



SUMMARY TO THE REGULAR BOARD OF TRUSTEES MEETING

Friday, November 22, 2019

9:02 A.M. – 11:05 A.M.

City of Jacksonville Police and Fire Pension Fund
1 West Adams Street Suite 100, Jacksonville, FL 32202
Richard "Dick" Cohee Board Room

The next regular Board of Trustees meeting will be held December 20, 2019 at 9:00 A.M.

Board of Trustees

Assistant Chief Chris Brown, Chair
Cpt. Michael Lynch
Nawal McDaniel
Richard Patsy

Guests

Keith Powers, Director of Fire and Rescue, JFRD
Mark Muchowicz, JSO
Randy Wyse, President, Local IAFF 122

Excused

Willard Payne, Secretary
Aaron Bowman, City Council Liaison

Notice

Meeting Agendas and Summaries are available on our website at jaxpfpf.coj.net. For additional meeting documents, please contact Maria Young, Custodian of Public Records for the City of Jacksonville Police and Fire Pension Fund at 904-255-7373 or MariaY@coj.net to file a public records request.

Pursuant to the American with Disabilities Act, accommodations for persons with disabilities are available upon request. Please allow 1-2 business days notification to process; last minute requests will be accepted, but may not be possible to fulfill. Please contact Disabled Services Division at: V(904) 630-4940, TTY-(904) 630-4933, or email your request to KLMcDan@coj.net. 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.

Summary

I. Invocation

Timothy Johnson gave the invocation, "Dear Lord, I pray that you guide us as always. Satisfy the needs that need to be met during this meeting, strengthen us to make tough decisions. I pray that we will be like a well-watered garden – like a

City of Jacksonville Police and Fire Pension Fund
Summary to the Regular Board of Trustees Meeting of
Friday, November 22, 2019
9:02 A.M. – 11:05 A.M.

spring whose waters never fail. I pray that we will be fruitful. Father, please guide us so that this meeting can be productive. Let us be effective and decisive. Amen.”

II. Moment of Silence

Joseph J. Davis, Retired Firefighter Engineer
Ernest W. Holt Jr., Retired Police Lieutenant
John H. Smith Sr., Retired Police Officer

III. Public Speaking

None

IV. Consent Agenda Items 2019-11-(01-12)CA

Motion to Approve Consent Agenda: PATSY; Second: McDANIEL; APPROVED UNANIMOUSLY

2019-11-01CA Meeting Summaries to be Approved

1. Summary to the Regular Board of Trustees Meeting of Friday, October 18, 2019
2. Summary to the Board of Trustees & FIAC Special Meeting of Friday, October 25, 2019
3. Summary to the Board of Trustees & FIAC Special Meeting of Wednesday, October 30, 2019

2019-11-02CA 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

10-01-2019 thru 10-31-2019

1. Northern Trust	\$	66,487.20
2. Wilshire Associates	\$	56,250.00
3. Sawgrass Asset Management	\$	62,545.20
4. Loomis Sayles & Co.	\$	93,260.64
5. Eagle Capital Management	\$	428,989.17
6. Thompson Siegel & Walmsley	\$	44,546.04
7. Acadian Asset Management	\$	168,431.00
8. Harvest Fund Advisors	\$	74,654.28
Total	\$	995,163.52

DISBURSEMENTS B

10-01-2019 thru 10-31-2019

City of Jacksonville Police and Fire Pension Fund
 Summary to the Regular Board of Trustees Meeting of
 Friday, November 22, 2019
 9:02 A.M. – 11:05 A.M.

1. Accounts Payable Distributions	\$	45,604.21
2. Accounts Receivables	\$	50,222.73

2019-11-03CA Pension Distributions

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

October 4, 2019

1. Regular Gross	\$	6,036,239.55
2. Regular Lumpsum	\$	0.00
3. Regular Rollover	\$	0.00
4. Regular DROP Gross	\$	1,250,095.60
5. DROP Lumpsum	\$	63,542.19
6. DROP Rollover	\$	0.00
Total	\$	7,349,877.34

October 18, 2019

1. Regular Gross	\$	6,075,983.28
2. Regular Lumpsum	\$	0.00
3. Regular Rollover	\$	15,396.98
4. Regular DROP Gross	\$	1,271,277.10
5. DROP Lumpsum	\$	19,500.00
6. DROP Rollover	\$	132,678.22
Total	\$	7,514,835.58

The following Consent Agenda items 2019-11-(04-07CA) were verified with supporting documentation and approved at the Advisory Committee meeting held on November 13, 2019. Vote was unanimous. Meeting Summary attached.

2019-11-04CA

Application for Vested Retirement

2019-11-05CA

Application for Survivor Benefits

2019-11-06CA

Application for Child's Benefit

2019-11-07CA

Application for Time Service Connections

The following Consent Agenda items 2019-11-(08-11CA) were verified with supporting documentation and received as information at the Advisory Committee meeting held on November 13, 2019. Meeting Summary attached.

City of Jacksonville Police and Fire Pension Fund
Summary to the Regular Board of Trustees Meeting of
Friday, November 22, 2019
9:02 A.M. – 11:05 A.M.

[2019-11-08CA](#)

Refund of Pension Contributions

[2019-11-09CA](#)

Share Plan Distributions

[2019-11-10CA](#)

DROP Participant Termination of Employment

[2019-11-11CA](#)

DROP Distributions

[2019-11-12CA](#)

Educational Opportunities

1. Bi-Monthly Ethics Training for Boards & Commissions – COJ
December 5, 2019 – 12PM – 1PM – Lynwood Roberts Room, City Hall, First Floor

(RSVP with Kirby Oberdorfer at koberdorfer@coj.net or 904-630-4747)

Chris Brown recognized Chief Keith Powers of JFRD, who was recently promoted to Director of Fire and Rescue.

Keith Powers introduced himself and thanked everyone for having him today, and for everything they do. He said everyone does a phenomenal job at managing the pension fund, and everyone appreciates their work.

V. Executive Director's Report

Timothy Johnson

Timothy Johnson updated the Board of Trustees on the Advisory Committee election. Lt. Jean Paravisini was unopposed and there will be no election for his seat. Officer Michael Pelletier was challenged and the election is currently underway.

Timothy Johnson said that the FIAC's recommendation to engage RVK as investment consultant was approved by the Board of Trustees last month, and RVK has a copy of the contract. He said he anticipates it will be returned and executed in short order.

City of Jacksonville Police and Fire Pension Fund
Summary to the Regular Board of Trustees Meeting of
Friday, November 22, 2019
9:02 A.M. – 11:05 A.M.

Timothy Johnson said that Steve Lundy will update the Board on the Bailiff Time Service Connections. Also, a copy of the SSVRP actuarial valuation is attached to the Board Book. Action will be requested later in this meeting regarding the DOJ-COJ consent decree. Kevin Grant will update the Board of Trustees on the third floor space.

Timothy Johnson said the Holiday Party will be held at the PFPF offices this year, on December 20th.

Michael Lynch asked how long the election will last for the Advisory Committee.

Steve Lundy said voting closes at 4:00 P.M. on Wednesday, November 27th.

Michael Lynch suggested giving the FIAC vacancies to City Council to fill, instead of pressuring staff.

Timothy Johnson said he has one interested party for the FIAC vacancies. There will be one more vacancy next year when Craig Lewis' term ends. He will not seek reappointment.

Chris Brown said the Board needs to find someone interested to serve as the fifth trustee as well, as Willard Payne is not seeking reappointment.

Timothy Johnson said there are 'sticks in the fire', but no one has 'pulled the trigger'. He suggested putting this on the December agenda.

Michael Lynch said that the Board votes on the fifth member, and is just ministerially approved by the City Council.

Randall Barnes said that Joey Grieve is on the Board of the local CFA society. He said he can ask Joey if he knows anyone who may be interested in the FIAC seats.

Randall Barnes said GRS's assumed rate of return numbers included in the Executive Director's report are helpful information.

Steve Lundy updated the Board of Trustees on the progress of administering the Bailiff Time Service Connections. He covered the number of applicants and time purchased under the 'Old Rule', and the number of applicants and eligible time under the 'New Rule'.

Chris Brown said the Board has been asked by OGC to clarify its 'New Rule' regarding the calculation of eligible time service. He said this falls in line with what everyone was expecting – to use a rolling average. He said we do not want to penalize someone who took off a whole week, because that is like a normal full time employee.

Lawsikia Hodges said the way this plan has been administered – a 6 month (13 pay period) trailing average was used. She said this new clarification's language would allow the PFPF staff to continue administering the trailing average, and also to be able to deny an application to be complete in extreme examples of employees working hours inconsistent with full time work.

Chris Brown asked Steve Lundy if there were any extreme examples such as this in the data.

Steve Lundy said there were none. He said there were some people who have a small period of time, maybe a couple of months, where they did not work long hours at the beginning of their employment, but then for the next few years of their service, it was full time service.

Chris Brown said the original intent of the Board was to allow members to connect time at the weekly average rate minus the accrued leave during those weeks. This is consistent with full time employment.

City of Jacksonville Police and Fire Pension Fund
Summary to the Regular Board of Trustees Meeting of
Friday, November 22, 2019
9:02 A.M. – 11:05 A.M.

Lawsikia Hodges said this language carries out that intent.

Chris Brown asked the Board if they intended for this to mean anything different than what he previously explained.

There was no indication to the contrary.

Steve Lundy said the motion would be to approve the 'New Rule Procedure' as described in the handout. 'Full time hours will be calculated by using a 13-pay period trailing average'. Thirteen pay periods equals six months.

Lawsikia Hodges said there would be an amendment to the 'New Rule Procedure' to include the language on the screen: 'provided that the PFPF staff shall have the authority to deny any time service connection application based on a trailing 13 pay period average as incomplete if any work pattern (I.e., hours worked during any consecutive six month period) during the time service connection period is substantially inconsistent with the work pattern characteristics of a regular full-time employee'.

Chris Brown opened up a public speaking period. There were no requests to speak.

Nawal McDaniel made a motion to approve the amended 'New Rule Procedure'. Seconded by Michael Lynch. The vote passed unanimously.

Kevin Grant discussed the Farah & Farah Lease Terms memorandum as attached to the Board of Trustees book. Farah & Farah is interested in leasing the third floor for a one year term. They will also need 25 parking spaces. They would move in on December 15th. The expected lease revenue totals \$135,888, and the expected parking revenue totals \$25,500.

Michael Lynch asked if there was a buildout cost.

Kevin Grant said they will take the space 'as-is'. We were already planning to build out a wall for \$15k.

Timothy Johnson said we already had construction plans for the third floor for security reasons.

Chris Brown asked if Board approval is needed.

Timothy Johnson said this is a term sheet, not a lease. He said he would like Board approval to give OGC authority to turn this into a lease.

Richard Patsy made a motion to approve the term sheet. Seconded by Michael Lynch. The vote passed unanimously.

Timothy Johnson said the 2020 Performance Plan was not included in the Board Book, and will be emailed to the Board to be discussed next month.

VI. Counsel Reports

Lawsikia Hodges & Bob Sugarman

Lawsikia Hodges said the investment consultant contract should be ready and executed by RVK in the next week or so.

Bob Sugarman said there are a lot of legal projects teed up for the next few months for the Board of Trustees, but nothing new today.

City of Jacksonville Police and Fire Pension Fund
Summary to the Regular Board of Trustees Meeting of
Friday, November 22, 2019
9:02 A.M. – 11:05 A.M.

VII. Investment Consultant Reports

Timothy Johnson said we haven't had an investment consultant in three weeks, as Wilshire's contract expired in October. However, Wilshire provided the performance report included in the Board Book.

VIII. Council Liaison Update
None.

IX. Old Business

X. New Business

Timothy Johnson informed the Board of Trustees that legal counsel is reviewing the disability application procedures with the PFPF staff in anticipation of a hearing in December. A member has submitted a disability application, which was tabled until legal counsel completes its review of our procedures. We received a letter yesterday from the member's counsel. The member's counsel asked the Board of Trustees to issue subpoenas to specific individuals involved.

Chris Brown said he knew a few of these individuals listed in the counsel's letter. A subpoena would not be necessary, they would attend the hearing if they are in town and need to be there.

Lawsikia Hodges said she is a bit uncomfortable making subpoenas on the fly. OGC needs to weigh in. The Board has subpoena power, but Bob Sugarman is working on the disability procedures.

Bob Sugarman said he agrees with Lawsikia Hodges. Typically, we will gather all our records, and ask the applicant to present their case. If the Board of Trustees feels they need more information, they should get it. If they are recalcitrant, then the Board will issue a subpoena.

Michael Lynch said they can make their case however they choose. If the Board feels uncomfortable, we will have the subpoena as an avenue.

Timothy Johnson said a hearing date has not been officially set. The Advisory Committee meeting is the 11th – the second Wednesday of the month in December.

Chris Brown said he could request the members he knows in the counsel's letter to attend the hearing, and they will attend if able.

- a. Pension Adjustments Provided for by DOJ v COJ Consent Decree
Motion to Approve Consent Agenda: PATSY; Second: McDANIEL; APPROVED UNANIMOUSLY

City of Jacksonville Police and Fire Pension Fund
Summary to the Regular Board of Trustees Meeting of
Friday, November 22, 2019
9:02 A.M. – 11:05 A.M.

Rita Mairs discussed the ‘Consent Decree Pension Adjustments Provided for by DOJ v. City (JFRD)’ handout with the Board of Trustees. Of the \$2.75M settlement total, this portion of the settlement agreement relates to the ‘pension adjustment’ option claimants were given. Approximately 60 claimants opted for the ‘pension adjustment’. All members’ adjustments are here today for the Board to approve – except two, which still are waiting on legal to work out. The deadline has passed, but we have spoken with the Department of Justice and they understand the delay.

Rita Mairs said that to be eligible for an adjustment, the claimant must be African American, had entered DROP or retired by the date the Consent Decree was entered (February 2019), and they had to hold the same rank they held when they took a challenged exam.

Michael Lynch asked Rita Mairs to repeat the eligibility criteria.

Rita Mairs reiterated the eligibility criteria.

Chris Brown asked if the settlement money is coming from the City.

Rita Mairs said yes. The City is responsible, and for any of the unfunded liability resulting from these adjustments. Members must also pay interest on these amounts from their settlements. Some members have already retired.

Michael Lynch asked to have a side conversation with Rita Mairs for one minute. He wanted one point of clarification in order to avoid a curveball.

Chris Brown asked if this was an actionable item.

Lawsikia Hodges said it is a required administrative action.

After four minutes, Michael Lynch and Rita Mairs returned.

Michael Lynch said there is a problem with the list – from a 10,000 foot level, he believes there is a name on the list that does not meet the criteria. He suggested removing “Dwight Williams” from the list to make sure and vet the criteria to be correct for this individual before approval.

Rita Mairs discussed the two other claimants who are being set aside. First, there is a survivor who was allowed to make the election for the pension adjustment – however we legally need releases from her children. The other claimant is being set aside because of an error in a formula as it relates to his specific calculation.

Michael Lynch made a motion to approve the ‘Consent Decree Pension Adjustments Provided for by DOJ v. City (JFRD)’, minus Dwight Williams, and to add him to OGC’s list of people they need to review prior to approval at a later date. Seconded by Richard Patsy. The vote passed unanimously.

Chris Brown recessed the meeting at 9:50 A.M.

Chris Brown resumed the Board of Trustees meeting at 9:59 A.M.

Chris Brown said, “The Board of Trustees is going into an attorney–client session that is estimated to last 45 minutes. The purpose of the attorney–client session is for the attorneys to seek guidance on settlement negotiations or strategy relating to litigation expenditures for the lawsuit *Keane versus Jacksonville Police and Fire Pension Fund Board of Trustees and City of Jacksonville case number 16-2018-CA-005925*. Only the following named persons may attend the closed attorney–client session: Lieutenant Chris Brown, Trustee and Chair, Willard Payne, Trustee Secretary, who is not

City of Jacksonville Police and Fire Pension Fund
Summary to the Regular Board of Trustees Meeting of
Friday, November 22, 2019
9:02 A.M. – 11:05 A.M.

here, Captain Michael Lynch, Trustee, Nawal McDaniel, Esquire, Trustee, Richard Patsy, Trustee, Timothy H. Johnson, Board of Trustees Executive Director – Plan Administrator, Lawsikia Hodges, Office of General Counsel, Jon Philips, Office of General Counsel, Rita Mairs, Office of General Counsel, Loree French, Office of General Counsel, and our Court Reporter. If you are not on the list I just read, please leave the room. We will let you know when you may return to resume the regular Board meeting in conclusion of the attorney – client session.”

XI. Shade Meeting – 10:00 A.M.

XII. Resume Board of Trustees Meeting

Chris Brown resumed the regular Board of Trustees Meeting at 11:05 A.M. No additional items were discussed. He concluded the regular Board of Trustees Meeting at 11:05 A.M.

XIII. Adjournment
11:05AM

Summary Approved:

Willard Payne, Secretary
Board of Trustees

Summary Prepared By:
Steve Lundy, Deputy Director
City of Jacksonville Police and Fire Pension Fund

Posted: 11/26/2019

To be Approved: 12/20/2019