
21 sitting in the Florida Supreme Court awaiting
22 discretionary review. All of the briefing is
23 done so there's nothing on that. And if you
24 look at our hours over the last six months have
25 declined.

1 MR. SCHEU: I appreciate that. And I know you
2 have been working with general counsel to help
3 shift a lot of that work.

4 MR. KLAUSNER: I have because, you know, one
5 of the generating a lot of the costs was public
6 records. To the extent that you get a public
7 record request, we send them over to the OGC -- and
8 I keep drawing blank on the name of the woman who
9 is responsible for.

10 MS. MANNING: Alexis.

11 MR. KLAUSNER: Alexis. We got one the other
12 day. I told Debbie, send it over to Alexis. And
13 if we get a legal question, I will review it just
14 to keep up to speed, but we let the work be done by
15 the OGC.

16 Same thing if we have what I call
17 non-pension related commercial matters like
18 collections and overpayments and things like
19 that, we have also engaged their office to do
20 it. It is easier. My expertise is in the area
21 of pensions, and the whole idea is that's what
22 I would be doing for the Board and the OGC do
23 other stuff.

24 MR. SCHEU: That was certainly the way it was
25 intended.

1 MR. KLAUSNER: I was fully supportive of that.
2 That's actually what we do in the course of my
3 practice. I work with a lot of either in-house
4 counsel, attorneys general, city attorneys, county
5 attorneys in other places around the country. The
6 same division of labor, if it's what I would call a
7 pension, matter of some pension expertise, it comes
8 to me. If it's a general business of the business
9 matter, it goes to either the in-house or the
10 municipal lawyer.

11 MR. SCHEU: Thank you.

12 MR. HERBERT: Can I follow up, if I might,
13 with regard to the requests such as this for
14 example that we got today. So explain to me given
15 the conversation you had --

16 MR. KLAUSNER: Can I see it? I haven't seen
17 this one, I don't think.

18 MR. HERBERT: So we get these to Steve, and
19 Steve will take care of them?

20 MR. KLAUSNER: What I would do is give this to
21 Alexis to take care of and -- because there is
22 nothing on here that I have. I would give this to
23 Alexis, and I would also send a copy over or you
24 can hand it to Steve Durden -- give a copy while he
25 is here because their office can shepherd it

1 through.

2 MR. HERBERT: Because the issue was raised,
3 does each individual trustee need to do that?

4 MR. KLAUSNER: No.

5 MR. HERBERT: Can it be done on behalf of the
6 trustees?

7 MR. KLAUSNER: When you get them, you pass
8 them on by email so there's some record that you
9 did that. But send them all to Debbie and she
10 should pass them on to the City.

11 Some things that are requested don't
12 exist. I mean, sometimes we get a request for
13 a record, there is no such record. So in that
14 case the correct response is there is no
15 document responsive to your request. If there
16 is a document, then we have engaged the City --
17 it's been more than a year; right?

18 MR. KEANE: Yes.

19 MR. KLAUSNER: -- about a year ago to start
20 handling those requests simply because we don't
21 have the staff to address it.

22 MR. HERBERT: As individual members, we don't
23 necessarily know whether --

24 MR. KLAUSNER: That's why your responsibility
25 is fulfilled if you send it to Debbie with a

1 request to send it to the appropriate city official
2 for processing.

3 MR. HERBERT: Debbie, I'm going to give you
4 mine today.

5 CHAIRMAN SCHMITT: Part of this topic I am
6 going to ask Steve for a little clarification. I
7 was going to do it later in the agenda, but related
8 to the budget and to this issue of legal counsel.
9 Mr. Klausner covered that, but a little bit more in
10 depth.

11 MR. SCHEU: Can I ask him just on this
12 specific issue? In fairness to, particularly to
13 Mr. Lee and Bob, we adopt it as a policy last time
14 that we are going to refer these to the general
15 counsel.

16 MR. KLAUSNER: That is fine.

17 MR. SCHEU: Because their staff knows what to
18 do. But in fairness to him, he is entitled to a
19 response. So implicit in that is the general
20 counsel's office provides us a response that then
21 can be delivered by the staff to Mr. Lee so that we
22 have dotted the i's and crossed the t's. It
23 doesn't just go over there and sit in limbo. But
24 the law does require a response even, as you say,
25 if there is no document.

1 MR. KLAUSNER: Correct.

2 MR. SCHEU: So as quickly as that can be done.
3 that would be helpful.

4 MR. KLAUSNER: That way if you can get
5 something physically, either mail it, deliver it,
6 scan it and email it to Debbie, and I know she will
7 transmit it directly to Alexis. And I would just
8 copy me and the OGC on any of those.

9 MR. KEANE: Steve Durden wants to comment on
10 that.

11 CHAIRMAN SCHMITT: Mr. Durden.

12 MR. DURDEN: Thank you.

13 Just so you will know, Steve Durden,
14 General Counsel's Office. So the board members
15 understand, I have been working with your
16 chair, Alexis, Lambert, Debbie, Martha Foote
17 and others. We are trying to get to the point
18 where everything funnels in one, two, three,
19 seven, ten different requests for the same
20 stuff. We are trying not to send more than
21 once.

22 We are trying to make sure they are
23 coordinated so that if we sent something, we
24 can refer to where it's been sent. We are
25 doing what we can to streamline it. It might

1 be better to talk to Debbie to make sure --
2 either me or Debbie, we make sure it goes
3 through the same process so that we do get the
4 response back in a timely fashion. We are
5 working on -- you have a very -- sometimes not
6 always, of course, have a very enormous number
7 of public records requests. And for the size
8 of your organization, sometimes it takes a
9 little time to get things done.

10 We are working on a process that makes
11 sense for the board, for the staff, and for all
12 the public -- members of the public that want
13 to get this information. We know it is
14 important to them. We know it is important to
15 you. We have been -- we are doing what we can
16 to create a process that makes sense for
17 everybody. It can't be a process of the last
18 one in is the first one out, that sort of
19 stuff.

20 We have got to work out something. It is
21 not fair for us to drop everything for today's
22 request. We need to do things in an orderly
23 fashion. It doesn't mean we won't make a
24 mistake, but the goal is to create a very
25 orderly fashion so you can be comfortable that

1 the requests are being done as requested, that
2 your interests are taken care of.

3 I know you want the documents -- the only
4 thing I have heard from you guys is get the
5 documents to the people that want them. Get
6 them there as quickly as you can. Get them
7 there as efficiently as possible, and that is
8 what we are trying to do. There may be some
9 hiccups as we try to get this thing in a system
10 that works, but that is absolutely what our
11 goal is.

12 And if you have any questions, don't
13 hesitate to call me. There is a good chance I
14 may have you talk to Alexis, but we are going
15 to make sure that you don't worry about these
16 requests. Now, obviously if it is something, a
17 personal request of you -- I don't mean like
18 personal business but it might be -- I don't
19 know what every public record request requires,
20 but almost everything I've seen the custodian
21 of the records is essentially the
22 administration.

23 The records are here in the building. You
24 don't have them. You don't own them. You
25 don't possess them. What we are doing is

1 making sure they can be found if they're paper.
2 They can be found if they're electronic. We
3 are going to get them. So we want to make sure
4 you guys are comfortable. If there is any
5 concern about what is being done, please don't
6 hesitate to get in touch. This is an important
7 priority for our office to get you guys to feel
8 comfortable that this process works for you.

9 MR. TUTEN: If somebody makes a request and we
10 send it to you, do you acknowledge that request or
11 that person? We have got your request. We're
12 working on it, or you just try to get to it as
13 fast.

14 MR. DURDEN: We are going to work that out to
15 see which one makes the most sense. We don't want
16 to create more paper or electronic than necessary,
17 but I will probably talk to you guys. You all may
18 have a preference. I will talk to Alexis who been
19 had working on public records requests for an awful
20 long time to see what process makes the most sense
21 for everybody involved.

22 Again both we are concerned about the
23 public and we are concerned about the Board and
24 we are concerned about the staff to make sure
25 everything is the most efficient while still

1 complying with the law.

2 MR. TUTEN: The reason I ask that is I think
3 sometimes some people might get a little frustrated
4 if it's not moving as fast as they perceive it
5 should. But it might be like you're at the DMV
6 with number 8097, and they are only on 85. It's
7 not our fault.

8 But let me ask you another question: On
9 certain documents being of a certain age, is
10 there a statute of limitations on how long?
11 Like for records here in the office, say we had
12 a trustee meeting in 2000, is that document
13 somewhere around still, the agenda?

14 MR. KLAUSNER: It depends. Some documents we
15 are required to keep forever, like minutes.

16 MR. TUTEN: Okay.

17 MR. KLAUSNER: Money manager reports, you are
18 required to keep for like three years. Everything,
19 there is a schedule that is actually in the Florida
20 Administrative Code. It's created, the Public
21 Records Destruction Schedule is actually dictated
22 by statute by the Division of Archives which is
23 part of the Secretary of State's office. They have
24 a long list of what you have got to keep forever
25 and what you have got to keep for 75 years and what

1 you have got to keep for 10 years and some for
2 five.

3 That is why most agencies have engaged in
4 imaging of their documents because it is no
5 matter. It's on a server somewhere, and then
6 you are allowed to ditch some originals.

7 We learned some very important lessons in
8 Fort Lauderdale after Hurricane Wilma. Some of
9 the documents were out in the bay. And learned
10 that same lesson in New Orleans after Hurricane
11 Katrina when all of the real estate records for
12 the last 100 years happened to be in the
13 basement of the city hall. And I didn't even
14 know it had a basement until after the storm.

15 So that's really what -- that would be a
16 project for our next administrator to look at
17 imaging every single thing we have. And other
18 than original applications, you know, that
19 require an original signature, I would look to
20 going paperless. And that's what most pension
21 funds are doing.

22 MR. TUTEN: Would listing something like that
23 on the website, and I know it is probably
24 dreadfully boring, but it seems like it may at
25 least put a perspective when somebody requests a

1 document like that, they understand this is
2 something that's not -- we may have a copy laying
3 around, and if we do we'll be more than happy to
4 give it to you. But understand that because of the
5 way recordkeeping has been in the past -- this
6 document is now 25 years old, more than likely we
7 don't have it.

8 Therefore, just to not, you know have them
9 perceive us as trying to hide something or
10 destroying evidence or whatever you want to
11 call it, it would maybe head off at the pass
12 somebody's suspicion that we may not be on the
13 up and up just because it is the way it was.

14 MR. KLAUSNER: In the last legislative
15 session, Senate Bill 172 and House Bill 534
16 encouraged agencies to put more information on
17 their websites. For example, once the Board adopts
18 its budget, it's supposed to stick it on the
19 website.

20 MR. CARTER: It is there.

21 MR. KLAUSNER: If you look at how our website
22 has grown -- remember the City hosts our website.
23 How our website has grown over time. In the City's
24 website, I found, at least the City Council is very
25 efficient. You can find a lot of data there. You

1 have got to look, but you can find it.

2 And the more data that we have which is
3 accessible electronically on our website, then
4 you can just direct someone to the link and
5 then you have fulfilled your public records
6 responsibility. So if it's available
7 electronically, that is the best way these days
8 to provide information.

9 MR. SCHEU: Your question is a great question,
10 and I think we ought to adopt if we haven't already
11 a document to structure a schedule pursuant to the
12 statute.

13 MR. KLAUSNER: I think we adopt whatever the
14 Secretary of State has, but it wouldn't hurt to be
15 more specific.

16 MR. SCHEU: Not today, but somebody said
17 something for the new administration. So we have
18 got a document request for some document from 1990.
19 Well, under our permitted document destruction
20 policy, that is gone. The newspaper might have it.
21 Go ask them, so I think that would save us a lot of
22 aggravation.

23 CHAIRMAN SCHMITT: We have started this
24 process of looking at document imaging system.
25 Unfortunately, they are extremely expensive to go

1 back and scan all documents especially going back
2 25 years. But it is something we are looking at.

3 And I am glad you brought up or whoever
4 brought up the website. Debbie has done a
5 great job of current records being posted to
6 the website in a very reasonable amount of
7 time. That has helped immensely with getting
8 the information out to the public.

9 MR. HERBERT: Debbie, how are we doing? I
10 know we allocate up to \$250,000.

11 MS. MANNING: We have another appointment, I
12 believe it is next week -- next Tuesday. They are
13 giving us a bid. We have talked. We have had
14 several appointments in between so it's not been
15 totally abandoned. We are still working on it.

16 It's a slow process. You know, we have to
17 locate these companies and they have to come in
18 and see what our needs are and explain it. And
19 then they come back with the different
20 departments and give us another bid. This one
21 sounds very hopeful so it's not been forgotten.

22 CHAIRMAN SCHMITT: Some of the ones that have
23 come in, their systems they can make work for what
24 we need. We want the company that has the system
25 that will work for what we need.

1 MR. SCHEU: Just because of Debbie and other
2 members of the staff, we heard -- and I want to ask
3 Steve this, Lee or Bob, we had a request today from
4 Mr. Lee that we immediately post the Flash Report
5 on the website, but that requires staff to meet and
6 drop everything else. Is there some -- we want to
7 be -- we want to fulfill what the public needs, but
8 do we have to drop everything instantly? Was there
9 some sort of process to follow legally?

10 MR. DURDEN: You certainly have a right to
11 create a process that makes sense, and that there
12 is no black letter or line in the sand that if it
13 takes more than 30 seconds or 30 days that either
14 is or isn't valid or invalid. One of the things
15 you work on is figuring out what makes the most
16 sense.

17 As far as posting on the website, I am not
18 saying we have done this. But it certainly
19 might be that the most efficient way to post
20 things on the website is first figure out what
21 you want to post because you don't want to post
22 everything for a variety of reasons. Sometimes
23 you are posting too much. What does this have
24 to do with anything?

25 So you have to figure out what is going to

1 be posted, and then you sort of categorize
2 that. And it is -- for the moment we will
3 assume Debbie is supposed to do that, to make
4 an unfair assumption for Debbie. That's what
5 we are going to do, and she may work out a
6 schedule where she is going to post documents
7 every week, every Thursday or Monday,
8 Wednesday, Friday and something less than once
9 a year, let's hope.

10 So the idea is, yes, you get a process
11 that makes sense. I mean, if you had all the
12 money in the world, you might find out that
13 every time you had a document you were going to
14 post, it was posted instantly. That would be
15 great, but I imagine that would be really,
16 really expensive so to do this.

17 So the idea if I might -- if you will
18 forgive me intruding a little bit, the
19 suggestion is you-all will be finding a
20 long-term administrative leader for this board.
21 And it may be that, whoever she or he is, has
22 an idea of what makes sense for the public
23 records request processes, document destruction
24 processes, all of those things.

25 Rather than make a final determination of

1 those sorts of things what you want, you might
2 want to get a suggestion from your next
3 administrator. That person who is going to be
4 helping administer it, overseeing the
5 administration will have his or her ideas on
6 what to do that makes the most sense, both on
7 past experiences, talking to board members and
8 talking to the administrative staff here. What
9 makes sense? What have you got? How can we
10 get stuff? How can we do stuff timely?

11 So, no, I don't believe the public records
12 law requires when you get a request for public
13 records, everybody drops everything they do
14 while they scurry through the basement to find
15 stuff in old city hall because we actually have
16 old documents in the old city hall with mold.
17 You can smell it.

18 MR. GLOVER: I think at this level -- and you
19 used the right word. We just need to make certain
20 it is reasonable. We can really get bogged down in
21 the day to day and say we need to make certain that
22 it is reasonable and we are not going to implement
23 any policy or procedure that would be so focused
24 that it's not done in good faith, you know. And so
25 as long as we are consistent there, that would be

1 fine.

2 I am curious about our own destruction and
3 archive policy. Are we looking at trying to
4 extend it beyond the state requirements or just
5 be consistent with the state requirements? We
6 certainly can't, you know, do anything that
7 would violate the state requirement. So our
8 own destruction policy, what would that do? I
9 mean, why would we want to do that?

10 MR. TUTEN: I just want we do what the state
11 requires. I mean, we have a state -- I mean like
12 at Rogers Towers --

13 MR. GLOVER: It is consistent with what the
14 state requires.

15 MR. TUTEN: -- we have a document
16 retention/destruction policy. And so I think we
17 ought not to be expected by the public at large to
18 keep documents for 50 years. I think that's not
19 something that is reasonable.

20 MR. KLAUSNER: I think the best example are
21 financial reports. You receive asset manager
22 reports and you receive reports from your
23 consultants. They are outdated by the time --
24 almost by the time you get them. And most
25 retirement systems keep a running one year and

1 that's it because all of the performance prior to
2 that is either reflected in a consultant's report
3 or it is reflected in the actual year evaluation
4 which shows performance.

5 And so when you have someone like Summit,
6 for example, they have all the empirical data
7 going back at least 10 years. So if you say to
8 Summit, What was our performance in the third
9 quarter of 2006? They can tell you, and they
10 will know what manager had it. But for you to
11 keep the individual paper copies, you multiply
12 into infinity.

13 And the biggest problem that I have
14 observed with retirement systems -- I had a
15 talk with another fund yesterday about it -- is
16 there's information and data. We are
17 overwhelmed with data, but that doesn't
18 necessarily mean it translates into useful
19 information. So that's why record destruction
20 schedules were kept because people were simply
21 running out of warehouse space.

22 MR. KEANE: That is us.

23 MR. KLAUSNER: As you are. You have been in
24 business a long time.

25 MR. GLOVER: Yes.

1 MR. DURDEN: If I might, I'm not saying you
2 should keep anything longer than the state
3 requires, but perhaps, let's say you got a
4 handwritten note -- not you, but the Board did,
5 administrator, thanking you for some work you did.
6 You may decide you want to keep stuff like that,
7 You don't have to.

8 What I'm getting at is when you make your
9 policy, you may have your own policies -- and
10 that is why I mention the new administrator.
11 That person may say this kind of document we
12 get, we don't have to keep but I recommend we
13 keep it because whatever that reason might be.

14 MR. GLOVER: That's reasonable.

15 MR. DURDEN: No, we just want to follow the
16 state law. That is really your, your role.

17 I just wanted to make it clear that you
18 may have a reason to keep a document that the
19 state doesn't think you have a reason. And the
20 reason may be because the way you believe
21 business should be done that you think it's
22 better to do it.

23 I am not saying that exists, but it is
24 your discretion. It is your choice to create a
25 system that makes the most sense for you guys,

1 consistent with state law, of course.

2 MR. GLOVER: But you do know, as you attorneys
3 put it, once you make your exceptions, that opened
4 the door for argument; right? You can argue it;
5 right?

6 MR. DURDEN: Well --

7 MR. GLOVER: Yes or no.

8 MR. SCHEU: It generates compensation.

9 MR. KLAUSNER: There is an exception to that
10 point.

11 MR. DURDEN: If you go to a few council
12 meetings, you will find out that council demands
13 yes and no from me and Howie. And I said, well,
14 maybe. I do what I can to "maybe" as much as I
15 possibly can.

16 MR. HAZOURI: Mr. Chairman, just an
17 observation -- one of the things I wanted to do
18 when I -- first day I got on the council, and we
19 are working with Sam Mousa in procurement and the
20 attorney that deals with procurement now and with
21 our IT people and data processor is -- this is not
22 going to get down to the minutia that may be asked
23 you -- the little note you may have written, that
24 kind of thing.

25 But I wanted to see all contracts that the

1 city has -- I'll use the courthouse as an
2 example -- from day one under data dashboard,
3 although it won't be done that way. Tomorrow I
4 will find out to what extent they are doing it
5 without having to pass an ordinance, hopefully.
6 But if we do need to -- just sort of like you
7 hear, I think -- who is our secretary from
8 Jacksonville, cabinet officer, that says he has
9 transparency of all their contracts?

10 And that's what I want to see happen to
11 us. It could happen the same way. I would
12 encourage you-all -- I mean, they are not the
13 enemy -- to talk to Sam and let them see what
14 they have been doing and see what information
15 they have, what kind of equipment they have,
16 software, without having to go out -- they may
17 still have to buy some.

18 But you can go from day one -- this is the
19 courthouse, and go all the way through to where
20 they are, how much they have spent, all of the
21 details that others may ask. And it will cut
22 back on a lot of public requests because it
23 will already be there and not hard to find.
24 And that's the most important part.

25 So we can know, if I'm looking up

1 something that you-all may have done and a
2 contract you-all have with an existing
3 organization that's bigger than some of the
4 other stuff you-all are talking about, it is
5 more broad. But they can just go online and
6 they will see it right there in a timely basis.

7 And I think if you can kind of carry that
8 forward and look and see how much they can do
9 with the City for you. And I think its general
10 counsel is going to house all these documents
11 anyway, and I would think that would be the
12 place for everything to go to. And if they
13 need anything, they just go up there and they
14 can locate it for you.

15 And that would be something I would give
16 some serious thought to see if you can tie
17 in -- I don't know how you want to be attached
18 to the City, but you still are, and to be able
19 to get some things done through their data
20 processing with Greg over there because he was
21 so -- you know, we have to buy this and buy
22 that, you got all this parade of horribles out
23 there, but yet we do have the software
24 available to do some of the things, if not all
25 of it, that we wanted to do to provide

1 transparency to the public.

2 CHAIRMAN SCHMITT: That was one of our first
3 calls.

4 MR. CARTER: I was going to say the contracts
5 are housed in OGC and also in accounting, but if
6 you want to trace a contract or appropriation, you
7 have to have another ordinance code.

8 Now as far as tracking contracts, whatnot,
9 accordingly there is an in-house system that we
10 use to track it. Sometimes they give a CT, a
11 contract number and sometimes it has an
12 ordinance number, but anytime you want to find
13 out what vendor provided what, we can search by
14 the vendor and the year.

15 MR. HAZOURI: How much and who bid and that
16 kind of thing.

17 MR. CARTER: Well, as far as within the bid,
18 that is in the substance. Within procurement that
19 they utilize for themselves, there is no connection
20 as far as overall contract.

21 MR. HAZOURI: No. I said that's in addition
22 to.

23 MR. CARTER: That is in addition to.

24 MR. HAZOURI: That's what I'm saying. That is
25 a piece of it. I'm not saying everything is going

1 to be in one piece, but the thing is you can do all
2 these things and whatever area they are in,
3 whether it's dealing with recreation or whether it
4 is transportation or whatever it might be, or
5 public works, then it's there for you.

6 MR. KEANE: Resources.

7 MR. CARTER: Yeah.

8 MR. HAZOURI: That's one of the things we
9 missed out on. It really has hurt in providing
10 something quicker even for us to look up and it's
11 not there. You have to go back in the archives and
12 do what you-all are talking about right now.

13 MR. CARTER: Yeah.

14 MR. HAZOURI: That it's not necessary to do.

15 So that is just a suggestion, one little
16 liaison giving some food for thought to take
17 back --

18 MR. GLOVER: Yes. Good call.

19 CHAIRMAN SCHMITT: All right.

20 MR. HAZOURI: -- to hit the wall and burst.

21 MR. KEANE: Next item on the agenda, Mr.
22 Chairman and Trustees is the Summit Flash Report on
23 September 30, 2015. Hopefully, Dan Holmes will be
24 here at the November meeting to have a full
25 discussion on our one-year performance.

1 The next item, Mr. Chairman and Trustees,
2 is Disability Application of Eric B. Rice,
3 firefighter. He is on temporary disability
4 since September 25. We have a letter from the
5 medical director.

6 Dr. Baker says, I have reviewed the
7 paperwork submitted in reference to Eric B.
8 Rice. After a thorough review, I agree Mr.
9 Rice is 100 percent totally and permanently
10 disabled and not capable of even light duty.

11 Advisory committee recommends approval of
12 the application.

13 MR. TUTEN: Make a motion --

14 CHAIRMAN SCHMITT: Go ahead.

15 MR. TUTEN: I make a motion to approve it.

16 MR. GLOVER: Second.

17 CHAIRMAN SCHMITT: Discusslon. Just some
18 additional information, the advisory committee
19 reviews all of the files related to disabilities.
20 They are able to ask clarifying information, get
21 additional documentation before they come up with
22 their decision that they passed on to the full
23 board.

24 MR. KLAUSNER: I just want to add something
25 for Mr. Scheu's benefit. The Advisory Committee is

1 our fact-finder. They act as a master would in
2 some of the civil cases you see in the courthouse.
3 We accept their factual findings, their
4 interpretation of the pension ordinance or
5 applicable statute is a recommendation that falls
6 to the board.

7 In this particular case, it's a factual
8 determination that he neither had any
9 disqualifying preexisting condition and he is
10 incapable of continued service as a
11 firefighter. So on the basis of our ordinance
12 code provisions and the state statutes that
13 govern us, he is eligible for disability.

14 MR. GLOVER: Of course, cardiovascular imply
15 heart problems. No injury or anything, just
16 deterioration of heart.

17 MR. KLAUSNER: The Advisory Committee reports
18 that he did have objective findings related to the
19 cardiovascular system, and it disabled him while on
20 duty.

21 MR. KEANE: Cerebral hemorrhage.

22 He's doing a little bit better, but he's
23 out. So the motion would be, Mr. Chairman and
24 Trustees, to approve his disability application
25 as recommended by the Pension Advisory

1 Committee effective September 25, the day he
2 left the active payroll.

3 CHAIRMAN SCHMITT: Further discussion?

4 MR. HERBERT: Is that your motion?

5 CHAIRMAN SCHMITT: All in favor.

6 (In unison) Aye.

7 CHAIRMAN SCHMITT: Opposed. Passed
8 unanimately.

9 MR. KEANE: The next item, Mr. Chairman and
10 Trustees, is a requested amendment to the contract,
11 one of our MLP providers. You have the paperwork
12 before you from Dan Holmes. They're making the
13 same recommendations to the city for their contract
14 for Tortoise Capital Advisors.

15 Originally, they were limited in the
16 number of IPOs that they participated in. They
17 have requested approval to change it. They
18 want to go up between 15 and 30. Dan Holmes
19 has recommended approval of this proposed
20 amendment.

21 We need a motion authorizing us to sign.

22 MR. TUTEN: Can we -- okay. Now we are
23 talking about IPO and securities, but they are the
24 same but two separate issues. Are they wanting to
25 participate up to 30 IPOs a year?

1 MR. KEANE: In this space.

2 MR. TUTEN: Right.

3 MR. KEANE: Only in this space.

4 MR. TUTEN: In other words, we limited them to
5 12, one a month previously no matter how many IPOs
6 came out. Now we are going to basically say you
7 can get up to 30.

8 MR. KEANE: 15 to 30.

9 MR. TUTEN: Okay.

10 MR. HERBERT: Have you had a conversation with
11 Joy about this relative as to what the City?

12 MR. KEANE: I did. Dan Holmes is recommending
13 the same thing to them.

14 MR. HERBERT: Do you have a sense of where he
15 is coming out on this?

16 MR. KEANE: They are going to do it.

17 MR. HERBERT: Is there a down side about doing
18 this from an investment perspective?

19 MR. KEANE: The only down side would be if
20 they say they are not going to work for us anymore.
21 These are professionals and this is their
22 recommendation.

23 MR. TUTEN: The only question I have, and I
24 would prefer it from Dan is to understand. I
25 understand that more IPOs are coming onto the

1 market. Naturally, you want to give a bigger range
2 to buy more. The only question I have is
3 especially with MLPs doing the way they are doing
4 in the last year or so, the motivation behind all
5 these IPOs coming onto the market right now.

6 Usually IPOs come onto the market when a
7 certain sector is doing really good and people
8 want to piggyback, whether tech or something
9 onto that fever. You don't usually get a lot
10 of IPOs when whatever sector is doing really
11 bad, which is what MLP has done.

12 I'm just kind of curious as to what the
13 motivation is for Tortoise or whomever to want
14 to get in on IPOs because IPOs are notorious
15 for actually going down once they have been on
16 the market for a little bit, once they get over
17 that initial fever. Not saying that these they
18 picked will, but I'm just kind of curious as to
19 what Dan thinks about the motivation behind it
20 is.

21 MR. KEANE: His email says, I have been
22 working on a number of these requests from Tortoise
23 over the past week. We are in agreement. Since
24 the number of securities in the MLP space has
25 increased, it makes sense to allow broader

1 diversification. I recommend a change in the
2 language.

3 That is what he says.

4 CHAIRMAN SCHMITT: Basically, he wants
5 diversification within the MLPs.

6 MR. KEANE: Right.

7 MR. TUTEN: But that goes back to my initial
8 point of --

9 CHAIRMAN SCHMITT: Now whether we should be
10 investing in MLPs is a different question.

11 MR. KLAUSNER: That's a matter to take up with
12 the consultant at your coming November --

13 CHAIRMAN SCHMITT: Next meeting.

14 MR. TUTEN: Do we limit Tortoise to a total of
15 12 securities in their portfolio?

16 MR. KEANE: 12 to 15.

17 MR. TUTEN: So in other words, we are not
18 talking about IPOs being in the portfolio. We are
19 just talking about an increase in IPOs.

20 MR. KLAUSNER: Increase.

21 MR. TUTEN: It's not clear.

22 MR. KEANE: They want to go from 12 to 15 to
23 15 to 30.

24 MR. TUTEN: I got you.

25 MR. SCHEU: I'm totally confused then because

1 what the letter says, Investment Advisory Agreement
2 currently has the following investment guideline:
3 Advisor will manage a portfolio generally
4 consisting of between 15 and 30 securities. The
5 guidelines request we notify you of any changes.
6 As such, we recommend either removing upper limit
7 or increasing it to 40.

8 Then you look at the proposed amendment,
9 and all it does in paragraph one is remove the
10 limitation.

11 MR. KEANE: Correct.

12 MR. SCHEU: It does not put in a new
13 limitation so they could invest in a hundred of
14 them without any limitation. So I don't know that
15 that amendment is accomplishing what we think it's
16 doing.

17 MR. TUTEN: Well, I think the example they are
18 trying to make, and it's sort of like you said
19 mishmash. They're using the example there is a lot
20 more IPOs on the market now. Therefore, instead of
21 just having a maximum of 12 like we have because of
22 the limited nature, we have a lot more -- there is
23 a lot more stocks to invest in so can we up our --

24 MR. SCHEU: Oh, I get that. But what it
25 doesn't say -- the existing one doesn't say 12 to

1 15. According to the document, it says 15 to 30.
2 We are taking that limitation off so we are saying
3 there will be no limitation is the way I read the
4 document.

5 CHAIRMAN SCHMITT: I'm going to make a
6 recommendation. Dan will be here at our next
7 meeting.

8 MR. KEANE: Defer it to Dan.

9 MR. SCHEU: Do you see what I mean?

10 MR. TUTEN: I agree.

11 CHAIRMAN SCHMITT: I think their communication
12 is unclear. We have more questions than we have
13 answers.

14 MR. HAZOURI: We are going to let Dan. That
15 is that what we pay him for to answer those
16 questions.

17 MR. KEANE: Show that deferred.

18 Mr. Chairman and Trustees, next item on
19 the agenda is the adoption of Board Rule 23.
20 As part of the recommendations of the Pension
21 Reform Task Force, we have developed a rule,
22 Restriction on employment of relatives. We
23 patterned this after the language in the
24 Florida Statutes. We recommend adoption.

25 CHAIRMAN SCHMITT: Mr. Klausner, if I can --

1 MR. KLAUSNER: It's about hiring your
2 relatives.

3 CHAIRMAN SCHMITT: We can't influence any of
4 our vendors to hire any relatives is basically what
5 this says.

6 MR. KEANE: That's right.

7 MR. KLAUSNER: Correct.

8 MR. KEANE: It is about calling the manager
9 and saying my son or daughter just graduated from
10 college. He needs a job. Put him on the payroll,
11 and we are going to give you some more money to
12 manage.

13 MR. KLAUSNER: That has a historical reference
14 in Jacksonville.

15 MR. HAZOURI: Not in my administration.

16 MR. KLAUSNER: Not in your administration.

17 CHAIRMAN SCHMITT: We need a motion.

18 MR. KEANE: Yes, sir. This is adoption of
19 Board Rule 23. And we send this all out to all of
20 the investment managers as part of their amendment
21 to their agreement.

22 MR. HERBERT: I move adoption of Board Rule
23 23.

24 CHAIRMAN SCHMITT: And a second by Sheriff
25 Glover.

1 Any further discussion?

2 All in favor.

3 (All in unison) Aye.

4 CHAIRMAN SCHMITT: Opposed. Passes
5 unanimately.

6 MR. KEANE: Next item that we want to add to
7 the Chairman and Trustees before we adjourn.

8 Sheriff Glover?

9 MR. GLOVER: Thank you. Thank you, John.

10 Let me just say I was impressed -- I
11 really have a letter here that I am going to
12 submit to the Chair. I have impressed on many
13 occasions the need for me to leave the Board of
14 Trustees due to increase in time demands as
15 president of Edward Waters College. With the
16 adoption of the pension reform legislation, the
17 time for me to step aside has arrived. And,
18 therefore, upon the completion of this meeting,
19 when the Chair says this meeting is adjourned,
20 I resign as trustee of Police and Fire Pension
21 Fund.

22 Let me just also add that if it has been a
23 high honor and a privilege for me to have been
24 selected by the fellow board members to serve
25 and protect the financial future for members of

1 the Police/Fire Pension Fund to serve and
2 protect this city. It has been actually one of
3 the highlights in my life and career, and been
4 able to work with fine people and on some
5 various serious issues, and I feel now the time
6 for me to transition. It is with regret but it
7 is necessary.

8 So with that, Mr. Chair, I submit this
9 letter indicating my resignation.

10 CHAIRMAN SCHMITT: I can tell you from me
11 personally serving on this board has definitely
12 been one of my highlights of my public service, not
13 only having worked with you or for you when you
14 were my sheriff, but also on this board having
15 learned a great deal from you: Leadership, wisdom,
16 guidance, calmness. You brought to this board some
17 assets that, quite frankly, I don't think we could
18 have gone through many of the things that we have
19 gone through as successfully without you being
20 here.

21 So I really appreciate the time you have
22 taken and the dedication you have given to
23 serve us on this board and set an example for
24 the rest of us to follow. Thank you very much.

25 MR. GLOVER: Thank you.

1 MR. HERBERT: I just want to say in many
2 respects you have personified throughout your
3 career including your service here what it means to
4 be a dedicated public servant. And it's been a
5 real pleasure for me to have the opportunity to
6 work with you in this context as well as in others.
7 You have served with a great deal of distinction.

8 We all deeply appreciate everything you
9 have done. And I know that it's been a lot of
10 personal sacrifice for you with all of the
11 other demands on your time, and I definitely
12 understand what being a university president
13 entails and all of the demands associated with
14 that.

15 So we are just very grateful for all you
16 have done. You have been a wonderful role
17 model as well as public servant, and like so
18 many others, I am very grateful for all you
19 have done for us not only as sheriff but in
20 this context as well.

21 MR. GLOVER: Thank you, Adam.

22 MR. SCHEU: I would just like to say too all
23 those years we have known each other when we
24 started meeting at the Catholic church, a super
25 event, coach for a better Jacksonville, you have

1 been a hero to a lot of people in Jacksonville.

2 I've been new to this but everything you
3 have done for this City has been selfless. For
4 that reason, I intend to move that we defer
5 motions for a judge -- for adjournment ad
6 infinitum.

7 (Laughter.)

8 MR. HERBERT: If we don't adjourn, we don't
9 have to accept. Only an attorney could come up
10 with that one.

11 MR. GLOVER: Just for the record, if I have to
12 call a question, I will call it.

13 MR. SCHEU: But thank you.

14 MR. TUTEN: Sheriff, you are a good man.
15 You're an honest man. I consider you a friend.
16 And just as a curiosity, how long did it take to
17 type that letter?

18 MR. GLOVER: You have got to defer to the
19 staff.

20 MR. TUTEN: Oh, curious. I just wondered. No
21 reason.

22 CHAIRMAN SCHMITT: Mr. Klausner.

23 MR. KLAUSNER: I also wanted to thank the
24 sheriff for his service. And your service to the
25 public is not done. There is a lot of work to be

1 done at Edward Waters College to continue to grow
2 and build that important historic institution here
3 in Jacksonville. The sheriff has got me involved
4 in it and it's been rewarding for us as well.

5 I think you got the best tribute that you
6 could get from Trustee Tuten when he says you
7 are a good man.

8 MR. GLOVER: Thank you.

9 MR. KLAUSNER: An honest man.

10 There's a Jewish word that's the highest
11 compliment that one person can pay to another.
12 And the word is a mensch. A mensch literally
13 translates to be a human being. So Sheriff,
14 you are a mensch.

15 MR. GLOVER: Thank you. Thank you. Thank you
16 all for the kind remarks. And Mr. Chair, as I said
17 earlier, I have been honored to serve.

18 CHAIRMAN SCHMITT: Thank you.

19 MR. KEANE: I want to amend to show, Mr.
20 Chairman and Trustees, that Mr. Klausner handed out
21 a legal opinion dated October 19 just so we can get
22 that into the record.

23 MR. KLAUSNER: I will take up any questions at
24 the next meeting.

25 MR. SCHEU: Yeah, I would like to refer this

1 letter to the Office of the General Counsel.

2 MR. KLAUSNER: I gave them a copy.

3 MR. SCHEU: Good. I figured you would because
4 this is the heart of the dispute. So it would be
5 nice to have them both here to just give us their
6 thoughts about it.

7 MR. KLAUSNER: Sure.

8 MR. KEANE: Right.

9 MR. KLAUSNER: All part of the sharing
10 process.

11 CHAIRMAN SCHMITT: One last item. With
12 Sheriff Glover's resignation, do we have any
13 motions for an appointee to replace him as the
14 fifth member on the board?

15 MR. KLAUSNER: It requires the presence of the
16 four of you to do so. Secondly, the only
17 requirement to be the living member is to be 18
18 years old and breathing.

19 (Laughter.)

20 MR. SCHEU: That sums it all up.

21 CHAIRMAN SCHMITT: After all that.

22 (Laughter.)

23 CHAIRMAN SCHMITT: You did much better.

24 MR. KLAUSNER: I couldn't resist.

25 CHAIRMAN SCHMITT: Can a recommendation come

1 from any -- the chairman?

2 MR. KLAUSNER: The recommendation can be from
3 any trustee.

4 CHAIRMAN SCHMITT: I would like to recommend
5 Rick Townsend. He retired as a chief from the
6 Jacksonville Sheriff's Office. He has management
7 experience. He has been involved in the Police and
8 Fire Pension Fund Advisory Committee for at least
9 10 years, maybe longer. He understands the issues.
10 He followed the whole process through all the
11 commissions. He is well versed in the issues that
12 have gone on within the Police and Fire Pension
13 Fund. He was a member of the pension fund and is a
14 retiree so he understands it from that perspective
15 as well.

16 I think his experience within the
17 sheriff's office as an administrator, his
18 involvement with the Fire and Pension Fund, on
19 the Advisory Committee, and his understanding
20 of all of the issues we have gone through the
21 last several years would make him an asset to
22 the Board.

23 MR. HERBERT: Let me just say that I don't
24 know him, and before we make any definite
25 decisions, I would like to have a chance to talk

1 with whoever the folks are that we might want to
2 consider.

3 And another question is, are there other
4 candidates that we would want to take a look
5 at? We don't have time today to deal with that
6 but before making a decision, I think it's
7 important for all of us to have a chance to
8 talk with whoever the nominees are just so --
9 we can do that individually, but I think it is
10 important before we cast that kind of vote to
11 make sure that we are comfortable with each
12 other.

13 MR. SCHEU: He may be just great, but I would
14 like to get to know him too. And I've tried hard
15 to think of people. I'm getting old and sort of
16 slower now. So just to hold it open for a while
17 until we see that we can handle it. You may have
18 some --

19 MR. TUTEN: I mean, I know we need to kind of
20 do it in a timely manner.

21 MR. KLAUSNER: The state law and the city
22 charter actually say that the sheriff continues to
23 serve until his replacement is seated.

24 MR. TUTEN: Excellent.

25 MR. GLOVER: You didn't make that up?

1 MR. KLAUSNER: No, I didn't.

2 MR. SCHEU: Move we adjourn.

3 CHAIRMAN SCHMITT: You are saying we have got
4 a month?

5 MR. SCHEU: Adam is going to be gone.

6 MR. KEANE: Mr. Chairman and Trustees, you
7 need to bear in mind Dr. Herbert is going to be
8 gone.

9 CHAIRMAN SCHMITT: For a month.

10 MR. TUTEN: When do you leave?

11 MR. KEANE: Very close on a quorum issue here.

12 MR. HERBERT: Next Tuesday morning.

13 MR. KLAUSNER: When will you return?

14 MR. HERBERT: I will be back in the country
15 the 25th of the November.

16 MR. KLAUSNER: I probably wouldn't schedule a
17 November meeting until after because you are going
18 to be down.

19 CHAIRMAN SCHMITT: That is the issue we are
20 going to run into. Timewise we need to have enough
21 members to be here present as a quorum, especially
22 through this transition period when we are trying
23 to hire an executive.

24 MR. SCHEU: It seems to me that December would
25 be the logical time to get the whole thing taken

1 care of.

2 MR. KLAUSNER: You are not required to meet
3 monthly. What you may want to do is wait until
4 Dr. Herbert comes back and schedule a meeting in
5 early December because at the end of November, you
6 are dealing with Thanksgiving. And towards the end
7 of December you are dealing with end of the year
8 holidays as well.

9 So state law only requires you to meet
10 once a quarter so unless there is some -- if
11 some matter of urgency arises, the
12 administrator, you know, can seek or the chair
13 actually can call for a meeting. But you may
14 not want to schedule a regular meeting in
15 November so that we make sure we have four
16 people here.

17 MR. KEANE: When are you leaving, Mr. Scheu?

18 MR. SCHEU: I'm back and forth. I will be
19 here this week, be gone next week, be back the week
20 of the 9th, I think it is, and then be back that --
21 I have got actually jury duty on December -- on
22 November 30.

23 MR. KEANE: If we can get a meeting set up
24 between you and Rick Townsend, and maybe with Dr.
25 Herbert and Rick Townsend before he leaves, just so

1 you get a chance to know him and see where --

2 MR. SCHEU: I will be here all week.

3 MR. KEANE: You will recognize him from the
4 task force meetings. He was at every one of them.

5 MR. SCHEU: His name is very familiar.

6 MR. KEANE: He was at every one of them.

7 MR. HERBERT: Yeah.

8 MR. KEANE: It is critical though.

9 CHAIRMAN SCHMITT: And especially through --
10 again we are trying to hire an executive director
11 and we're telling them we don't even know who the
12 board members are. It makes that process that much
13 more difficult. If we can have -- at least have
14 our board set so the interviewees know who they are
15 going to be working for.

16 MR. KLAUSNER: There is no problem with the
17 trustees individually meeting with Mr. Townsend.
18 The only limitation is the two of you can't talk to
19 each other about anything that was said.

20 MR. SCHEU: So if we met in early December
21 rather than November, Adam would be back. We will
22 have met him and maybe some additional names will
23 come in and we decide.

24 CHAIRMAN SCHMITT: Do you want to try to set a
25 meeting date now? Everybody look at their

1 calendars.

2 MR. KEANE: Mr. Chairman, we have the next
3 applicant coming. Maybe we should administratively
4 try and work that out with everybody.

5 CHAIRMAN SCHMITT: Okay. We can do that.

6 MR. KEANE: We have got two waiting.

7 MR. HERBERT: I just have one other question.
8 This is of Trustee Glover. If by some chance there
9 is an emergency issue that needs to come up, and
10 given what Mr. Klausner just said, would you be
11 willing, notwithstanding your resignation, to
12 attend a meeting so that there could be a quorum?

13 MR. GLOVER: I have no choice according to the
14 good --

15 MR. KEANE: We'll send the Sergeant-at-Arms
16 for you.

17 MR. KLAUSNER: Your resignation will become
18 effectively immediately upon the selection and
19 seating of your successor.

20 MR. GLOVER: That's easy. We are fine.

21 CHAIRMAN SCHMITT: No further business?

22 MR. KEANE: That's all.

23 CHAIRMAN SCHMITT: This meeting is adjourned.

24 (The meeting was concluded at 2:40 p.m.)

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C E R T I F I C A T E

STATE OF FLORIDA
COUNTY OF DUVAL

I, LUAN G. WILSON, Registered Professional Reporter, certify that I was authorized to and did stenographically report the foregoing proceedings, pages 1 through 63, that the transcript is a true and complete record of my stenographic notes.

DATED this 30th day of October, 2015 at Jacksonville, Florida.

— LUAN G. WILSON, R.P.R.