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JACKSONVILLE POLICE AND FIRE PENSION FUND  
BOARD OF TRUSTEES  
MEETING SUMMARY – SEPTEMBER 28, 2018 – 9:00AM  
RICHARD “DICK” COHEE BOARD ROOM

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**PRESENT**

Lt. Chris Brown, Chair  
Cpt. Michael Lynch, Trustee  
Nawal McDaniel, Trustee  
Richard Patsy, Trustee

**CITY REPRESENTATIVES**

Greg Anderson, City Council Liaison

**GUESTS**

Randy Wyse, President, IAFF Local 122  
Randall Barnes, COJ

**MEETING CONVENED**

9:05AM

**STAFF**

Timothy H. Johnson, Executive Director  
Steve Lundy, Assistant Plan Administrator  
Kevin Grant, Finance Manager  
Chuck Hayes, Pension Benefits Manager  
Joey Greive, Fund Treasurer  
Pedro Herrera, Fund Counsel  
Lawsikia Hodges, Office of General Counsel  
Dan Holmes, Summit Strategies

**EXCUSED**

Willard Payne, Secretary

**MEETING ADJOURNED**

10:52AM

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.

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**I. PLEDGE OF ALLEGIANCE**

**II. MOMENT OF SILENCE**

Theodore F. “Ted” Copeland, Retired Fire Captain  
Patrick T. McHale, Retired Police Officer  
Everett B. Prescott, Retired Police Officer  
Michael E. Taft, Retired Police Officer

**III. PUBLIC SPEAKING PERIOD**

*None.*

**IV. CONSENT AGENDA – ITEMS 2018-09-(01-11)CA**

***Motion to approve: PATSY; Second: McDANIEL; APPROVED UNANIMOUSLY.***

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**2018-09-01CA**

*Meeting Summaries Approved*

1. Board of Trustees Meeting – August 24, 2018
2. Board of Trustees & FIAC Manager Update – August 30, 2018
3. Board of Trustees & Advisory Committee Special Meeting – September 6, 2018

**2018-09-02CA**

*Disbursements*

*The listed expenditures in DISBURSEMENTS A & B have been reviewed and deemed payable. The Police and Fire Pension Fund Finance Manager certifies that they are proper and in compliance with the appropriated budget. Transaction lists attached.*

**Disbursements A**

*8-1-2018 thru 8-31-2018*

1.	Tortoise Capital Advisors	\$	104,337.92
2.	Eagle Capital Management	\$	449,594.25
3.	Thompson, Siegel & Walmsley	\$	37,709.26
4.	Summit Strategies Group	\$	61,466.00
5.	Comercia Bank	\$	158,148.67
6.	J.P. Morgan	\$	367,420.34
7.	Loomis Sayles	\$	317,576.42
	<b>TOTAL</b>	<b>\$</b>	<b>1,496,252.86</b>

**Disbursements B**

*8-1-2018 thru 8-31-2018*

1.	<u>Transaction list of Accounts Payable distributions</u>	<b>\$</b>	<b>43,293.24</b>
2.	<u>Transaction list of Accounts Receivables</u>	<b>\$</b>	<b>52,066.36</b>

**2018-09-03CA**

*Pension Distributions*

**A. August 10, 2018**

1.	Regular Gross	\$	5,715,419.93
2.	Regular Lumpsum	\$	0.00
3.	Regular Rollover	\$	0.00

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4.	Regular DROP Gross	\$	1,193,796.01
5.	DROP Lumpsum	\$	0.00
6.	DROP Rollover	\$	0.00
<b>TOTAL</b>		<b>\$</b>	<b>6,909,215.94</b>

**B. August 24, 2018**

1.	Regular Gross	\$	5,712,932.03
2.	Regular Lumpsum	\$	54,219.50
3.	Regular Rollover	\$	0.00
4.	Regular DROP Gross	\$	1,193,526.23
5.	DROP Lumpsum	\$	0.00
6.	DROP Rollover	\$	0.00
<b>TOTAL</b>		<b>\$</b>	<b>6,960,677.76</b>

All calculation and dollar amounts have been reviewed and calculated in accordance with accepted procedures.

The following Consent Agenda items 2018-09-(04-07CA) were verified with supporting documentation and approved at the Advisory Committee meeting held on September 12, 2018. Vote was unanimous. Meeting Summary attached.

**2018-09-04CA**

Application for Survivor Benefits

**2018-09-05CA**

Application for Vested Retirement

**2018-09-06CA**

Application for DROP

1. **POLICE:**

- AGNEW, Latosha M.
- BORNTRAEGER Edward B.
- BRYANT, Lynnette – WITHDREW**
- DANZIE, Terence L.
- DUDLEY, Torin-Patrick
- DUNN, Noelle B.
- FACUNDUS, Susan M.
- JONES, Michael D.
- McDONALD, Ruthie P.
- WELSH, Tyrone A.

2. **FIRE:**

- BRENNAN, Paul J.
- HENDRICKS, Clayburn B.
- KLINGBEIL, Gene A.
- KRUGER, Mark A.
- TERRELL, Gary

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**2018-09-07CA**

*Application for Time Service Connections*

The following Consent Agenda items 2018-09-(08-10CA) were verified with supporting documentation and received as information at the Advisory Committee meeting held on September 12, 2018. Meeting Summary attached.

**2018-09-08CA**

*Refund of Pension Contributions*

**2018-09-09CA**

*Share Plan Distributions*

**2018-09-10CA**

*Application for Temporary Disability Pension*

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**2018-09-11CA**

*Educational Opportunities*

1. **Bi-Monthly Ethics Training for Boards & Commissions – COJ**  
October 25, 2018 – 12PM – 1PM – Lynwood Roberts Room, City Hall, First Floor  
December 6, 2018 – 12PM – 1PM – Lynwood Roberts Room, City Hall, First Floor  
  
*(RSVP with Kirby Oberdorfer at [koberdorfer@coj.net](mailto:koberdorfer@coj.net) or 904-630-4747)*
2. **48<sup>th</sup> Annual Police Officers' & Firefighters Pension Conference – Florida Division of Retirement**  
November 14-16, 2018 – Orlando, FL  
  
*([https://www.dms.myflorida.com/workforce\\_operations/retirement/local\\_retirement\\_plans/municipal\\_police\\_and\\_fire\\_plans/current\\_issues/pension\\_trustees\\_conferences](https://www.dms.myflorida.com/workforce_operations/retirement/local_retirement_plans/municipal_police_and_fire_plans/current_issues/pension_trustees_conferences))*
3. **Accredited Fiduciary Program – NCPERS**  
October 27-28, 2018 – Las Vegas, NV  
  
*(<https://www.ncpers.org/naf>)*
4. **Public Safety Conference – NCPERS**  
October 28-31 – Las Vegas, NV  
  
*(<https://www.ncpers.org/Psc>)*

**V. EXECUTIVE DIRECTOR'S REPORT**

*Timothy H. Johnson*

**1. 2017 Chapter Funds Update**

*Timothy Johnson updated the Board on Michael Lynch's request to discuss the administration of the Holiday Bonus. Two letters to the Unions are attached requesting direction from the Unions. The Board has not received a specific request from the Unions concerning the 2017 Chapter Funds. No action is needed.*

**2. 2016 Chapter Funds Update – Share Plan Distribution**

*Chuck Hayes*

*Timothy Johnson asked Chuck Hayes to give a brief update on the 2016 Chapter Funds, and the Share Plan distribution. He noted there is no HANDOUT for this item.*

*Chuck Hayes updated the Board on the 2016 Chapter Funds, and the Share Plan Distribution. Chuck Hayes, Timothy Johnson, and Steve Lundy had a meeting to review Share Plan procedures. The Share Plan distribution should have been made in January, but was delayed due to the grievances filed by the unions. The PFPF staff will meet with ITD and cautiously move forward to ensure this new Share Plan distribution has no mistakes.*

*Timothy Johnson added that this Share Plan distribution is post-2017 reform. We want to work with the unions and attorneys to make sure the distribution is administered correctly, especially regarding vesting and accrued interest. One thing in contemplation is to administer the Share Plan distribution now, or wait until January is we make a distribution of the 2017 funds as well. We are moving along on this.*

**3. Custody & Manager Contract Extensions – HANDOUT**

*Kevin Grant*

***Motion to approve: PATSY; Second: LYNCH; APPROVED UNANIMOUSLY.***

*Kevin Grant discussed the Custody Contract addendum, and 9 manager contract addendums, which extend the contracts and include 'evergreen' provisions.*

*Timothy Johnson said that one year ago, the custody contract was extended for one year. The Board contemplated issuing an RFP for custody, but later questioned the idea. The Board Chair at the time, Richard Tuten, said 'if nothing is broken, don't fix it'. After the Asset-Liability Study, the FIAC felt that it does not make sense to issue an RFP for custody. These addendums today extend the Fund's relationship with Northern Trust, and adds the evergreen language, so the Board will not have to extend the contract every year.*

***Richard Patsy made a motion to approve the Custody & Manager Contract Extensions. Seconded by Michael Lynch. DISCUSSION:***

Greg Anderson said contracts generally have a term, and the evergreen provision eliminates that. He asked the Board for their thoughts.

Dan Holmes said the evergreen provision structure is the industry standard, with no defined term, so long as there is a 30-day termination clause. That gives the parties a quick out compared to other managers.

Pedro Herrera added that all of his other pension fund and institutional clients have evergreen provisions. The only guarantee is the fee – the parties agree to a fee for X number of years, but the contract is in force until terminated. The fee can only be changed with mutual consent.

Pedro Herrera said his office is working on an 'overall Investment Manager agreement' to update some of the old manager agreements.

**The vote passed unanimously.**

## VI. PERSONNEL COMMITTEE

### 1. **Administrative Specialist**

**Motion to accept Maria Young as the new Administrative Specialist with the new Job Description: McDANIEL; Second: LYNCH; APPROVED UNANIMOUSLY.**

Nawal McDaniel said this position was restructured to replace Jessica Field's vacant Records Specialist position. Public Record Requests have decreased, and Timothy Johnson restructured the Job Description to be more productive. The salary and pay are the same as the Records Specialist, but with different duties. The position is 50% administrative, and 50% finance. The PFPF staff have interviewed candidates, and narrowed down to one. We need approval of the Job Description and to hire this candidate.

Timothy Johnson said approval is needed to hire Maria Young, a current accountant at the Jacksonville Housing Authority.

Chris Brown asked if Maria Young has accepted the position.

Timothy Johnson said because of the time span between the interview and today's Board meeting, the PFPF staff extended her the offer to accept conditionally on the Board's approval, and she accepted.

**Nawal McDaniel made a motion to accept Maria Young as the new Administrative Specialist with the new Job Description. Seconded by Michael Lynch. The vote passed unanimously.**

Timothy Johnson asked Joey Greive if JHA is part of the GEPP.

Joey Greive said it is not – JHA is under the Florida Retirement System. Maria Young would convert to the COJ DC Plan for General Employees.

Michael Lynch asked if Maria Young could stay in FRS.

Joey Greive said no.

Timothy Johnson said he would like Maria Young's salary on the record.

Steve Lundy said her salary is \$45,500.

Michael Lynch noted that the salary was included in the job classification.

## 2. Sr. Pension Benefits Specialist

**Motion to approve the Sr. Pension Benefits Specialist Job Description and reclassify Debbie Manning: PATSY; Second: McDANIEL; APPROVED UNANIMOUSLY.**

Timothy Johnson discussed the restructuring of the PFPF staff soon after he became Executive Director. Jessica Fields was hired full time, and Steve Lundy was promoted from Pension Benefits Specialist – Economic Research Analyst to Assistant Plan Administrator. The Board approved both positions. At the same time, Debbie Manning was moved from Executive Assistant to Sr. Pension Benefits Specialist, which was the job she performed before being Executive Assistant. Many of her duties are the same, and her salary and pay grade did not change.

Timothy Johnson said that when he transferred Debbie Manning back to Sr. Pension Benefits Specialist, he did not bring it to the Board. This year during the budget, employee services still had the Executive Assistant position on the books, and we want our records officially the same. Debbie Manning has been in this job for a year, and performing admirably. He requested the Board officially transfer Debbie Manning back to Sr. Pension Benefits Specialist.

**Richard Patsy made a motion to approve the Sr. Pension Benefits Specialist Job Description and reclassify Debbie Manning. Seconded by Nawal McDaniel. The vote passed unanimously.**

## 3. Executive Director Performance Review

**Motion to approve the Executive Director Performance Review: LYNCH; Second: McDANIEL; APPROVED UNANIMOUSLY.**

Nawal McDaniel said the Board approved the New PFPF Pay Plan in March, and everyone is now on the same pay scale with a performance plan in place. This is Timothy Johnson's 2018 Performance Plan, showing the progress on each activity. Now is the Board's opportunity to comment on his performance and ask questions. Timothy Johnson has done a lot of work and paid detail to transparency. Now is the Board's chance to see what it would like going forward.

Chris Brown said Timothy Johnson continues to do a great job and is constantly available to the Board and to members. He has seen an increase in education to members of the fund, a streamlining of administrative processes, and has been moving everything in a good direction. He said he is pleased with Timothy Johnson's performance.

**Michael Lynch made a motion to approve the Executive Director Performance Review. Seconded by Nawal McDaniel. The vote passed unanimously.**

**4. October 1, 2018 PFPF Staff Raises**

**Motion to approve the October 1, 2018 PFPF Staff Raises: LYNCH; Second: McDANIEL; APPROVED UNANIMOUSLY.**

Chris Brown said that Kevin Grant and Timothy Johnson are in a 'limbo state', as they were hired as the Board was transitioning everybody onto this new performance plan. This represents a proposal to blend everything together, and come up with a good 'one-off' just for this year for those final two. The first five are the expected raises based on their current plan to bring them to the New PFPF Pay Plan which goes into effect on October 1, 2018. Everyone next year will be on this new performance based plan. The Board would evaluate Timothy Johnson, and then Timothy Johnson would make sure the other employees are evaluated.

Timothy Johnson said when the Board did the performance plan this time last year, there was a pay plan attached to it for the Executive Director only. It was discussed at that meeting that if there was an incentive plan for the Executive Director, then all the staff needs one. The Board accepted the performance plan, but not the pay plan at that meeting. The Personnel Committee then worked with me to develop the New PFPF Pay Plan, which was ultimately approved in March 2018. The Board agreed to initiate the New PFPF Pay Plan at the beginning of the next Fiscal Year. This plan eliminates the STEP Plan, and will now compensate staff with annual raises of up to 5%. All staff is now aligned on the New PFPF Pay Plan.

Timothy Johnson reminded the Board that when the Board approved the New PFPF Pay Plan in March, the New PFPF Pay Plan included the 4.5% COJ raise, and all accrued, prorated STEPs as of September 30, 2018. The prorated STEPs is the reason for the variability in the raises on the attached table. However, the Finance Manager and Executive Director were not on the STEP Plan. This proposed recommendation to the Personnel Committee was that the Finance Manager and Executive Director be treated the same as employees on the STEP Plan – applying the same methodology to all staff.

Chris Brown said next year all staff would be treated with the same methodology, but on the New PFPF Pay Plan.

Greg Anderson said Timothy Johnson did a great job explaining the October 1, 2018 PFPF Staff Raises.

Joey Greive asked if these numbers are in alignment with the PFPF's submitted budget to City Council.

Timothy Johnson said yes. For these raises, and going forward, the PFPF will budget the maximum raises, and then come back to recommend specific numbers based on staff performance.



**Michael Lynch made a motion to approve the October 1, 2018 PFPF Staff Raises. Seconded by Nawal McDaniel. The vote passed unanimously.**

**5. FY2019 Performance Plan**

**Motion to approve the FY2019 Performance Plan: McDANIEL; Second: LYNCH; APPROVED UNANIMOUSLY.**

Nawal McDaniel said Timothy Johnson and his staff held a retreat and came up with this thorough plan. Timothy Johnson has asked the Board for feedback and any additions.

Chris Brown said he has digested the FY2019 Performance Plan. He asked the Board to review this over the next month and come up with any questions.

Timothy Johnson described the FY2019 Performance Plan to the Board as attached. He described the four main areas of growth – Leading People, Leading Change, Business Acumen, and Building Coalitions. He described plans for an Annual Meeting in March 2019. If at any point the Board wants to add anything to this list, it will be added. He described the three 'silos' created after restructuring – Administration (Timothy Johnson, Steve Lundy), Finance (Kevin Grant, Troy Scherbinski), and Benefits (Chuck Hayes, Debbie Manning, Lynn West).

Chris Brown asked for a motion to approve the FY2019 Performance Plan, understanding that it is a 'living document'. He said it was thoughtful, and well written.

**Nawal McDaniel made a motion to approve the FY2019 Performance Plan. Seconded by Michael Lynch. DISCUSSION:**

Greg Anderson asked if there are any certifications the PFPF Staff needs to maintain as part of Staff Development, and Leading People on the FY2019 Performance Plan.

Timothy Johnson said no, there was not much staff development in the past. Now, the PFPF Staff are members of FPPTA, NCPERS, and other organizations. Now we are tracking staff training, and Trustee and Committee training as well. Steve Lundy began attending these conferences a year ago at the Florida Division of Management training, and Kevin Grant has attended one as well. Next month, three staff members are attending the FPPTA conference. They are not required to be 'certified', but this development needs to be occurring.

Greg Anderson asked Timothy Johnson about property management, and whether the 'lease versus sell' topic has been considered, relating the PFPF building.

Timothy Johnson said that discussion has not occurred, but a real estate broker analyzed the property's performance last year. The analysis discovered high occupancy of the PFPF building, along with lower rents but lower operating costs. This gave us a benchmark to move forward. Board now knows we are monitoring performance of the building.

Greg Anderson suggested changing page 3 of the FY2019 Performance Plan to read 'update members' from 'update newly elected members'. Everybody should know what the PFPF is doing here.

Chris Brown agreed.

**The vote passed unanimously.**

## **VII. COUNSEL REPORTS**

Lawsikia Hodges & Pedro Herrera

### **1. Bailiff Time Service Connections – Update**

Lawsikia Hodges said that she attended the Special Board of Trustees meeting earlier this month to discuss this topic. Bob Sugarman and Steve Durden are working behind the scenes on the methodology to apply to these members applying to purchase bailiff time.

### **2. John Keane vs. Jacksonville Police and Fire Pension Fund Board of Trustees; and the City of Jacksonville – Update**

Lawsikia Hodges discussed the progress of the Keane Case. The federal lawsuit was dismissed. Keane filed a lawsuit in State Court, and appealed the federal lawsuit. She referred any questions the Board may have to Rita Mairs and Loree French of OGC who are the litigators of the case.

Pedro Herrera updated the Board of Trustees on the progress of developing template Money Manager contracts with evergreen provisions. This will be ready for the Board soon.

Pedro Herrera updated the Board on the waiver of benefits issue, noting everyone is on the same page, and that a checklist will be provided to members detailing what the PFPF needs from them in order to execute the waiver disclaiming benefits.

Chris Brown asked for an update on the Walter Moore issue.

Lawsikia Hodges said that Chris Garrett at OGC has filed action with the court to correct Walter Moore's IDO. Steps have been taken, and we are moving in the right direction.

Chris Brown asked if the Bailiff Time Service Connections resolution will be ready for the Advisory Committee meeting in October.

Pedro Herrera said Bob Sugarman and Steve Durden have the data and are sorting through it to determine the best course of action in terms of policy.

Chris Brown emphasized getting something prepared for October's meeting. Several members are retiring soon, and this Time Service Connection would impact them. He asked to have this ready for October's Advisory Committee meeting.

**VIII. INVESTMENT CONSULTANT REPORTS**

*Dan Holmes*

*Dan Holmes said he enjoyed dinner with the PFPF last night. It has been an honor and a privilege to serve the members, and a pleasure working with the PFPF staff and Board of Trustees over the last 11 years. He said he will not be a stranger, but unfortunately, he cannot work with public pension funds for the time being. He thanked the Board of Trustees for the privilege of working for the PFPF for the last 11 years.*

**1. Statement of Investment Policy**

*Deferred to October's Board of Trustees Meeting*

*Dan Holmes discussed the Statement of Investment Policy, and its key changes:*

- *Consolidated form resulting in a shortened length by about 50 pages*
- *Appendix A shows the Target Asset Allocation*
- *Updated policy to include the Pension Liability Surtax and Ordinance Changes*
- *Increased detail in Alternative Investment guidelines*
- *Beefed up emerging manager policies*

*Richard Patsy asked about paragraph F referencing the 'Fund Finance Manager'*

*Dan Holmes said this was a version control issue, and it looks like a previous version of this file was included in the Board Book.*

*Dan Holmes and the Board continued to discuss points of the IPS.*

*Timothy Johnson said there is no urgency to approve this IPS today – it can be tabled for another month to give the Board of Trustees more time to review.*

*Chris Brown said Richard Patsy will send questions to Timothy Johnson to include at next month's meeting regarding the IPS's language.*

**2. City Cash Reimbursement**

***Motion to approve the City Cash Reimbursement: PATSY; Second: LYNCH; APPROVED UNANIMOUSLY.***

*Dan Holmes asked the Board to take action on the FIAC's recommendation of the \$169.8 million payment to the City. He described his spreadsheet outlining the liquidations necessary to raise cash for this payment. The wheels for this payment are in motion now, if not already processed.*

*Joey Greive said the City received the money yesterday.*

*Richard Patsy asked Joey Greive to explain the process of the PFPF making these payments to the City.*

*Joey Greive described the process of the City 'advancing' the PFPF money to make benefit payments throughout the year, instead of the PFPF having to liquidate assets every two weeks to pay benefit payments.*

*Richard Patsy said this process seems inefficient, as there are costs with liquidating these funds, especially when the City has to make its contribution payment to the PFPF. He argued there should be some kind of 'netting' exercise to cut down on transaction costs.*

*Joey Greive said OGC would have to look at this along with accountants. All books close on September 30, and any 'netting' would have to be done prior to this date. If there was some kind of 'bridging' exercise, it would turn into some form of a 'load' from the PFPF to the COJ.*

*Chris Brown asked to discuss this again later for the following year. He asked the Board to move forward with a motion.*

***Richard Patsy made a motion to approve the City Cash Reimbursement. Seconded by Michael Lynch. The vote passed unanimously.***

### **3. Economic & Capital Market Update – August 31, 2018**

*Dan Holmes discussed his Economic & Capital Market Update as attached, noting particularly strong US and Europe economic growth.*

### **4. Flash Report – August 31, 2018**

*Dan Holmes discussed the Flash Report as attached. On a Fiscal Year to Date basis, the Fund is up 8.2%, and is tracking well to achieve the actuarially assumed rate of return for the year.*

*Dan Holmes discussed money manager Sawgrass briefly with the Board of Trustees.*

*Pedro Herrera said that several of Sugarman & Susskind's clients have Sawgrass as a manager, and Lakeland City recently went with a performance-based fee arrangement with Sawgrass. Their Board is happy with this new arrangement.*

*Dan Holmes added that Sawgrass' fee with the PFPF is also performance-based. The Fund has not paid them a significant fee in a couple of years.*

*Greg Anderson asked if the market has priced in the Fed's rate increases.*

*Dan Holmes said he believes the last increase has been priced in to the market. He said the biggest issue is the 'trade war' with China. Over the long term, fundamentals win over time. The Board has the*

*luxury of investing on a long term investment time horizon. The toughest thing for the Board to do is to have patience when all the numbers are red. It is a tough job.*

*Dan Holmes made his last point – the Board of Trustees is fortunate in that it benefits from the contrarian mindset of its firefighter Trustee – they run into buildings on fire while others are running out. The Board also benefits from the skepticism that its Police Officer Trustee brings to the table from their investigative experience.*

*Dan Holmes said he would miss working with you guys.*

#### **IX. COUNCIL LIAISON UPDATE**

*Greg Anderson said that the City Council approved the Mayor's budget with relatively minor changes. It is 'one of the best budgets'. He said this is good news.*

#### **X. OLD BUSINESS**

##### **1. Investment Consultant Services – FIAC Recommendation**

**1. Motion to extend Summit Strategies' consulting contract for 30 days through October 31, 2018, provided that Summit Strategies can accept that arrangement and contract terms remain the same: PATSY; Second: LYNCH; APPROVED UNANIMOUSLY.**

**2. Motion to engage Wilshire Associates effective November 1, 2018 under the same terms of Summit Strategies' contract, provided that Summit Strategies' October 31, 2018 end date is acceptable, if not, effective October 1, 2018: PATSY; Second: LYNCH; APPROVED UNANIMOUSLY.**

*Timothy Johnson discussed the Mercer – Summit Strategies merger which necessitated the PFPF issuing an RFI for Interim Investment Consulting Services. He noted there is no HANDOUT for this item. AndCo Consulting, Wilshire Associates, and FEG were solicited. Before the date of interviews, FEG withdrew their firm from consideration. The FIAC met for two meetings, spending over 6 hours deliberating.*

*Timothy Johnson said the choice came down to the fact that either firm could give the Board of Trustees great consulting services. The question was whether they would recommend a small, hungry boutique firm, or a larger, more experienced firm. Ultimately they chose Wilshire Associates. The prospective fees were the same for both firms, \$225,000 for a one-year engagement.*

*Timothy Johnson noted that the PFPF will have time to consider a joint RFP solution for a long-term engagement in the future.*

*Chris Brown said that his only concern with a larger firm is the quality of customer service.*

*Timothy Johnson said that this concern came up in the FIAC meetings. Wilshire has significant experience in municipal pension plans.*

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*Chris Brown said he is comfortable that this is just a one-year engagement.*

*Richard Patsy noted that he is hopeful it wouldn't take the PFPF a whole year to complete the RFP process for a long-term consultant. He said he wants the future candidates to give the same pitch to the FIAC and the Board of Trustees.*

*Michael Lynch asked if the Board could sit in when the future consultant candidates pitch to the FIAC.*

*Richard Patsy requested extending Dan Holmes' contract through the end of October, to complete quarterly reporting.*

***Richard Patsy made a motion to extend Summit Strategies' consulting contract for 30 days through October 31, 2018, provided that Summit Strategies can accept that arrangement and contract terms remain the same. Seconded by Michael Lynch. The vote passed unanimously.***

***Richard Patsy made a motion to engage Wilshire Associates effective November 1, 2018 under the same terms of Summit Strategies' contract, provided that Summit Strategies' October 31, 2018 end date is acceptable, if not, effective October 1, 2018. Seconded by Michael Lynch. The vote passed unanimously.***

**XI. NEW BUSINESS**

*None.*

**XII. UPCOMING MEETINGS**

**1. Board of Trustees Meeting**

*Thursday, October 18, 2018 at 9:00AM*

***Motion to move the regular October Board of Trustees meeting to October 18, 2018 at 9AM: McDANIEL; Second: PATSY; APPROVED UNANIMOUSLY.***

*Chris Brown said he would be out of town on October 19, and would not be able to attend the Board of Trustees meeting. He asked for a motion to move the meeting to Thursday, October 18, 2018 at 9AM.*

***Nawal McDaniel made a motion to move the regular October Board of Trustees meeting to October 18, 2018 at 9AM. Seconded by Richard Patsy. The vote passed unanimously.***

**2. Board of Trustees & FIAC Manager Update – Eagle Capital Management**

*Friday, October 26<sup>th</sup>, 2018 at 10:00AM*

*Chris Brown noted this Manager Update may be difficult to attend given the Florida – Georgia football game.*

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*Timothy Johnson introduced Randall Barnes, the new Interim Treasurer for the City to the Board of Trustees. Joey Grieve may not be here as often in his new role as CFO for the City.*

*Chris Brown said it has been great working with Dan Holmes over the past four years he has been with the PFPF. He thanked Dan Holmes for his work. He said Dan Holmes will be missed.*

*Dan Holmes said if anyone is in St. Louis, to give him a call. He said he'd drop by the office any time he's in Jacksonville.*

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Steve Lundy, Assistant Plan Administrator  
Posted 10/04/2018

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Willard Payne, Secretary  
To be approved at the Board Meeting on October 18, 2018.

The next regular meeting will be held Thursday, October 18, 2018 at 9:00AM.