

**JACKSONVILLE POLICE AND FIRE
PENSION BOARD OF TRUSTEES
MEETING MINUTES – DECEMBER 13, 2013
RICHARD “DICK” COHEE BOARD ROOM**

NOTE: If any person decides to appeal any decision made with respect to any matter considered at this public meeting such person will need a record of proceedings, and for such purpose such person may need to ensure that a verbatim record of the proceedings is made at their own expense and that such record includes the testimony and evidence on which the appeal is based. The public meeting may be continued to a date, time, and place to be specified on the record at the meeting.

PRESENT

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

STAFF

John Keane, Executive Director-Administrator
Robby Gorman, Executive Assistant
Kevin Stork, Controller
Robert Klausner, Fund General Counsel

CITY REPRESENTATIVES

Joey Grieve, Fund Treasurer

GUESTS

William E. Scheu, Chairman, Retirement Reform Task Force
Jonathan Trichter, Pew Study Group
Eric Smith, Governance Inc.
Asst. Chief Larry Schmitt
Mark Muchowitz, Police Officer
Elaine Brown, Killashee Investments
Mark Farrell, Killashee Investments
Chris Kaye, KBJ Architects
Eric Smith, CSSC
Don Southwick, CSSC
Sid Jones, Killashee Investments
Lorri Farrell
David Chapman, Daily Record
Jim Piggott, Channel 4

Tim Gibbons, FTU
David Bauerlein, FTU
Stephen Dare, Metro Jax
Roger Weeder, First Coast News

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

The meeting was brought to order at 9:08 a.m.

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

Thomas E. Reeves, Retired Police Sergeant

And for Chester Aiken, member of the Retirement Reform Task Force who passed away after their last meeting.

The Board of Trustees recited the Pledge of Allegiance.

PUBLIC SPEAKING PERIOD No one requested to speak

CONSENT AGENDA - ITEMS 2013-12-(1-6)CA

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

2013-12-1CA MINUTES TO BE APPROVED

1. Minutes of the Board meeting held November 22, 2013. Copy in the meeting file.

2013-12-2CA DISBURSEMENTS

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

DISBURSEMENTS A

1.	John Keane	\$	634.39
2.	Klausner, Kaufman, Jensen & Levinson	\$	27,835.40
3.	Summit Strategies	\$	61,466.00
4.	Dr. Scott Baker	\$	3,900.00

5.	Lowenstein Sandler LLP	\$ 14,371.01
6.	KBLD LLC	\$ 10,000.00
	Total	\$ 118,206.80

DISBURSEMENTS B

Transaction list of Accounts Payable distributions. (\$ 179,116.75)

2013-12-3CA PENSION DISTRIBUTIONS

A.	December 8, 2013	Regular Gross	\$6,077,089.61
		DROP Gross	\$ 763,948.16
		Total	\$6,841,037.77

2013-12-3CA APPLICATION FOR TIME SERVICE RETIREMENT

1. **Bachara, Bradley M.**, at 20 years of service, at 60%, effective December 20, 2013. Police Officer.

2013-12-4CA APPLICATION FOR SURVIVOR'S BENEFITS

1. **Price, Dolores**, widow of Edward M. Repper, who died November 16, 2013.

2013-12-5CA APPLICATION FOR DROP

1.	Carlson, William S.	Police
2.	Davis, Michael J.	Police
3.	Emerson, Warren R.	Fire
4.	Kipple, Andrew F.	Police
5.	McMahon, Brian L.	Fire
6.	Nelson, Gary A.	Police
7.	Weber, John W.	Police
8.	Wilson, Jerrod T.	Police

2013-11-6CA APPLICATION FOR MEMBERSHIP

Pre-existing Medical Condition

36. Isles, Milik A. Fire

2013-12-6CA TIME CONNECTIONS

1. **Mattox, Kevin M.**, Prior Duval Service, (1 month, 7 days).
2. **Patrick, Steven J.**, Prior Wartime Military Service, (1 year, 10 months).
3. **Romanello, Christopher S.**, Prior Wartime Military Service, (2 years).
4. **Wilms, Chance A.**, Prior Florida Service, (1 year, 1 month, 28 days).

A MOTION WAS MADE BY RICH TUTEN TO APPROVE THE CONSENT AGENDA ITEMS 2013-12-(1-6). NAT GLOVER SECONDED THE MOTION WHICH PASSED UNANIMOUSLY.

OLD BUSINESS

2012-06-13 2013/2014 Budget. Attachment **DEFERRED**

NEW BUSINESS

MONTHLY REPORTS

EXECUTIVE DIRECTOR'S REPORT

Investment Report

2013-12-1 Investment Reports from Summit Strategy. **DEFERRED**

2013-11-2 Update on the Commission Recapture contract with Dominick & Dominick.
RECEIVED AS INFORMATION

2013-11-3 Update on establishing Security Lending program. **RECEIVED AS INFORMATION**

2013-12-2 Update on Acadian contract. **RECEIVED AS INFORMATION**

2013-12-3 Update on the Franklin Multi Sector Plus contract.

Mr. Keane reported that there would be no discount and they would make no exceptions for us in what they invested in. Their fee would be 80bps. The index fund is 15. Mr. Grieve said they should be looked at deeper and in his opinion they were worth the price.
DEFERRED

2013-12-4 Information on actuarial interest assumptions from Jarmon Welch.
RECEIVED AS INFORMATION

Legal

Legislative

2013-12-3 Update on proposed Ordinance 669. **RECEIVED AS INFORMATION**

2013-12-4 Update on SB 117 and HB 388. **RECEIVED AS INFORMATION**

Administrative Report

2013-11-10 2013 Peyton Bonus paid for the amount of \$2,034,004.14 and notice sent.
RECEIVED AS INFORMATION

ADDENDUM:

2013-06-4. Final Order for Cordelia Cook denying Survivor Benefits.

Mr. Klausner gave the overview of the Final Order he prepared. Chairman Deal commended the Advisory Committee for the work they did on this case and others like it.

RICH TUTEN MADE A MOTION TO APPROVE THE FINAL ORDER PREPARED BY MR. KLAUSNER FOR CORDELIA COOK. THE MOTION WAS SECONDED BY NAT GLOVER AND PASSED UNANIMOUSLY.

2013-12-5 Certification of Retired Representative election for the Advisory Committee. Votes were counted December 11, 2013.

A MOTION WAS MADE BY ADAM HERBERT TO CERTIFY THE RETIRED REPRESENTATIVE ELECTION FOR THE ADVISORY COMMITTEE. RICH TUTEN SECONDED THE MOTION WHICH PASSED UNANIMOUSLY.

Presentations

2013-12-6 William Scheu, the Chairman of the Retirement Reform Task Force addressed the Board. He said the Pew Charitable Trusts was helping with the analytical side of things. The Task Force recognizes and acknowledges the Settlement Agreement. They are working on governance, pension design, unfunded liability and investment authority.

Chairman Deal said that after attending meetings he felt the Task Force had done an outstanding job of fairly looking at both sides. Trustee Bussells asked if Mr. Scheu could help with getting the Council Auditor to meet with the Board to discuss their audit. Mr. Scheu asked for a copy of the audit. Trustee Herbert asked if the Task Force was looking at the Jacksonville Retirement's unfunded liability. He said it was not part of their assignment but the Pew Charitable Trust might be looking into it.

Mr. Scheu said it had been a pleasure working with Mr. Keane and that he had been very helpful, competent and wily.

- 2013-12-7** Eric Smith, representative of CSSC, made a presentation to the Board to finance the Veterans Lodge at the Cecil Commerce Center. This is a proposed comprehensive rehab facility to serve returning veterans and first responders **Copy in meeting file.**

ADAM HERBERT MADE A MOTION TO HAVE THE STAFF DO DUE DILIGENCE ON THE VETERANS LODGE PROJECT WITH THE UNDERSTANDING THAT OBTAINING MORE INFORMATION IS NOT A PROMISE OR COMMITMENT TO INVESTMENT NOT DOES IT ALLOW THE EXECUTIVE DIRECTOR-ADMINISTRATOR TO MAKE AN INVESTMENT PROMISE OR COMMITMENT. THE MOTION WAS SECONDED BY NAT GLOVER AND PASSED UNANIMOUSLY.

- 2013-12-8** Elaine Brown and Mark Farrell, Killashee Investments, LLC made a presentation on Seaglass at the Shipyards, a 1,000 foot tower with restaurants and viewing area at the top of the structure. The development would include an aquarium, convention center, a naval ship, and several hotels. The developers want the Fund to purchase the Shipyard property from the City. **COPY IN MEETING FILE**

A MOTION WAS MADE BY NAT GLOVER TO HAVE THE STAFF DO DUE DILIGENCE ON THE VETERANS LODGE PROJECT WITH THE UNDERSTANDING THAT OBTAINING MORE INFORMATION IS NOT A PROMISE OR COMMITMENT TO INVESTMENT NOT DOES IT ALLOW THE EXECUTIVE DIRECTOR-ADMINISTRATOR TO MAKE AN INVESTMENT PROMISE OR COMMITMENT. RICH TUTEN SECONDED THE MOTION WHICH PASSED UNANIMOUSLY.

There being no further business the meeting adjourned at 10:35 a.m.

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**APPROVED BY THE BOARD OF TRUSTEES
AT THEIR JANUARY 17, 2014 MEETING**

Nat Glover, Board Secretary