

**MINUTES OF THE MEETING OF THE BOARD OF TRUSTEES
OF THE
TAMPA FIRE & POLICE PENSION FUND
3001 North Boulevard Tampa, FL 33603 (813) 274-8550
April 24, 2019 1:30 p.m.**

The Board of Trustees of the City Pension Fund for Firefighters and Police Officers in the City of Tampa met in the Pension Office Conference Room on Wednesday, April 24, 2019 1:30 p.m. for a regular meeting with the following members present:

Greg Reed, Chairman	Trevor Hall
Douglas Burkett	Patrick Messmer
Matthew Belmonte	Dennis Rogero
Sharon Fox	

Also present were Dr. Bruce Bohnker, Medical Director, Mr. Jay Bowen, Investment Manager, Mr. Robert Klausner, General Counsel, Mr. Mark Lenker, External CPA, and active and retired plan members.

Public Comments: Pursuant to Florida Statutes, Section 286.0114(4) members of the public may comment on items requiring Board action, other than ministerial matters. Speakers are limited to two minutes each, and not more than 20 minutes will be set aside for comments, without further Board approval. Speakers shall fill out a card identifying the speaker and the agenda item(s) they wish to address. Speakers may also submit a card supporting or objecting to an item without speaking. Rules of conduct are available from the Plan Administrator.

The statements made by speakers under Public Comments are solely the opinion of each speaker and do not necessarily reflect the views of the Board of Trustees, its staff, or its professionals.

1. Approved the minutes of the March 26, 2019 committee #1 meeting. **It was moved by Ms. Fox, seconded by Mr. Burkett and by unanimous vote to approve the minutes of the March 26, 2019 committee #1 meeting.**
2. Approved the minutes of the March 27, 2019 regular board meeting. It was noted that the minutes were corrected to reflect that Ms. Wynn made the motion to adjourn the March meeting. **It was moved by Mr. Messmer, seconded by Mr. Belmonte and by unanimous vote to approve the minutes of the March 27, 2019 board meeting, as corrected.**
3. Approved the minutes of the April 9, 2019 committee #3 meeting. **It was moved by Ms. Fox, seconded by Mr. Burkett and by unanimous vote to approve the minutes of the April 9, 2019 committee #3 meeting.**

Consent Agenda Items on the consent agenda shall be acted upon in one motion. If an item requires additional discussion, that item shall be removed from the consent agenda for discussion. [Items 4 – 9] **It was moved by Mr. Messmer, seconded by Mr. Burkett and by unanimous vote to approve consent agenda items 4 through 9.**

4. Ratified pension benefits.

5. Approved billing for General Counsel services rendered by Klausner, Kaufman, Jensen & Levinson during March 2019:
 - a. General – \$8,804.76
 - b. Appel – \$5,750.85
 - c. Bulger – \$950.00
 - d. Houston, L – \$825.00
 - e. PAS – \$350.00
6. Admitted Tampa Police Department new hires to pension fund effective 04/23/2019, contingent upon 1) furnishing a list of all medical providers and authorizations to obtain such medical records and 2) passing a complete medical examination:

Adkinson, Spencer A.
Aquila, Kristin M.
Bencosme, Daniel J.
Bousquet, Joshua E.
Ciccarone, Marissa R.
Ehrlich, Ari D.
Hamilton, Daniel T.

Haines, Brandon T.
Hatfield, Kasie L.
Hildenbrand, John A.
Hothem, Aaron Z.
House, Jasmine L.
Hull, Justin L.
Lucchini, Lucas I.

Martin, Jessica E.
Smith, Virginia D.
Torrence, Amanda R.
Vazquez, Victor I.
Viramontez, Anthony Q.
Wehby, Tyler S.

7. Noted receipt of letter from the Division of Retirement approving the Fund's annual report dated 03/27/2019.
8. Noted receipt of Disability Process Timeline of disabilities in process as of 04/17/2019.
9. Noted that Jody Clayton will conduct Retirement & Financial Planning Educational Workshops at 10:00am and 2:00pm on the dates listed below. These workshops are free, open to the public, and can apply towards continuing professional education (CPE) for trustees and staff.

Thursday, May 2, 2019

Friday, May 3, 2019

10. Investment Management Presentation by Jay Bowen of Bowen, Hanes & Co. Inc. Noted receipt of the following:
 - a. Investment management report for the month ended 03/31/2019. Market value of *investments* was \$2,069,749,316.11. Investment return has been -1.4% (*negative* 1.4%) on the total portfolio so far this fiscal year.
 - b. Summary and Investment Summary dated 04/04/2019 written by Jay Bowen.
 - c. Bond portfolio information and recommendation to hold.
 - d. Proxies voted during quarter ended 03/31/2019.
 - e. Addendum to be distributed at the meeting. Market value of investments as of 04/23/2019 was \$2,135,345,680. Investment return has been 1.8% (*positive* 1.8%) on the total portfolio so far this fiscal year.

[Mr. Rogero entered the meeting at 1:36 p.m.]

Mr. Bowen reviewed the current state of the economy, noting that the market has recently experienced a pretty dramatic recovery. He noted that the Federal Reserve Board has had positive impacts on the financial markets by pausing their tightening policies and ending their balance sheet draw down. Mr. Bowen opined

that he does not believe there will be a recession this year, but there is potential to reach the longest economic expansion in the country's history. Mr. Bowen also stated that he believes there will soon be an outline in terms of ending what could have turned into an intense dispute on tariffs and trades. Looking to the near future, Mr. Bowen opined that stocks are still the place to be, noting that the market is not excessively expensive right now. In terms of fiscal year end, Mr. Bowen advised that he does not anticipate ending with strong double-digit returns, but is hopeful that investment returns remain positive. He commented on his summary letter, noting that productivity is currently lacking but is potentially heading towards an upward swing, which is important for economic growth and wage increases. Mr. Bowen advised that he will continue to look for stocks that will do well in the current environment across various sectors.

Items 10 a-e were received and filed.

11. Actuarial Workshop – Cost of Living Adjustment (COLA) and 13th Check Continuing Professional Education (specific topic handouts distributed at meeting by actuary)

Mr. Griffin and Mr. Bowen advised the intent of their presentation is to cover some of the uniquenesses contained in the plan specifically pertaining to COLA and 13th check.

Mr. Griffin reviewed the Fund's asset allocation, noting that returns from 0-5% are allocated to the base account, returns from 5-10% are allocated to the COLA account, returns from 10-11% are allocated to the 13th check account, and returns above 11% are also allocated to the COLA account. Mr. Bowen reviewed the COLA program, noting that the pension contract specifies how these adjustments must be made. He explained that COLA increases are based on a two year average of CPI-U rounded to the nearest whole number and that all COLA classes are pacing with inflation.

Mr. Griffin provided an overview of the 13th check program, noting that this benefit payment is payable under certain conditions. It was noted that the following conditions must be met in order to pay a 13th check: 1) investment returns for the fiscal year must exceed 10%, 2) the amount of the benefit must be definitely determinable according to IRC, and 3) the Fund's actuary must certify that the payment is being made on a sound actuarial basis and the allocation does not exceed the plan's cumulative actuarial gains. Mr. Griffin noted that the 13th check payment is evaluated independently of the cumulative 5% allocation that is due to the base plan.

There was brief discussion regarding the Fund's assumed rate of return. It was noted that a stochastic study has been ordered by the Board and will be delivered later this year.

[Brief recess from 2:36 – 2:45 p.m.]

Medical Disability

12. Informal hearing for LOD disability applicant S. Dame, TFR. Noted receipt of disability application, qualifying letter, notice of injury reports, pre-employment physical, job description, sample letter to Medical Board, Medical Board reports, Medical Director's summary, medical records, and other documents related to the case.

Ms. Dame and Dr. Bohnker were sworn in and responded to questions from the Board. Mr. Klausner noted that he spoke with the applicant prior to the meeting about absent trustees and she has elected to proceed. Mr. Messmer noted that Ms. Dame is not at maximum medical improvement (MMI) and Dr. Bohnker confirmed, noting that the only interventions are surgical. Mr. Belmonte noted two of the three IME doctors opined that surgery would improve Ms. Dame's quality of life, but would not restore her to full duty.

It was moved by Mr. Hall, seconded by Mr. Burkett and by unanimous vote that the Board finds that there is a disability that totally and permanently incapacitates Ms. Dame from the regular and continuous duties of a firefighter.

It was moved by Mr. Hall, seconded by Mr. Burkett and by unanimous vote that the Board grant a line-of-duty disability pension benefit to Ms. Dame effective close of business today due to a back injury.

13. Authorized referral to Orthopedic Medical Board comprised of Drs. C. Davis, A. Moreno, and R. Pigeon for LOD disability applicant M. Cason, TFR, as recommended by Medical Director. **It was moved by Mr. Rogero, seconded by Mr. Burkett and by unanimous vote to authorize the referral of disability applicant M. Cason, TFR to orthopedic medical board, as recommended by Medical Director.**
14. Authorized referral to Orthopedic Medical Board comprised of Drs. G. Canizares, P. Lopez, and M. Smith for LOD disability applicant J. Day, TPD, as recommended by Medical Director. **It was moved by Mr. Messmer, seconded by Mr. Burkett and by unanimous vote to authorize the referral of disability applicant J. Day, TPD to orthopedic medical board, as recommended by Medical Director.**

Old Business

15. Committee #3 report.
 - a. Policy 901 – Calculation of Average Final Compensation (AFC) – draft

Ms. Fox advised that the purpose of this policy is to identify the definition of the term “year” for the purposes of average final compensation. She explained that the definition centers around the payroll (tax) year. Ms. Ernst explained that this came up as a result of a request from a retired member. She proceeded to explain the current methodology, noting that it appears to have been in place more than 40 years based on a review of the records. Ms. Ernst also reviewed the new methodology, noting that it is based on complete calendar years. She continued to explain that the policy provides for two calculations for each member, with the member receiving the highest of the two benefit calculations. Ms. Ernst also explained that the proposed policy was amended after board package distribution in order to provide a definition of the term “year” for the purposes of the 300 hour overtime cap. She noted that the contract states that overtime will be capped on a calendar year basis, but the City reports overtime to the Fund on a fiscal year basis. The policy clarifies that for the purposes of the pensionable overtime cap, “year” will be defined as 10/01 to 09/30. Ms. Ernst advised that she has been unable to find any indication as to why the overtime earnings provision was implemented in this manner. Mr. Klausner opined that because “year” is used differently for different benefits, the definition of the term “year” is likely absent from the contract with purpose. Ms. Ernst noted that the policy is prospective in nature. Mr. Klausner noted that errors should be corrected, but the belief that a different calculation methodology should be used will not be considered an error. **It was moved by Mr. Burkett, seconded by Mr. Belmonte and by unanimous vote to adopt Policy 901.**

16. Committee #1 report. Ms. Ernst advised that the committee has not met, but will reconvene after the next week of pension administration system meetings.
17. Discussion on Pension Office bathroom, break room, and kitchenette upgrades.
 - a. Quote provided by Sievers Contracting & Design.
 - b. Quote provided by Sierra Construction.
 - c. Quote provided by Ferrill Construction.

Mr. Hall distributed an updated copy of the quote from Ferrill Construction. He opined that both Ferrill and Sierra are exceptional companies that were both responsive and excited to be involved. Mr. Hall reviewed the quotes, noting that Ferrill's is slightly less expensive and discussion ensued. Concerns were raised about deferring maintenance and updates to the point where it could potentially interfere with office operations. Based on discussions, Mr. Hall agreed to work with Ferrill on selecting materials and finishes to ensure that the overall cost does not increase. **It was moved by Mr. Belmonte, seconded by Mr. Burkett and by unanimous vote to enter into a contract with Ferrill Construction based on their proposal, with the understanding that costs that exceed the proposal will require additional Board approval.**

[Mr. Belmonte left the room at 3:34 p.m.]

18. Approved Final Order for disability applicant R. Floyd, formerly of TFR. It was noted that the word "proscribed" was corrected to "prescribed" in the order. **It was moved by Ms. Fox, seconded by Mr. Rogero and by unanimous vote to approve the final order, as amended.**

[Mr. Belmonte returned at 3:37 p.m.]

New Business

19. Noted receipt of listing of upcoming conferences. Disclosure of planned attendance, if any. Mr. Reed disclosed for the IFEBP Annual Conference in October. **Item 19 was received and filed.**

20. Noted receipt of agenda appearance request by J. Clayton, First Responders Financial, regarding Committee 1 and financial education workshops.
a. Email dated 04/02/2019 and attachment.

Mr. Clayton presented to the Board regarding the continuing professional education efforts of Committee 1 and how he could assist with expanding educational offerings. He suggested that the in-person workshops continue to allow for the individual member interactions and question and answer forums, but add online educational options. Mr. Clayton offered suggestions in terms of online education and the generation of participation, including live presentations or electronic meetings that provide for participation by computer or phone. He also noted that his agency does provide education on some of the topics mentioned by the committee including Medicare and maximizing retirement.

21. Chair's call for any new business items from trustees to be placed on next agenda. None.

22. Chair's report. Nothing to report.

23. Plan Administration.
a. Update on PAS implementation.

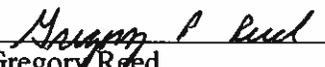
Ms. Ernst advised that she is still working with the City on how best to handle open enrollment, adding that discussions have been encouraging and the teams are actively working towards an agreement. Mr. Rogero advised that he has a lot of confidence that things will be lined out prior to open enrollment for 2020.

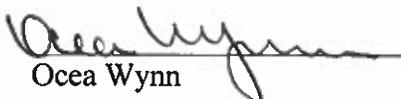
appeal to the 2nd DCA and Florida Supreme Court. He advised that out of an abundance of caution, a motion to dismiss the appeal has been filed.

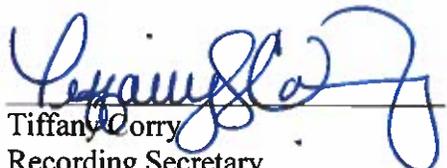
28. Bulger Petition for Writ of Certiorari Hillsborough County Circuit Court Case No. 18-CA-002900
Update by plan attorney, if any.

Mr. Klausner advised that a hearing for fees was scheduled for next month, but there was a conflict and he expects the matter to be rescheduled sometime this summer.

The motion to adjourn made by Ms. Fox at 4:04 p.m.


Gregory Reed
Chairman


Ocea Wynn
Secretary


Tiffany Corry
Recording Secretary

Notice

No verbatim record by a certified court reporter will be made of this Board meeting, except as noticed for any executive sessions. Any person who desires to appeal any decision of the Board of Trustees with respect to any matter considered at this Board meeting will be responsible for providing a record of the proceedings and for this purpose, may need to ensure that a verbatim record of the proceedings is made, including testimony and evidence upon which the appeal is based.

Persons needing a special accommodation to participate in any noticed meeting should contact the F&P Pension office at (813) 274-8550 or (888) 335-8550 or the Florida Relay Service at (800) 955-8770 (voice) or (800) 955-8771 (TTY). You may also dial 711 from any landline or mobile phone. Additional options for contacting the Florida Relay Service may be found on their website: www.ftri.org Please make your request at least five (5) working days before the scheduled meeting date.

2019 Board meeting schedule – meetings begin at 1:30 p.m.

May 22, 2019
June 26, 2019
July 24, 2019
August 28, 2019

September 25, 2019
October 23, 2019
November 20, 2019 (early due to holidays)
December 18, 2019 (early due to holidays)