

Newsletter

Vol. 29, No. 1

FROM THE DESK OF THE EDITOR

January—February, 2018

**EVENTS, INFORMATION
& PUBLIC MEETINGS**

DROP Workshop

4/25/18 @ 10-11:30AM

RSVP: Contact Steve Lundy,
Assistant Plan Administrator

Slundy@coj.net

Vesting Workshop

4/26/18 @ 10-11:30AM

RSVP: Contact Steve Lundy,
Assistant Plan Administrator

Slundy@coj.net

DROP Enrollment

Quarterly

Contact Debbie Manning,
Sr. Pension Benefits Specialist

DManning@coj.net

Retirements

Time Service, Vesting, etc...

Contact Chuck Hayes,
Pension Benefits Manager

CHayes@coj.net

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Advisory Committee

3/7/18 at 9AM

4/11/18 at 9AM

**Financial Investment & Advisory
Committee**

3/9/18 at 3:30PM

4/13/18 at 3:30PM

Board of Trustees

3/16/18 at 9AM

4/20/18 at 9AM

Please note that the Police & Fire
Pension Fund office will be ob-
serving the upcoming Holidays:

Presidents' Day

2/19/18

\$2 BILLION

Historic Milestone

Written by Daniel J. Holmes, Summit Strategies, Investment Consultant

For the first time in the history of the Jacksonville Police and Fire Pension Fund, the Fund's total market value of invested assets exceeded \$2 Billion. As of December 31, 2017, the Fund's total market value closed out a strong investment calendar year at \$2.051 Billion. While one would love to say: "It was a great ride," it is probably more appropriate to say: "Well, it has been ... interesting."

Ten years ago, as the world was entering the Great Financial Crisis that started in 2007 and ended in 2009, the total market value of the Fund stood at \$1.063 Billion. Before that bumpy ride was over, the market value had dropped to a low of \$741 Million in March of 2009. During

the period since, the markets have experienced three rounds of Quantitative Easing by the U.S. Federal Reserve, similar accommodative monetary policies from Central Banks around the world, the Taper Tantrum, the strengthening and weakening of the U.S. Dollar, the rise-fall-rise again of Emerging Markets—especially China—and energy prices, Brexit, inflationary and deflationary fears, three U.S. Presidents, etc ...

The road to recovery was never a straight path; indeed it was filled with many twists and turns. Contributions by the City played a role in that recovery. The other big contributor certainly was return on invested assets. By maintaining the discipline of investing for

the long-term, the Fund's Board of Trustees, Financial Investment Advisory Committee, and Administration have successfully navigated that road. Strong returns from investments—especially in stocks and real estate—played an important role in that recovery. These positive returns were achieved in seven of the last ten fiscal years (including the Great Financial Crisis), with six of the seven achieving returns greater than that assumed by the Fund's actuary.

Looking forward, the Fund is traveling a new road, no doubt with new twists and turns. And sitting in the passenger seat is that long-term investment discipline providing navigation for those sitting in the driver's seat.

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Improved Newsletter Coming Soon!

- The PFPF Newsletter will transition to solely digital format soon—The Newsletter will be distributed by email only.
- The Newsletter will be contained within the email body, and will not require clicking any links.
- The digital Newsletter is projected to save the Fund thousands of dollars a year in postage.
- Stay Tuned—information on how to subscribe will come shortly!

PFPF Statement on Pension Forfeitures

The PFPF has received recent inquiries concerning what actions may constitute a forfeiture of a member's pension. Please refer to our statement below:

*"Article II, section 8 of Florida's Constitution and section 112.3173 of the Florida Statutes require a municipal pension plan to begin forfeiture proceedings if a member of the pension plan is **convicted of a job-related felony offense**. The crimes that can cause forfeiture are specified in the statute and generally deal with the misuse of the employee's official powers and position while still an employee. Upon being notified that one of its members or retirees has been convicted of a felony, the PFPF reviews the criminal court proceedings to determine whether the member or retiree was convicted of one or more of the job-related felonies specified in the state law." - **Bob Sugarman, Fund Counsel***

2018 Share Plan Distribution

Member Question: Why haven't I received my 2018 Share Plan statement?

Answer: The Police and Fire Unions have filed grievances against the City of Jacksonville regarding the custody of the Chapter Funds (which fund the Share Plan). The PFPF is awaiting resolution of the grievances before taking action to fund the 2018 Shares.

FUND PERFORMANCE UPDATE

	<u>\$ Assets</u>	<u>FYTD</u>	<u>1 Month</u>	<u>3 Month</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>
Total Fund Composite <i>(January 31, 2018)</i>	\$ 2,141,224,493	▲ 8.42 %	▲ 4.41 %	▲ 6.87 %	▲ 19.86 %	▲ 9.77 %	▲ 10.07 %
Total Fund Composite <i>(December 31, 2017)</i>	\$ 2,051,586,132	▲ 3.99 %	▲ 1.18 %	▲ 3.99 %	▲ 17.83 %	▲ 7.83 %	▲ 9.92 %

Final Roll Call

Larry J. Beck

December 10, 2017 • Firefighter Engineer • 32 Yrs of Service • (ret. 2003)

Dennie C. Haltiwanger

December 10, 2017 • Police Sergeant • 20 Yrs of Service • (ret. 1967)

Miles R. Bowers

January 9, 2018 • Fire Chief • 57 Yrs of Service • (ret. 2004)

Carl R. Hough

January 9, 2018 • Fire Lieutenant • 22 Yrs of Service • (ret. 1975)

Christian C. Jakob

January 10, 2018 • Police Officer • 29 Yrs of Service • (ret. 2000)

James A. Reagor Jr.

January 18, 2018 • Fire Lieutenant • 30 Yrs of Service • (ret. 2000)

Eric B. Rice

January 22, 2018 • Firefighter • 11 Yrs of Service • (ret. 2015)

William R. Stull

January 25, 2018 • Police Sergeant • 25 Yrs of Service • (ret. 2014)

William J. Palmer

January 31, 2018 • Fire Captain • 32 Yrs of Service • (ret. 1995)

Jai-Keria K. Rasul

February 1, 2018 • Police Officer • 11 Yrs of Service • (active)

John W. Claxton

February 2, 2018 • Firefighter Engineer • 37 Yrs of Service • (ret. 2000)