
**POLICE AND FIRE PENSION FUND
ADVISORY COMMITTEE
MEETING SUMMARY – MAY 10, 2017 – 9:00AM**

PRESENT

James Holderfield, Chair
Battalion Chief Sean Hatchett, V. Chair
Lt. Michael Lynch, Fire Representative
Lt. Michael Shell, Police Representative
Lt. Christopher Stover, Fire Representative
Rick Townsend, Retired Police Representative

STAFF

Timothy H. Johnson, Executive Director – Plan Administrator
Chuck Hayes, Pension Benefits Manager
Steve Lundy, Pension Benefits Specialist

EXCUSED

Lt. Ellis Burns, Police Representative

GUESTS

I. CALL TO ORDER

Chairman James Holderfield called the meeting to order at 9:02AM.

II. A MOMENT OF SILENCE WILL BE OBSERVED FOR THE FOLLOWING DECEASED MEMBERS:

William E. Anderson, Retired Firefighter
Carroll Dyal, Retired Police Officer
Larry T. Hester, Retired Firefighter Engineer
Warren B. Jennings, Retired Police Officer
Michael B. Johnson, Active Police Officer
Claude E. Midget, Retired Police Officer
Gene Parker, Retired Police Officer

Chairman James Holderfield said he remembered working with Michael B. Johnson, and that it saddened him to see such a strong officer pass away.

III. PUBLIC SPEAKING PERIOD

There were no requests for Public Speaking. Public Speaking Period was closed.

IV. CONSENT AGENDA (ITEMS 1-10)

1. MEETING SUMMARY TO BE APPROVED

1. **Summary of the meeting held April 12, 2017**
Copy held in the meeting file.

A motion was made by Sean Hatchett to approve the meeting summary for April 12, 2017, seconded by Rick Townsend. The vote was unanimous.

2. APPLICATION FOR MEMBERSHIP

James Holderfield noted that MATSICK, David S. had retired and come back to work again at the Jacksonville Sheriff's Office (JSO). James Holderfield asked Chuck Hayes if any Jacksonville Fire and Rescue Department (JFRD) members have retired and come back to work.

Chuck Hayes said that no JFRD members have retired and reemployed with the department.

A motion was made by Michael Shell to approve the Applications for Membership, seconded by Michael Lynch. The vote was unanimous.

3. APPLICATION FOR SURVIVOR BENEFITS

A motion was made by Sean Hatchett to approve the Applications for Survivor Benefits, seconded by Rick Townsend. The vote was unanimous.

4. APPLICATION FOR TIME SERVICE CONNECTIONS

James Holderfield remarked that a few of these Time Service Connections (TSCs) were for members who were Community Service Officers.

Sean Hatchett noted that GINTHER, Paul D. needs to be corrected to show that his TSC was for prior Duval service, not prior Florida service. Correction has been made by Steve Lundy.

The Applications for Time Service Connections were verified with supporting documentation and received as information by the Advisory Committee.

5. REFUND OF PENSION CONTRIBUTIONS

The Refund of Pension Contributions were verified with supporting documentation and received as information by the Advisory Committee.

6. SHARE PLAN DISTRIBUTIONS

James Holderfield asked for clarification on the differing dollar amounts.

Chuck Hayes clarified that the differing dollar amounts are due to the different 2016 and 2017 shares. Some members are receiving their first 2016 share and some members are receiving their second share (2017).

Chuck Hayes said that the Police and Fire Pension Fund (PFPF) staff is having difficulty receiving back share plan distribution letters from members. He said that the Information Technology Division (ITD) is pressuring PFPF staff to clear out the outstanding accounts of members due shares. He said that PFPF staff has cleared about 50 out of 120 of these outstanding accounts, and that Lynn West has done a great job assisting him in the effort.

Sean Hatchett asked if members' share plan accounts are cleared out when they sign up for the DROP.

Chuck Hayes clarified that yes, share plan accounts of anyone entering DROP or leaving work and eligible for a share plan distribution would be cleared.

Sean Hatchett asked if members may roll over their share plan distributions.

Chuck Hayes affirmed that members may elect to receive a lump sum distribution or a rollover into another qualified plan.

Michael Shell asked if the PFPF will manage the share plan accounts after the 2017 pension reform takes effect.

Chuck Hayes said that it will be up to the police and fire unions to decide.

Michael Lynch said that the unions haven't decided yet.

Michael Shell remarked that we don't know what date the share plan money will be transferred to the unions.

Timothy Johnson and Chuck Hayes told the advisory committee that in July of last year, the dollar amount of the year's share plan distribution was told to the PFPF; however the PFPF didn't receive the funds until much later.

Timothy Johnson said that he would like to convene a special meeting with the Advisory Committee Chair, the Financial Investment and Advisory Committee (FIAC) Chair, the Board of Trustees Chair, the police and fire union presidents, and the PFPF counsel in order to clarify how the 2017 pension reform will be administered. Timothy Johnson said that the PFPF attorneys had reservations concerning inviting the union presidents to the special meeting.

The Share Plan Distributions were verified with supporting documentation and received as information by the Advisory Committee.

7. DROP PARTICIPANT TERMINATION OF EMPLOYMENT

The DROP Participant Termination of Employment were verified with supporting documentation and received as information by the Advisory Committee.

8. DROP DISTRIBUTIONS

The DROP Distributions were verified with supporting documentation and received as information by the Advisory Committee.

9. DROP DISTRIBUTIONS FOR SURVIVORS

The DROP Distributions for Survivors were verified with supporting documentation and received as information by the Advisory Committee.

10. EDUCATIONAL OPPORTUNITIES

The Educational Opportunities were received as information by the Advisory Committee.

V. OLD BUSINESS

1. Reemployed PFPF Pensioners

Postponed

1. Contract Employees list

2. James Crosby Opinion – Expected in June 17, 2020

3. Office of General Counsel Review of Affidavits

James Holderfield updated the Advisory Committee on his conference call earlier in the month in which the he, the PFPF staff, and counsel discussed the reemployed PFPF Pensioners issue, and that the postponing of the issue is due to the PFPF counsel being busy with many other important matters surrounding the 2017 pension reform.

2. Rounsville Vested Retirement Application / Survivor Benefit Legal Opinion
Postponed

Chuck Hayes informed the Advisory Committee that he had spoken with Rounsville in a phone call earlier in the month, in which Rounsville told Chuck Hayes that he was being transferred to a new facility. In the phone call, Rounsville asked Chuck Hayes if his pension benefit will be lost. Chuck Hayes informed Rounsville that the decision to terminate his benefit has not yet been made, however Rounsville will be invited to participate in that discussion when it is scheduled.

James Holderfield briefly summarized Rounsville's case to new Advisory Committee Member Christopher Stover.

3. Reclamation Legal Opinion
Postponed

Timothy Johnson said he would like to have this legal opinion by June.

VI. EXECUTIVE DIRECTOR'S REPORT

Timothy Johnson

Timothy Johnson said that he has wanted to improve efficiency in the operations of the Advisory Committee. He noted that now, requested Committee actions will be in red letters on the agendas, for greater visibility. He said that Steve Lundy has done a great job updating the agendas and book to be more efficient.

Timothy Johnson told the Advisory Committee many issues that PFPF counsel Bob Sugarman has been dealing with lately concerning the 2017 pension reform, in addition to updating the PFPF's securities litigation policy.

Timothy Johnson briefed the Advisory Committee on the monthly agenda review conference calls. Each month, the PFPF staff, counsel, Investment Consultant, FIAC chair, and Advisory Committee Chair will discuss everything on the agenda for that month's upcoming meetings. Timothy Johnson thanked James Holderfield for participating in the May conference call.

James Holderfield recommended that the Advisory Committee Chair always participate in these calls, as it was very educational. James Holderfield thanked Timothy Johnson for the invitation to participate.

James Holderfield asked Timothy Johnson if the PFPF is involved in any securities litigation cases with other pension funds.

Timothy Johnson said that the PFPF is involved in a case along with the Georgia Peace Officers' Fund.

Timothy Johnson asked the Advisory Committee if they thought any educational information should be communicated or published and sent to the members concerning the changes resulting from the 2017 pension reform.

James Holderfield said that the officers that he has spoken to have been happy with the changes resulting from the 2017 pension reform.

Chuck Hayes disagrees. Chuck Hayes said that he has had several police officers who have entered the DROP under the variable interest rates, and who prefer that plan. He said that some of these members intend to sue if their benefits are changed.

Michael Lynch said that he thought there was an IRS rule that prohibited changes to a member's pension benefits without their consent, and that this rule was brought up by the PFPF's previous counsel at a public meeting, and that this issue needs to be investigated further.

Timothy Johnson said that the 2015 pension reform, the consent decree, and the 2017 pension reform all say different things. He asked the Advisory Committee if they would want to publish an FAQ or fact sheet to members.

James Holderfield said that everybody is in a rough spot because no one seems to be sure how all the pension reform changes will be administered. He expressed his concerns with publishing something in writing before things become clear.

James Holderfield said that when things are clear, something similar to Steve Lundy's 'fantastic' informational powerpoints would be good.

Timothy Johnson said that it is his intention to get all the Old Business items resolved in June.

VII. NEW BUSINESS

Michael Lynch asked if the PFPF had anything to do with the City's selection of a manager to run the new 401(a) program for new hires after the 2017 pension reform takes effect.

Timothy Johnson said that the City did not reach out to the PFPF, and that there has been no input from the PFPF on the matter.

VIII. ADJOURNMENT

James Holderfield adjourned the meeting at 9:48AM.

NOTES:

Any person requiring a special accommodation to participate in the meeting because of disability shall contact Steve Lundy, Pension Benefits Specialist, at (904) 255-7373, at least five business days in advance of the meeting to make appropriate arrangements.

The public meeting may be continued to a date, time, and place to be specified on the record at the meeting. If any person decides to appeal any decision made with respect to any matter considered at this public meeting such person will need to 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.

Additional items may be added / changed prior to meeting.

SL

James Holderfield, Chairman
To be approved at the Advisory Committee Meeting on June 14, 2017