

**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
September 25, 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, September 25, 2019 at 1:30 p.m. for a regular meeting with the following members present:

Greg Reed, Chairman
Matthew Belmonte
John Cannon
Douglas Burkett
Sharon Fox

Trevor Hall
Patrick Messmer
Dennis Rogero
Ocea Wynn

Also present were Mr. Mark Lenker, External CPA, and active and retired plan members. Mr. Robert Klausner, General Counsel, participated via video conference.

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 August 28, 2019 regular board meeting. **It was moved by Mr. Cannon, seconded by Mr. Belmonte and by unanimous vote to approve the minutes of the August 28, 2019 regular board meeting.**
2. Approved the minutes of the September 11, 2019 Steering committee meeting. **It was moved by Mr. Messmer, seconded by Mr. Cannon and by unanimous vote to approve the minutes of the September 11, 2019 steering committee meeting.**
3. Approved the minutes of the September 11, 2019 Investment committee meeting. **It was moved by Mr. Messmer, seconded by Mr. Cannon and by unanimous vote to approve the minutes of the September 11, 2019 investment committee 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. Belmonte and by unanimous vote to approve consent agenda items 4-9.**

4. Ratified pension benefits.
5. Investment Management Report from Bowen, Hanes & Co. Inc. Noted receipt of the following:

- a. Investment management report for the month ended 08/31/2019. Market value of *investments* as of 08/31/2019 was \$2,126,648,514.24. Investment return has been 3.8% on the total portfolio so far this fiscal year.
 - b. Addendum distributed at the meeting. Market value of investments as of 09/24/2019 was \$2,132,580,053. Investment return has been 4.1% on the total portfolio so far this fiscal year.
6. Approved billing for General Counsel services rendered by Klausner, Kaufman, Jensen & Levinson during August 2019:
 - a. General – \$5,708.36
 - b. Bulger – \$1,860.00
 - c. Houston, E. – \$10,020.00
 - d. Houston, L. – \$12,443.75
 7. Noted receipt of Police Officer Trustee Election notice dated 09/05/2019. Qualification deadline was 09/19/2019, election date is 10/03/2019, date cleared with department. [To fill Trustee D. Burkett's term, expiring 10/31/2019]
 8. Noted receipt of Firefighter Trustee Election notice dated 09/17/2019. Qualification deadline is 10/01/2019, election date is 10/15/2019, date cleared with department. [To fill Trustee G. Reed's term, expiring 10/31/2018]
 9. Noted receipt of Disability Process Timeline of disabilities in process as of 09/17/2019.
 10. Financial Reporting Presentation by Mark Lenker, CPA of Nobles, Decker, Lenker & Cardoso, for quarter ending 06/30/2019. Financial statements to reviewed at meeting by Mr. Lenker:
 - a. Month ended 07/31/2019 - market value of *assets* was \$2,145,884,430.74.

Mr. Lenker reviewed the quarterly report for the period ended 06/30/2019. He noted that in terms of total assets, it is significant that the Fund has remained above the \$2 billion level for the last several months. Mr. Lenker noted that over 99% of the Fund's assets are invested and working for return, and iterated that the Fund follows what is going on in the overall market consistently. In terms of operating results, Mr. Lenker noted that contributions and benefits paid have been as expected, with the exception of the aberration in June due to the 13th check distributions. It was noted that administrative expenses were up due to the file prep and scanning efforts related to the paperless initiative.

Mr. Lenker also reported on the period ended 07/31/2019 and provided a comparison to the same period in the prior year. He advised that equities generated negative returns, while fixed income generated positive returns. It was noted that the market value of debt instruments increased significantly during this period. Mr. Lenker advised that contributions, benefits paid, and administrative costs are all up from the prior year, noting a portion of the benefits paid increase can be attributed to 13th check distributions and the increase to administrative costs can largely be attributed to the consultant working on the pension administration system project. **Item 10a was received and filed.**

Medical Disability

11. Noted receipt of agenda appearance request received 09/06/2019 from T. Smith, retired TFR, regarding LODD application extension. It was noted that Mr. Smith was not available to attend today's meeting. **Item 11 was received and filed.**

12. Insufficient qualifying letter from LOD disability applicant, T. Smith, TFR, requiring board action as per P&P 402 – Procedures for Applying for LOD Retirement, specifically paragraphs 4 and 5. Noted receipt of the following:
 - a. Policy 402 – Procedures for Applying for Disability Retirement
 - b. LOD disability application, qualifying letter, and correspondence to applicant regarding deficiencies, deadline to cure deficiencies, and notification of placement on agenda for board action.

It was noted that the member was informed that this matter would come before the Board at today's meeting, and Mr. Klausner advised that he is satisfied in terms of due process. It was noted Mr. Smith voluntarily separated from service with Tampa Fire Rescue before perfecting his disability retirement application and had not yet reached maximum medical improvement (MMI). Ms. Ernst advised that in the past, the Board has denied incomplete applications to close out the issue. Mr. Klausner advised that he will prepare an appropriate order advising the member of the Board's decision, to be approved at the October board meeting. **It was moved by Mr. Burkett, seconded by Mr. Rogero and by unanimous vote to deny the disability application of Tony Smith on the basis that the application is incomplete and he is no longer a member.**

Old Business

13. Committee #3 report. Ms. Fox reported that the committee has not met since the last board meeting, but will meet on October 2, 2019 at 1:30 p.m.
14. Committee #1 report. Mr. Cannon advised that the committee is recommending the suspension of the current pre-retirement workshops. He explained that the committee is exploring the possibility of partnering up with Wills for Heroes, having administrative staff hold Pension 101 sessions, and scheduling sessions with educators related to social security benefits, Medicare benefits, and estate planning. Ms. Ernst advised that there are costs associated with bringing in educators, but she is going to reach out to GE Pension to discuss the possibility of cost-sharing. **It was moved by Mr. Rogero, seconded by Ms. Fox and by unanimous vote to suspend the existing pre-retirement workshops.**
15. Steering committee report. Mr. Messmer advised that the committee met to discuss payment processing with the new pension administration system (PAS). He advised that the committee's recommendation is to contract with the Fund's custodian to perform these services. He briefly reviewed the other options considered included continuing with current practices and having the City issue pension payments and bringing check writing in-house. It was noted that the Fund's attorney and external CPA were in favor of contracting with the custodian for tax reporting purposes and liability issues. It was iterated that this change would mean that Wells Fargo would process all benefit payments and handle all tax reporting and would take effect with the go-live of the new PAS. **It was moved by Mr. Rogero, seconded by Mr. Burkett and by unanimous vote to engage with the Fund's custodian for benefit payment processing and tax reporting.**
16. Investment committee report. Mr. Messmer advised that the committee reviewed the Fund's investment policy and briefly discussed the possibility of expanding the Fund's equity exposure, but is not recommending any changes at this time.
17. Committee #2 report. Mr. Messmer advised that the committee reviewed the Fund's professionals and fees and is not recommending any changes at this time. However, it was noted that committee 2 is deferring to committee 1's recommendation for the pre-retirement workshop provider.
18. Discussion regarding securities litigation.

- a. Excerpts from minutes of previous board meetings regarding securities litigation.

Ms. Ernst noted that she wanted to provide additional information about previous Board discussions related to securities litigation monitoring and the temperature of the Board during those discussions. Mr. Klausner advised that he will also provide additional educational materials to Ms. Ernst for distribution. Concerns were raised about the additional workload for staff and Mr. Klausner opined that it would be minimal. It was noted that the Fund has participated in these lawsuits as a class member and recouped funds from a fraud perspective without the benefit of a monitoring service. Mr. Klausner advised that if the Board chooses not to engage with a monitoring firm, that it would not be a breach of fiduciary duty. Mr. Klausner noted that he is still trying to coordinate a meeting date with Mr. Bowen to further discuss the issue and will report back at a later date. **It was moved by Mr. Belmonte, seconded by Mr. Burkett and by unanimous vote to table item 18.**

New Business

19. Noted receipt of listing of upcoming conferences. Disclosure of planned attendance, if any. Mr. Rogero advised that he plans to attend the 49th Police Officers and Firefighters Pension Conference hosted by the Division of Retirement in October, as well as the FGFOA School of Governmental Finance also in October. **Item 19 was received and filed.**

20. Approved change to Policy 702 – Investment Policy, as requested by Fund’s auditor.
 - a. Policy 702 – Investment Policy – redline version

Ms. Ernst advised during last year’s audit she was asked for written procedures on how the Board handles investments that fall below a rating of A. She advised that this language has been added to policy 702 and has been reviewed and approved by Mr. Bowen. **It was moved by Mr. Messmer, seconded by Mr. Rogero and by unanimous vote to amend policy 702.**

21. Chair’s call for any new business items from trustees to be placed on next agenda. Mr. Hall requested that staff research iPad replacement, as the most recent update cannot be supported and technical difficulties are becoming more frequent. Ms. Ernst advised that the current devices are almost fully depreciated and she is aware that they will need to be replaced soon.

22. Chair’s report. Nothing to report.

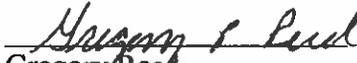
23. Plan Administration.

- a. Pension office upgrades.
- b. Update on PAS implementation.

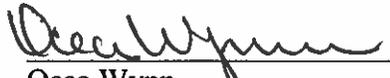
Ms. Ernst advised that the kitchen and bathroom renovations are pending due to City permitting, but she is hopeful that the work will begin next month.

Ms. Ernst advised that staff training for the new imaging solution is scheduled for Thursday and Friday of this week and the production environment will be available for use next week. She noted that the review of all design documents for deliverable one is almost complete and user acceptance testing will begin in the next few months. She informed the Board that the sequel developer assigned to the Fund’s account with ICON has taken a leave of absence so data cleansing has slowed down, but she hopes to get back on track soon.

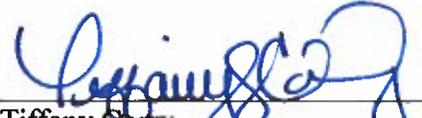
The motion to dismiss was made by Ms. Fox at 3:03 p.m.



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. Notice is hereby given as provided in Section 286.0105, Fla. Stat., that any person who decides to appeal any decision made by the board, agency, or commission with respect to any matter considered at such meeting or hearing, will need a record of the proceedings, and that, for such purpose, he or she may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be 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.

October 16, 2019 (early due to conference schedule) December 18, 2019 (early due to holidays)
November 20, 2019 (early due to holidays)