

**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
October 16, 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, October 16, 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 Ms. Bonnie Jensen, 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.

Mr. Andrew Carter, Vice President of IAFF Local 754, addressed the Board in support of the request to include a test for heavy metals as part of the pre-employment physical process for all firefighters (item 14). He advised that the test could be used as part of the baseline physical determination for future potential disabilities related to exposure.

1. Approved the minutes of the September 23, 2019 Committee 1 meeting. **It was moved by Mr. Belmonte, seconded by Mr. Hall and by unanimous vote to approve the minutes of the September 23, 2019 Committee 1 meeting.**
2. Approved the minutes of the September 25, 2019 Committee 2 meeting. **It was moved by Mr. Messmer, seconded by Ms. Wynn and by unanimous vote to approve the minutes of the September 25, 2019 Committee 2 meeting.**
3. Approved the minutes of the September 25, 2019 regular board meeting. Ms. Corry noted that the minutes were revised to correctly reflect the attendance of Ms. Fox and Mr. Rogero. **It was moved by Mr. Messmer, seconded by Mr. Hall and by unanimous vote to approve the minutes of the September 25, 2019 regular board meeting, as corrected.**
4. Approved the minutes of the October 2, 2019 Committee 3 meeting. **It was moved by Ms. Fox, seconded by Mr. Cannon and by unanimous vote to approve the minutes of the October 2, 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. Ms. Ernst advised that the ratification document listed under item 5 was not available at the time of agenda distribution and should be stricken from the

consent agenda. **It was moved by Mr. Messmer, seconded by Ms. Fox and by unanimous vote to approve consent agenda items 6-10.**

- ~~5. Ratification of pension benefits. (item stricken from consent agenda)~~
6. Approved billing for General Counsel services rendered by Klausner, Kaufman, Jensen & Levinson during September 2019:
 - a. General – \$6,985.00
 - b. Bulger – \$410.00
 - c. Houston, E. – \$700.00
7. Noted receipt of Cancellation of Firefighter Trustee Election. Gregory Reed was the sole candidate and shall serve a three year term commencing 11/1/2019 – 10/31/2022.
8. Noted receipt of Police Officer Trustee Election results. Douglas Burkett was elected to serve a three year term commencing 11/1/2019 – 10/31/2022.
9. Noted receipt of Public Pension Standards Award for Funding and Administration 2019.
10. Noted receipt of Disability Process Timeline of disabilities in process as of 10/10/2019.
11. **Investment Management Presentation** by Jay Bowen of Bowen, Hanes & Co. Inc. Noted receipt of the following:
 - a. Investment management report for the fiscal year ended 09/30/2019. Market value of *investments* as of 09/30/2019 was \$2,132,743,653.77. Investment return was +4.3% on the total portfolio this fiscal year.
 - b. DROP Low Risk Variable Rate Option report for fiscal year ended 09/30/2019. Market value of *investments* as of 09/30/2019 was \$4,430,532.15. Investment return was +2.1% for the DROP low risk variable rate option this fiscal year.
 - c. Investment Summary dated 10/03/2019 written by Jay Bowen.
 - d. Bond portfolio information and recommendation to hold.
 - e. Proxies voted during quarter ended 09/30/2019.
 - f. Barron's article by Jay Bowen 64GB, dated 08/26/2019.
 - g. Addendum distributed at meeting. Market value of investments as of 10/15/2019 was \$2,125,039,034. Investment return was -0.2% (negative 0.2%) on the total portfolio so far this fiscal year.

Mr. Bowen noted that fiscal year ending 09/30/2019 was a lackluster year. He commented that the first quarter of the fiscal year included a bear market, which made it difficult to generate a strong fiscal year. He added that the second and third quarters were spent trying to recover from the first quarter and the final quarter was flat. Mr. Bowen advised that after three years of strong double-digit returns, this type of pause and refresh should be expected. Mr. Bowen reviewed the 20-year rolling history report, marking the most recent period as extraordinary because it captures five of the Fund's six down years and still reflects a decent return.

Mr. Bowen opined that barring any major policy mistakes, he does not believe the current bull market is over. He noted that bull markets do not have to die of old age, but do require the right policy backdrop. Mr. Bowen advised that the Federal Reserve is now in an easing cycle and taking back rate increases that were implemented in 2018. He opined that a recession is unlikely because the market has experienced better growth, better earnings, better news on the trade front, and a friendly Federal Reserve. Mr. Bowen commented that while the yield curve is concerning, the Fed is righting the ship. In terms of the portfolio, Mr. Bowen remarked that there is potential for a shift towards value-oriented stock and noted that it is

difficult to find real value on the bond side. It was noted that the MSCI World Index was added to the investment management report since the S&P 500 index does not include any foreign markets. Mr. Bowen advised that the market will become more sensitive to the coming election year as policy proposals are discussed, noting that it is something to watch since certain industries are more sensitive to policy proposals than others.

Mr. Messmer inquired about the recent downgrading of several bonds contained in the portfolio. Mr. Bowen opined that it is an anomaly and those holdings will be monitored. **It was moved by Ms. Fox, seconded by Ms. Wynn and by unanimous vote to receive and file items 11 a-g.**

12. Discussion regarding securities litigation.

- a. Email from Wells Fargo regarding class actions.
- b. Report of class actions in which the Fund has been a participant for the last 10 years and amounts received.

Ms. Ernst noted that this item was tabled at the last meeting and since then, she has been able to provide information from the custodian and the investment manager about the number of class action lawsuits the Fund has participated in and the recovery payments received. Mr. Bowen noted that Wells Fargo engages with a third party vendor who manages this on behalf of the Fund. He clarified that the third party is not monitoring the Fund's portfolio, but is monitoring the court system for cases that have been filed. Ms. Jensen provided some insight on how the Wells Fargo service is provided and how the securities monitoring business model works. Mr. Bowen noted that he has not yet been contacted by Mr. Klausner to further discuss this issue, as suggested at a prior meeting. **It was moved by Mr. Hall, seconded by Ms. Fox and by unanimous vote to not engage with a securities litigation monitoring firm.**

Medical Disability

13. Initial hearing for LOD disability applicant J. Kissick, 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.

Mr. Kissick and Dr. Bohnker were sworn in. Mr. Kissick made an opening statement and thanked the Board for the consideration of his application. Mr. Reed and Mr. Hall disclosed that they were at the incident where Mr. Kissick was injured and neither trustee has discussed the merits of the case with the applicant.

Mr. Messmer inquired about a radio frequency ablation procedure recommended by Dr. Moreno and asked Dr. Bohnker why he believes this line of treatment was not offered by Mr. Kissick's treating physician. Dr. Bohnker advised that the treatment is not always successful and would not restore Mr. Kissick to full duty. Mr. Belmonte inquired about the possibility of surgery restoring Mr. Kissick to full duty and Dr. Bohnker advised that it is unlikely and that he would not consider it reasonable to require surgery.

It was moved by Mr. Hall, seconded by Mr. Burkett and by unanimous vote that the Board find that there is a disability that occurred in the line of duty that incapacitates Mr. Kissick from the regular and continuous duties of a firefighter.

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

14. Discussion regarding changing the pre-employment physical process to include a test for heavy metals and a psychological evaluation by a psychiatrist.

Ms. Fox inquired about how heavy metal testing could be beneficial to the Fund if the City chooses to hire someone with previous exposure. Ms. Jensen advised that she is not familiar with whether or not additional exposure would create a disability, but agreed that being cleared for hire despite prior exposure would not prevent a potential future claim. She also opined that it may be beneficial to provide this information to members so that it may be taken into consideration for decisions such as joining the hazmat team. It was noted that the test can be a blood or urine screening and the cost of a basic urine test is approximately \$120. Mr. Reed noted that arsenic levels vary over time and asked if there are parameters to determine what levels are acceptable. Dr. Bohnker replied that there are some limits and confirmed that levels fluctuate up and down over time based on various environmental factors.

[Mr. Rogero exited the meeting at 2:39 p.m.]

Ms. Fox opined that this change does not appear to be a benefit to the Fund since it is not likely to change the outcome of a hiring decision or disability claim. She commented that it does appear to be a benefit to the membership that should be negotiated. Discussion ensued regarding existing heavy metal testing for hazmat team members and whether or not the information could be used in reviewing disability claims. It was noted that LifeScan does not include this testing in the existing benefit afforded to firefighters. Ms. Ernst noted that the City does not receive a copy of these physicals unless it is provided to them by the member, so it is unlikely that prior exposure will impact a hiring decision. Mr. Messmer commented that while the Board cannot deny a disability based on a previous exposure, the information could be used in a causation argument. Dr. Bohnker advised that the limits for these chemicals are fairly conservative and it would be incredibly rare to not clear someone for hire due to elevated levels. He continued that if heavy metal testing is going to be added to the scope of the pre-employment physicals, limits will need to be established and a process for notifying the City about elevated levels should be considered. Mr. Burkett inquired about potential medical conditions that could arise as a result of exposure and the likelihood of this occurring. Dr. Bohnker advised that he would have to do some research. **It was moved by Mr. Burkett, seconded by Mr. Cannon and by unanimous vote to table the discussion regarding heavy metals testing for additional information from the Medical Director.**

Ms. Ernst noted that the Board has previously discussed the potential need for a pre-employment screening from a psychiatrist because of the recent PTSD bill. She noted that a psychologist currently performs the City's pre-employment screenings. Mr. Messmer expressed concerns about the lack of discussion regarding PTSD in the existing screenings and opined that there is a need for this information. Dr. Bohnker noted that he does not have a strong opinion about which type of doctor performs the screenings. Further discussion ensued and it was agreed upon by consensus to continue with business as usual.

Ms. Jensen asked if the Board has considered any additional screenings in light of the recent cancer bill. Dr. Bohnker opined that he does not believe that applicants can be screened in such a manner. Ms. Ernst advised that she would expect existing cancers to make themselves known in the member's medical history and records collection.

[Brief recess from 3:28 - 3:34 p.m.]

Old Business

15. Committee #3 report.

- a. Policy 414 – Payment of Pension Benefits (draft)
 - i. Policy 414 – Pension Estimates / Initial Pension Payments (original)
 - ii. Policy 433 – Optional Forms of Payment Election (previously deleted)

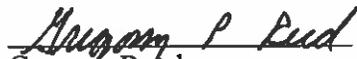
Ms. Fox advised that the committee is recommending the approval of the revised and expanded policy 414. She explained that the policy was expanded to include definitions of the optional forms of payment that were previously contained in deleted policy 433, as well as language to administer minor child benefits for those between the ages of 18 and 23. Ms. Ernst advised that additional amendments include the definition of "benefit commencement date," a listing of required legal documents that must be received prior to receiving benefits, and the use of the Joint Annuitant Reaffirmation form. Mr. Messmer asked if there is anything in policy or procedure that speaks to joint annuitant changes that conflict with court orders. Ms. Ernst advised that pension benefits are not assignable, so the court cannot tell the Fund who to pay. She explained that if a member is ordered to name a specific person as their joint annuitant but does not, the member would be in contempt of court, not the Fund and Ms. Jensen concurred. **It was moved by Mr. Burkett, seconded by Mr. Messmer and by unanimous vote to approve policy 414, as amended.** Mr. Ernst advised that committee 3 will be removed from the agenda and the policy manual will be reformatted, renumbered, and distributed for final approval.

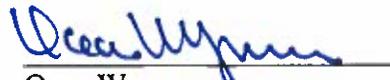
Ms. Fox advised that policy 414 was the last policy that required review and revision. She thanked the committee members, staff, and general counsel for their dedication to the project.

16. Committee #1 report. Mr. Cannon advised that the Fund will have a presence at the Wills for Heroes event scheduled for the coming weekend and the committee has another meeting scheduled for tomorrow, October 17th. Ms. Ernst noted that she was invited to participate in the next taping of Conversations with the Chief (TPD) adding that it should be a good opportunity to provide some important information to some of the membership. She also advised that she is going to write a short piece for TFR's newsletter, Fully Involved, where she can share similar information.
17. Steering committee report. Mr. Messmer advised that the steering committee is scheduled to meet on Wednesday, November 6th to discuss process changes related to the new pension administration system.
18. Approved Final Order for disability applicant T. Smith, formerly of TFR. **It was moved by Mr. Burkett, seconded by Ms. Fox and by unanimous vote to approve the final order denying disability benefits to T. Smith, formerly of TFR.**

New Business

19. Noted receipt of listing of upcoming conferences. Disclosure of planned attendance, if any. Mr. Belmonte, Mr. Cannon and Ms. Corry disclosed that they plan to attend the FPPTA Winter Trustees School in Orlando. **Item 19 was received and filed.**
20. Discussion regarding iPad replacement. Ms. Ernst advised that she obtained replacement pricing from the Fund's current service provider and confirmed with Mr. Lenker that the existing devices no longer carry any book value. Mr. Messmer advised that the Apple Store will give a \$60 credit towards a new device for each device turned in. Ms. Ernst advised that she would compare deals between the two retailers. **It was moved by Mr. Hall, seconded by Mr. Messmer and by unanimous vote to proceed with the replacement of all iPad devices.** It was also agreed upon by consensus to have the plan administrator order cases and screen protectors for the new devices.
21. Chair's call for any new business items from trustees to be placed on next agenda. None.
22. Chair's report. None.


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.

November 20, 2019 (early due to holidays)

December 18, 2019 (early due to holidays)

2020 Board meeting schedule – meetings begin at 1:30 p.m.

January 22, 2020

February 26, 2020

March 25, 2020

April 22, 2020

May 27, 2020

June 24, 2020

July 22, 2020

August 26, 2020

September 23, 2020

October 28, 2020

November 18, 2020 (early due to holidays)

December 16, 2020 (early due to holidays)