



JACKSONVILLE POLICE AND FIRE PENSION FUND
ADVISORY COMMITTEE
MEETING SUMMARY – JANUARY 9, 2019 – 9:00AM

PRESENT

James Holderfield, Chair
Lt. Michael Shell, Vice Chair
Thomas Lumpkin
Eng. Jean Paravisini
Michael Pelletier
Asst. Chief Richard Reichard
Lt. Christopher Stover

STAFF

Timothy H. Johnson, Executive Director – Plan Administrator
Steve Lundy, Assistant Plan Administrator
Chuck Hayes, Pension Benefits Manager
Lawsikia Hodges, Office of General Counsel
Bob Sugarman, Fund Counsel – via Webex

GUESTS

Cpt. Michael E. Lynch, Trustee

Meeting Convened

9:02AM

Meeting Adjourned

9:53AM

NOTICE: Any person requiring a special accommodation to participate in the meeting because of disability shall contact Steve Lundy, Assistant Plan Administrator at (904) 255-7373, at least five business days in advance of the meeting to make appropriate arrangements. 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. Additional items may be added / changed prior to meeting.

I. MOMENT OF SILENCE

Walter K. Butler, Retired Police Officer
Thomas W. Read III, Retired Firefighter Engineer
Lawton G. Taylor Sr., Retired Police Officer
Louis E. Vogel, Retired Firefighter

II. PUBLIC SPEAKING PERIOD

None.

III. ELECTION OF OFFICERS

1. Chair

Motion to nominate James Holderfield as 2019's Advisory Committee Chair: SHELL; Second: REICHARD; APPROVED UNANIMOUSLY.

Michael Shell remarked that James Holderfield has done a fantastic job as the Advisory Committee Chair.

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James Holderfield said he enjoys serving as the Advisory Committee Chair and is proud of what the Advisory Committee has accomplished.

2. Vice Chair

**Motion to nominate Michael Shell as 2019's Advisory Committee Vice Chair: PELLETIER;
Second: STOVER; APPROVED UNANIMOUSLY.**

Michael Shell thanked the Advisory Committee for the nomination as Vice Chair.

IV. CONSENT AGENDA (ITEMS 1-6)

Motion to approve: PELLETIER; Second: STOVER; APPROVED UNANIMOUSLY.

The benefits listed below have been reviewed and approved by the Pension Benefits Manager.

1. MEETING SUMMARY TO BE APPROVED

1. **Summary of the Meeting held December 12, 2018.**
Copy held in the meeting file.

2. APPLICATION FOR SURVIVOR BENEFITS

- | | |
|--|---|
| 1. BUTLER, Kristine C.
Monthly gross pension | Widow of Walter K. Butler (d. 12/12/2018)
\$4,732.35 |
| 2. TILLIS, Ann S.
Monthly gross pension | Widow of Thomas B. Tillis Jr. (d. 12/06/2018)
\$3,390.60 |

3. APPLICATION FOR TIME SERVICE CONNECTIONS

- | | |
|---|-------------------------------|
| 1. CRAWFORD, Marc W.
COJ Service (7 mos., 28 days)
NOTE: Time Service Credit for Prior Bailiff Service | Police Sergeant
\$3,719.17 |
| 2. FLORES, Dante T.
COJ Service (6 mos., 2 days)
NOTE: Time Service Credit for Prior Bailiff Service | Police Officer
\$2,305.83 |
| 3. FLORES, Mark A.
COJ Service (8 mos., 5 days)
NOTE: Time Service Credit for Prior Bailiff Service | Police Officer
\$3,454.18 |

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4. **HALL, Carrie N.** Police Officer
COJ Service (6 mos., 2 days) \$2,410.65
NOTE: Time Service Credit for Prior Bailiff Service
5. **LIVINGSTON, Jeremy K.** Police Officer
COJ Service (10 mos., 22 days) \$4,539.78
NOTE: Time Service Credit for Prior Bailiff Service
6. **MATZEN, John T.** Police Officer
COJ Service (2 years, 29 days) \$9,635.14
NOTE: Time Service Credit for Prior Bailiff Service
7. **MAYNARD, Donald R.** Police Officer
COJ Service (10 mos., 4 days) \$4,109.59
NOTE: Time Service Credit for Prior Bailiff Service
8. **MILLER, Kristopher A.** Police Officer
COJ Service (8 mos., 5 days) \$3,478.25
NOTE: Time Service Credit for Prior Bailiff Service
9. **PORTER, Gary S.** Police Sergeant
COJ Service (6 mos., 16 days) \$2,763.34
NOTE: Time Service Credit for Prior Bailiff Service
10. **RANDOLPH, Jonathan L.** Police Lieutenant
COJ Service (7 mos., 28 days) \$4,499.81
NOTE: Time Service Credit for Prior Bailiff Service
11. **STAPP, Tracy A.** Police Officer
COJ Service (1 year, 11 days) \$5,082.20
NOTE: Time Service Credit for Prior Bailiff Service
12. **VAN DELINDER, Joel E.** Police Sergeant
COJ Service (6 mos., 9 days) \$3,069.37
NOTE: Time Service Credit for Prior Bailiff Service
13. **VERCRUYSSSE Jr., Richard E.** Police Sergeant
COJ Service (1 year, 6 mos., 27 days) \$8,848.21
NOTE: Time Service Credit for Prior Bailiff Service
14. **WATERS, Michael C.** Fire Lieutenant
Florida Service (3 mos., 15 days) \$5,421.02
NOTE: Time Service Credit for Prior Florida Service
15. **WRIGHT, James W.** Police Officer
COJ Service (10 mos., 10 days) \$4,246.58
NOTE: Time Service Credit for Prior Bailiff Service

4. REFUND OF PENSION CONTRIBUTIONS

To be received as information

- | | |
|--|-------------------------------|
| 1. GARDNER, Zackery K.
Refund | Firefighter
\$4,927.19 |
| 2. WHITAKER, Lance C.
Refund (to the Estate) | Police Officer
\$79,004.23 |

5. DROP PARTICIPANT TERMINATION OF EMPLOYMENT

To be received as information

- | | |
|---|---|
| 1. BROWN, Steven L.
Monthly Pension Base
DROP Participation | Police Officer
\$3,249.46
01/14/2017 – 12/10/2018 |
| 2. CARLSON, William S.
Monthly Pension Base
DROP Participation | Police Officer
\$3,350.67
01/04/2014 – 12/28/2018 |
| 3. ELLISON, Tracy M.
Monthly Pension Base
DROP Participation | Firefighter Engineer
\$3,473.37
10/08/2016 – 12/28/2018 |
| 4. EMERSON, Warren R.
Monthly Pension Base
DROP Participation | Firefighter Engineer
\$3,426.07
01/04/2014 – 12/28/2018 |
| 5. NELSON, Gary A.
Monthly Pension Base
DROP Participation | Police Officer
\$3,254.27
01/04/2014 – 12/28/2018 |
| 6. WEBER, John W.
Monthly Pension Base
DROP Participation | Police Officer
\$3,218.58
01/04/2014 – 12/28/2018 |
| 7. WILSON, Jerrod T.
Monthly Pension Base
DROP Participation | Police Officer
\$3,343.49
01/04/2014 – 12/28/2018 |

6. DROP DISTRIBUTIONS

To be received as information

- | | |
|---|-------------|
| 1. BROWN, Steven L.
Entire value paid over 50.5 years | \$81,479.12 |
|---|-------------|

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2. CARLSON, William S.	Entire value paid over 45.5 years	\$261,443.33
3. ELLISON, Tracy M.	Entire Lump Sum Payment	\$105,574.34
4. EMERSON, Warren R.	Entire value paid over 41.6 years	\$267,328.60
5. NELSON, Gary A.	Entire value paid over 43.6 years	\$253,921.75
6. READ III, Thomas W.	Remaining Lump Sum Payment	\$122,331.90
7. WEBER, John W.	Entire value paid over 52.4 years	\$251,137.97
8. WILSON, Jerrod T.	Entire value paid over 48.8 years	\$260,882.66

V. OLD BUSINESS

1. **Appeals Procedure** – Handout

Motion to approve: PELLETIER; Second: LUMPKIN; APPROVED UNANIMOUSLY.

Lawsikia Hodges & Bob Sugarman

Lawsikia Hodges discussed the Corrections Policy Hearing Procedures and Overview of Simplified Corrections Policy Appeal Procedures (HANDOUT). Since the last Advisory Committee meeting, OGC has discussed these documents with Bob Sugarman's office. Both OGC and Bob Sugarman's office share the opinion that the procedures presented today are sufficient to cover the errors outlined in the Corrections Policy. Forfeitures and Disability cases will require 'full blown' procedures like the ones presented at the last meeting.

Lawsikia Hodges briefly outlined the 13 sections of the Corrections Policy Hearing Procedures and the 5 steps of the Overview of Simplified Corrections Policy Appeal Procedures to the Advisory Committee, as attached.

Lawsikia Hodges said both OGC and Bob Sugarman's office believe these procedures meet the basic courtesy of members to be heard by the Advisory Committee before the Advisory Committee makes any recommendations to the Board of Trustees.

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Thomas Lumpkin asked if a member's attorney could appear before the Advisory Committee for the appeal instead of the member.

Lawsikia Hodges answered yes. She asked Bob Sugarman if he had anything to add.

Bob Sugarman said he has nothing to add. He said that these procedures are as simple as they could be.

James Holderfield asked the Advisory Committee members if they would like any clarifications of the procedures.

Michael Shell asked what the next step would be if the member is not happy with the Board of Trustees' final decision on the appeal.

Lawsikia Hodges said it would go to court.

Bob Sugarman said the member would have 30 days to file a petition at the local courthouse.

Michael Shell thanked Lawsikia Hodges and Bob Sugarman for their effort on these procedures. They are much easier to understand.

Lawsikia Hodges reiterated that there is no need for full proceedings for these types of administrative errors. Only cases such as forfeitures and disabilities will require long, drawn-out proceedings.

Bob Sugarman agreed and said these procedures are appropriate.

Timothy Johnson asked if the members' appeals would be held in the sunshine.

Lawsikia Hodges said they would absolutely be held in the sunshine at a publically noticed meeting.

James Holderfield said that disability hearings were the most common, and were always at a public meeting.

Lawsikia Hodges said these procedures would cover the Beaches Time Service Connections issue.

Timothy Johnson asked if the Advisory Committee would be able to consider special circumstances when recommending a repayment plan.

Lawsikia Hodges said the Advisory Committee must make a diligent effort to recover the money. She asked Bob Sugarman to elaborate.

Bob Sugarman said the Advisory Committee could consider specific repayment arrangements. The Advisory Committee must also consider instances in which the cost to collect the overpayment exceeds the total overpayment in making its recommendation.

Lawsikia Hodges said to keep in mind that the Advisory Committee has active appeals in the Beaches Time Service Connections issue. The Advisory Committee may contemplate giving these members extra time for their appeals if the new procedures are adopted.

James Holderfield said today would be day one to notice the members affected by the Beaches Time Service Connections issue and to inform them of the newly adopted formal procedure.

Motion to approve the Corrections Policy Hearing Procedures: PELLETIER; Second: LUMPKIN; APPROVED UNANIMOUSLY.

VI. COUNSEL REPORTS

Lawsikia Hodges said that Bob Sugarman is reviewing the 5 members identified by the new reemployed pensioners affidavit. A better update should be ready for the February Advisory Committee meeting.

VII. EXECUTIVE DIRECTOR'S REPORT

Timothy Johnson

1. Actuarial Valuation and Market Volatility Update

Timothy Johnson said there are three exciting things in his report today. He said first, he would update the Advisory Committee on the upcoming Actuarial Valuation and the recent volatility in the market. Secondly, Steve Lundy would review the annual member satisfaction survey results. And lastly, Chuck Hayes will demonstrate the new Online Retiree Portal.

Timothy Johnson said volatility has made for a wild ride over the past 90 days in the markets. The Fund was up 8.25% for Fiscal year 2018. Then, the Fund dropped 10% in value in October. The Fund recovered a little in November, then went down another 6% in mid-December. He said various factors such as trade wars, monetary policy changes, and the government shutdown have contributed to the volatility. The Fund's investment consultant says he is not certain the Fund will meet its 7% assumed rate of return for Fiscal Year 2019.

Timothy Johnson said Steve Lundy will continue to keep the Advisory Committee updated on the Fund's performance in his daily email updates. The takeaway is that the Fund has experienced a rare 10 years of uninterrupted growth. We are returning to a period of normalcy – volatility included.

Timothy Johnson informed the Advisory Committee that the Fund's actuarial valuation is being finalized by the Fund's Actuary, Pete Strong, of Gabriel, Roeder, Smith & Co. This report will be submitted to the Board at its January meeting, and to the City Council around January 29th. Pete Strong will be on the phone to discuss the Actuarial Valuation with the Advisory Committee in February.

2. 2018 PFPF Member Satisfaction Survey Results
Steve Lundy

Steve Lundy discussed the 2018 PFPF Member Satisfaction Survey Results as attached, noting the overall positive ratings across all questions, and the especially positive rating of the PFPF Staff's Professionalism. The members are requesting online access to their pay statements – which leads to Chuck Hayes' presentation of the new Online Retiree Portal.

3. Online Retiree Portal – Handout
Chuck Hayes

Chuck Hayes handed out the letter, 'New On-line Access to your Direct Deposit Statements' and 'Police & Fire Pension Fund Online Statements First Time Login Instructions' to the Advisory Committee (HANDOUT). This will be mailed with all retired members' direct deposit statements for their first January direct deposit.

Chuck Hayes discussed the registration and login steps with the Advisory Committee as shown on the handout.

(NOTE: there were technical difficulties in demonstrating the actual Online Retiree Portal. This will be deferred to February's Advisory Committee meeting)

James Holderfield asked if members who sign up will later be able to opt-out.

Chuck Hayes said he hopes to get everyone off paper statements and on the online statements, minus the members without access to a computer.

Tommy Lumpkin asked if members would receive email notifications once their direct deposit posts.

Chuck Hayes said they will not – the member has to actively log in to view the statements.

James Holderfield asked if DROP statements will be available sometime in the future.

Chuck Hayes said DROP statements and 1099s are down the road.

Timothy Johnson said the Online Retiree Portal will save the Fund over \$31,000 annually in postage and printing costs. An additional \$1,800 a year will be saved in return mail costs.

Timothy Johnson outlined the security measures – a strong password, security questions, and human-verification are required to register. This is very secure.

Michael Pelletier asked if there would be a link to the Online Retiree Portal on the PFPF's website.

Steve Lundy said there would be a dedicated page on the PFPF's website linking to the Online Retiree Portal.

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VIII. NEW BUSINESS

None.

Steve Lundy, Assistant Plan Administrator
Posted 01/09/2018

James Holderfield, Chair

To be approved at the Advisory Committee Meeting on February 13, 2019.

The next regular meeting will be held Wednesday, February 13, 2019 at 9:00AM.