



**CITY OF TAMPA  
GENERAL EMPLOYEES' RETIREMENT FUND  
BOARD OF TRUSTEES  
REGULAR MEETING AGENDA PACKAGE**

**TUESDAY, SEPTEMBER 18, 2018**



**BOARD OF TRUSTEES  
REGULAR MEETING AGENDA  
TUESDAY – SEPTEMBER 18, 2018 – 1:30 P.M.**

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- Trustees:** Ernest Carrera - Chairman; Stephen Hill – Vice Chairman; Derwin Bright - Trustee; Steve Kenny - Trustee; Sonya Little – Trustee; Elizabeth Mackie – Trustee; Andy Waitman – Trustee
- Supporting Staff:** Mike Cascone, Interim GE Pension Plan Supervisor and Recording Secretary; Justin Vaske - Assistant City Attorney and Board Attorney; Lee Huffstutler – Chief Accountant; Terrie Williams - Accounting Operations Manager; Rosie Rivera – Accountant; Viola Dawson – Office Support Specialist III
- Consultants:** Jason Pulos and Elizabeth Sanborn - Asset Consulting Group (ACG); Brad Heinrichs – Foster & Foster
- Location:** City of Tampa, Fire & Police Pension Fund, Board Meeting Room, 3001 N. Boulevard, Tampa, Florida 33603

*Any person who decides to appeal any decision of the Board of Trustees with respect to any matter considered at this meeting will need a record of the proceedings, and for such purpose, may need to hire a court reporter 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. In accordance with the Americans with Disabilities Act and Section 286.26, Florida Statutes, persons with disabilities needing special accommodations to participate in this meeting should contact the General Employees’ Retirement Fund at least 48 hours prior to the date of the meeting.*

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**Adjournment**



**Upcoming Meeting Schedule**

Tuesday, October 16, 2018 – 1:30 p.m. – Regular Board Meeting  
City of Tampa  
Fire & Police Pension Fund  
3001 N. Boulevard  
Board Meeting Room  
Tampa, Florida 33603

**Upcoming Topics for Regular June Board Meeting**

Disability Retirement Hearing  
Liquidity Needs  
Monthly Investment Performance Report (June 2018)  
Investment Consulting Services RFP Finalist Presentations  
Actuarial Rate of Return  
Recognition of Alan Weiner’s Service

**Upcoming Retirement Conferences**

**Florida Public Pension Trustees Association (FPPTA)**  
**34<sup>th</sup> Annual Conference**  
June 24 – 27, 2018  
Rosen Shingle Creek, Orlando, Florida

**Florida Public Pension Trustees Association (FPPTA)**  
**Fall Trustees School**  
September 30 – October 3, 2018  
Hyatt Coconut Point Resort & Spa, Bonita Springs FL

**International Foundation of Employee Benefit Plan (IFEBP)**  
**Employee Benefits Conference**  
October 14 - 17, 2018  
Morial Convention Center, New Orleans LA



**BOARD OF TRUSTEES  
REGULAR MEETING MINUTES  
TUESDAY – AUGUST 21, 2018 – 1:30 P.M.**

**Support Staff:** Natasha Wiederholt, GE Pension Plan Supervisor and Recording Secretary; Justin Vaske, Assistant City Attorney and Board Attorney; Lee Huffstutler, Chief Accountant; Terrie Williams, Accounting Operations Manager; Rosie Rivera, Accountant; and Viola Dawson, Office Support Specialist III.

**Consultants to Board:** Jason Pulos and Elizabeth Sanborn - Asset Consulting Group (ACG); Brad Heinrichs, Foster & Foster.

**I. ROLL CALL**

Mr. Carrera, Chairman, presiding, brought the meeting to order at 1:30 p.m.

**Board Members Present Included:** Ernest Carrera, Chairman; Stephen Hill, Vice Chairman; Derwin Bright, Trustee; Steve Kenny, Trustee; Sonya Little, Trustee; Elizabeth Mackie, Trustee; and Andy Waitman.

**II. PUBLIC COMMENTS- Ten (10) Minutes Total – Three (3) Minutes per Speaker**

Mr. Lee Huffstutler informed the Board that Natasha Wiederholt has given her resignation and her last day would be September 7, 2018. He stated that they will be placing a temporary supervisor, Mike Cascone, in the position to guide the group until the position is filled. It was also expressed that the transition should go smoothly with a full staff and having the team work together and receive training and information from Ms. Wiederholt in her final days in order to keep everything in order and moving forward.

Mr. Huffstutler praised the work and initiatives that Ms. Wiederholt has accomplished and informed the Board that we would continue to follow through with those initiatives moving forward. He also stated that they would work at transitioning all the needs with the Investment Companies and Financial Institutions.

Ms. Little expressed her gratitude for all of Ms. Wiederholts hard work, contributions and changes to move the Pension forward.

Mr. Carrera stated that in his tenure in business and working with many supervisors with he City, he finds Ms. Wiederholt a true professional with great strides in the work she has accomplished for the Board and the fund. On behalf of myself and the Board, we are sorry to see you leave but wish you the very best.

Ms. Wiederholt expressed the pleasure of working with the Board and serving The City of Tampa.

**III. APPROVAL OF MINUTES**

Mr. Carrera requested the Board approve the minutes from the July 17, 2018 meeting.

**MOTION: (Kenny/Hill) Motion was made by Steve Kenny to approve the minutes from the July 17, 2018 Board Meeting. Motion was seconded by Stephen Hill. MOTION CARRIED.**



Mr. Stephen Hill began a discussion concerning the actuarial rate of return assumption and wanted to know if there was going to be a possible change. Ms. Wiederholt advised that this was to be addressed at the September meeting bringing Foster & Foster to present the 5 year Experience Study and Actuarial rate of return to include quantitative analysis.

Ms. Wiederholt explained that due to the continued difficulties with AON Hewitt in requesting more fees to be paid, we have experienced issues with filing to the State and issues providing the correct information for the transfer to Foster & Foster. The data files required from AON Hewitt includes 8 questions that must be answered in order for Foster & Foster to complete the actuarial experience study and rate of return analysis.

**MOTION: (Little/Hill) Motion was made by Sonya Little for the Board to instruct staff to proceed with outlining the expectations of information to be received, not to exceed \$4,000 and communicate the Board's position on the filing with the State as part of the original contract and to receive the filings to the State. Motion was seconded by Stephen Hill. MOTION CARRIED.**

#### **IV. DISABILITY RETIREMENT HEARING**

Ms. Wiederholt briefed the Board on the comprehensive medical evaluation reports that were received from the Board's independent medical examiner along with one specialist with regards to the disability retirement application for Dale Martinez.

We received a comprehensive evaluation/medical report from Eniola Owi, M.D. dated May 17, 2018. It states, "After review of Mr. Martinez's medical records and performance of history and physical examination, it is my opinion that Mr. Martinez does not have a total and permanent disablement and should be able to provide a useful service for the City of Tampa."

A Comprehensive Evaluation/Medical Report dated June 28, 2018 was also received from Robin R. Hughes, M.D., M.P.H. It states, "Based upon a review of Mr. Martinez's medical records, his independent examination by Dr. Owi and my independent evaluation, it is this examiner's opinion that Mr. Martinez is incapable of usefully and efficiently performing any job within the City of Tampa."

Since there was a difference of opinion amongst the medical examiners, additional clarification was requested from Dr. Hughes. As stated, "The reason my opinion differs from Dr. Owi's opinion is that Mr. Martinez's psychiatric condition has significantly worsened over the last month since he was seen by Dr. Owi. Due to his progressive and chronic worsening of his above discussed psychiatric condition, he is on higher doses of his 8 different mental medications which further complicates his mental status with associated side-effects as mentioned above to such a degree that Mr. Martinez is a safety risk at work to himself and others."

Ms. Wiederholt made a staff recommendation for the Board to approve the disability retirement application for Mr. Martinez.

**MOTION: (Hill/Kenny) Motion was made by Stephen Hill to approve the disability retirement application for Dale Martinez based on the recommendations of the Board's independent medical examiners and the guidelines provided in the law based on such applications. Motion was seconded by Steve Kenny. MOTION CARRIED.**



## V. U.S. LARGE CAP EQUITY MANAGER PRESENTATION

Ms. Hallie Marshall with Dodge and Cox presented an update on the Dodge and Cox Large Cap Value Equity portfolio. Through the month of July, the portfolio is well ahead of the Russell 1000 Value Index on a year-to-date basis, as well as on a trailing 1, 3, 5, and 10 year basis. There have been no notable changes to the investment team or in firm structure. Assets under management remain stable.

## VI. STAFF REPORT

### 1) Portfolio Performance Review – Q2 2018

ACG reviewed the quarter report for the period ending 6/30/18 and the monthly report for the period ending 7/31/18.

The one year net of fee return of the Total Fund as of 6/30/18 was 8.12% which was 0.21% above the return of the Policy Index and ranked in the top 34% of the Public Fund Universe. On a dollar basis the Return on Investment for the One Year period ending 6/30/18 was \$60.18 million. The trailing five year annualized net return of the Total Fund as of 6/30/18 was 7.95% which ranks in the top 26% of all Public Pension Funds for that time period.

### 2) Portfolio Performance Review – July 2018

ACG reviewed the monthly performance report as of July 31, 2018 for the General Employees' Retirement Fund and the total fund value stood at approximately \$727.3 million. Year-to-date through July 31, 2018 the fund is up 2.95% gross of fees which is 0.65% above the Policy Index for the same period. Over the five year period ending July 31, 2018 the Fund is up 8.20% gross of fees annualized compared to the policy index of 7.67% for the same time period.

### 3) August 2018 Liquidity Needs

Ms. Wiederholt directed the Board to the cash flow projection and advised that \$4.3 million was needed to fund benefit payments for the month of August 2018. Elizabeth Sanborn, ACG, recommended the liquidation of \$4.3 million from Wellington Small Cap Core Equity strategy to provide liquidity needs for the month, as domestic small cap equities currently hold a slightly overweight position in the portfolio. ACG's 3Q 2018 Asset Class Relative Rankings continue to favor equities over fixed income, and the portfolio will remain slightly overweight to equities after this rebalancing transaction.

**MOTION (Hill/Mackie): Motion was made by Stephen Hill to liquidate \$4.3M from Wellington to fund benefit payments for August 2018. Motion was seconded by Elizabeth Mackie. MOTION CARRIED.**

### 4) Trustee Election Results

Ms. Wiederholt presented the Trustee elected official report and advised that Mr. Steve Kenny ran unopposed, and will begin his new term November 1, 2018 - October 31, 2021.

**MOTION (Waitman/Hill): Motion was made by Andy Waitman to approve the new term for Steven Kenny for November 1, 2018 – October 31, 2021. Motion was seconded by Stephen Hill. MOTION CARRIED.**



**5) Pension Administration System RFP Update**

Ms. Wiederholt announced that the RFP went live on Friday, August 17, 2018. A schedule was provided with estimated dates for the Procurement Process.

**6) Investment Consulting Services RFP Discussion**

Ms. Wiederholt requested that we continue the Investment Consulting Services RFP discussion from the previous Board Meeting to determine our position on hiring the next Investment Consultant. The 3 finalist that presented to the Board were Graystone Consulting, Asset Consulting Group, and New England Pension Consultants.

Ms. Wiederholt discussed issues we are having with the former actuary AON. Discussion included AON's failure to file the actuarial reports with the State for 2017 & 2018, the refusal to file, how they wouldn't release our data files to us, not providing answers to eight (8) of the questions required for the new actuary Foster & Foster to complete their work, and requiring more money from us for work we believe they should have included within their services.

The Board deliberated and concluded that with all the changes that will happen: actuary issues with missing data that doesn't seem to be available to help us make decisions, staff changes, etc., bringing a new consultant on board along with a new actuary may complicate things too much. Whatever the outcome, we should have a more detailed outline of our expectations of ACG.

Discussion further ensued to keep ACG as the Investment Consultant and prepare an agreement with specific expectations and improvements on the services already agreed upon. We shall put together a list of items that we are concerned with and write a dissatisfaction letter to inform ACG the needs to meet those expectations. The new agreement shall be negotiated with the requirements in the RFP incorporated, including the scope of services that were outlined in the RFP, adding a clause that we are the owner of our data files, and including "right of termination" language into that agreement.

**MOTION: (Kenny/Hill) Motion was made by Steve Kenny to hire ACG as Investment Consultant. Motion seconded by Stephen Hill. MOTION CARRIED.**

Mr. Carrera requested that at the next Board Meeting we should all bring concerns noticed since ACG's hire date so that we could reiterate the issues and concerns formally. Ms. Wiederholt will gather a list of concerns from a staff perspective, the dissatisfaction letter, an agreement with all the inclusions we just discussed, and the City's contribution of \$20.6 million to be allocated in September's meeting. Make sure that all of that is agenda items for the meeting.

**MOTION: (Kenny/Hill) Motion was made by Steve Kenny to add to the September agenda ACG concerns, letter of dissatisfaction and rebalancing amount. Motion seconded by Stephen Hill. MOTION CARRIED.**

**VII. CONSENT AGENDA**

Ms. Wiederholt advised that the Consent Agenda has been reviewed and the items listed are true, correct, and have been found to be accurate.

Retirement Benefits & Estate Payments:



Longevity Retirements, DROP Entrants, DROP Exit, Survivor Allowances, Estate Payments, Death Benefit Payments

Monthly Invoices:

1) City of Tampa Reimbursement – June & July 2018 - \$57,749.41

Quarterly Invoices:

- 1) Aberdeen - #84423 – Q2 2018 - \$86,634.01
- 2) ClariVest - #132951 – Q2 2018 - \$42,150.59
- 3) Dodge & Cox - #44985 – Q2 2018 - \$78,045.58
- 4) Fisher Investments - #20180630-10112-10578-A – Q2 2018 - \$121,040.41
- 5) State Street Global Advisors - #SSGABA2737245 – Q2 2018 - \$9,303.71
- 6) Taplin, Canida & Habacht – Q2 2018 - \$35,875.52
- 7) Waddell & Reed (Ivy Investments) – #305561 - 04/01 – 04/16/2018 - \$18,438.85
- 8) Waddell & Reed (Ivy Investments) - #305596 – 04/17 – 06/30/2018 - \$86,432.10
- 9) Wellington Management - #20180630-103079-A - \$57,896.32

Auto-Deducted:

- 1) Blackstone – Q1 2018 - \$53,201.00
- 2) Brandywine - #20180630-482-4233-A – Q2 2018 - \$69,539.75
- 3) Marathon-London – July 2018 - \$22,657.00
- 4) UBS – Q2 2018 - \$92,811.41

Miscellaneous Invoices:

- 1) Tampa General Hospital - #ROI-122655 - \$36.75 (Anderson)
- 2) Tampa Occupational Health & Wellness - #GERF08072018 - \$1,000.00 (Anderson)
- 3) Tampa Occupational Health & Wellness - #GERF07162018 - \$800.00 (Graedel)

**MOTION: (Hill/Mackie) Motion was made by Stephen Hill to approve the Consent Agenda. Motion was seconded by Elizabeth Mackie. MOTION CARRIED.**

**VIII. ADJOURNMENT**

There being no further business, Chairman Carrera adjourned the meeting at 4:06 p.m. and advised the Board that the next meeting would be held on Tuesday, September 18, 2018 at the Fire & Police Pension Fund, Board Meeting Conference Room, 3001 N. Boulevard Tampa, FL 33603.

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**BOARD CHAIRMAN – Ernest P. Carrera**

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**INTERIM GE PENSION PLAN SUPERVISOR – Michael Cascone  
& RECORDING SECRETARY**

September 18, 2018

**Points of Concern:**

As part of the agreement to maintain ACG as the GE Pension Board investment consultant, the Board is sharing their impressions below to clarify expectations of future performance:

- 1) **Reinvestment of liquidated funds:** ACG had no recommendation to reinvest the excess money when GW Capital (small cap equity manager) terminated in January 2016. Mr. Jason Pulos, Asset Consulting Group (ACG), presented to the Board at the January and February 2016 meetings and suggested we keep the funds in the cash account at the custodian bank to be used for liquidity needs. Mr. Ernie Carrera and Ms. Sonya Little insisted that the money be reinvested immediately, however, Mr. Pulos had no suggestions and found problems with every idea the Board suggested. At the February 2016 meeting, Mr. Carrera insisted that the funds be reinvested with one of our existing small cap managers as it was a market upcycle. The reinvested cash earned approximately \$1M in the month of March 2016. Had we followed ACG's advice we wouldn't have made that rate of return. The Board Minutes from January - March 2016 are available for review of the details.
- 2) **Investment of excess cash:** When Ms. Wiederholt arrived in Oct. 2015, the City's employer retirement plan contribution (typically paid at the beginning of the fiscal year) would remain in the cash account at the custodian bank until it was slowly used up for liquidity needs. This means, \$15 - \$20M remained idle and un-invested for 4 months. The staff would not reinvest the funds upon receipt, as is now, and ACG was okay with this strategy.
- 3) **Investment of excess cash:** ACG was comfortable with the staff determining liquidity needs for the upcoming quarter. Quarterly cash flow projections were performed and investments were liquidated at the beginning of the calendar quarter. Millions of dollars of excess cash was allowed to remain in our cash account at the custodian bank.
- 4) **Allocation Analysis:** ACG was not performing an Annual Asset Allocation Analysis to determine intermediate (5 - 7 years) and long term (30 year) rate of return projections. This analysis should be done annually by the investment consultant to ensure the Fund's assumed rate of return aligns with the projected rate of return. If the two don't align, additional work needs to be done with the investment consultant to look at different asset allocation mixes and the Board needs to review the assumed rate of return assumption and consider lowering it. Ms. Wiederholt initially requested this analysis from ACG and Mr. Pulos continued delaying its completion. Ms. Wiederholt ultimately presented this process to the Board and a motion was made to adopt and enforce ACG to do the analysis.
- 5) **Rebalancing:** ACG's rebalancing recommendations only look at the investments in which the actual allocation is the most overweight to the target allocation, therefore, we are not actually receiving investment advice. ACG should be looking at market activity and providing tactical advice to rebalancing to allow us to capitalize on market opportunities.

- 6) **Attendance**: ACG only attended up to 8 Board meetings a year and the investment consultant did not review investment performance for 4 months out of the year!
- 7) **Investment Alternatives**: ACG does not do any additional research on private investments/funds or additional types of investments suggested by Board members. They seem to be unwilling to do additional work to vet and review new investment opportunities.
- 8) **Fee Analysis**: ACG has never performed a Fee Analysis as requested and when specifically asked if the number of investment managers we have are too high, there didn't seem to be any concern. The more you have invested with a particular manager, the lower the fees. Another question presented to ACG, would we be better off if we invested in Index Funds as opposed to separately managed accounts? ACG has never done this analysis.
- 9) **Report Preparation**: ACG has never performed many of the reports or analyses listed in their draft agreement that's going before the Board this month. See the table in their draft Agreement for details. These reports and analyses are typically performed on Pension Funds our size by the investment consultant.
- 10) **Approach**: ACG's investment style has always been reactive as opposed to proactive.



**INVESTMENT CONSULTING SERVICES AGREEMENT**

THIS AGREEMENT, made at Tampa, Florida as of September 18, 2018, by and between the Board of Trustees of the General Employees’ Retirement Fund (“The Fund”) of the City of Tampa, the address of which is, 306 E. Jackson Street, 7E, Tampa, Florida, 33602 and Asset Consulting Group (“ACG”) the address of which is 231 South Bemiston Avenue, 14<sup>th</sup> Floor, St. Louis, Missouri, 63105

WHEREAS, the Board of Trustees (“The Board”) of the General Employees’ Retirement Fund of the City of Tampa, in an effort to meet its fiduciary responsibilities for the administration of the Fund, desires to enter into an Agreement with ACG for the performance of investment evaluation services on behalf of the Board;

NOW, THEREFORE, in consideration of the mutual covenants, promises and representations contained herein, the Fund and ACG agree as follows:

**ARTICLE I. PROGRAM ADMINISTRATOR**

The Board of is the administrator in charge of all activities associated with this Agreement.

**ARTICLE II. SCOPE OF SERVICES**

ACG is an independent contractor, and not an agent, subagent or representative of the Board, shall provide investment consulting services, as follows:

**A) SERVICES RELATING TO EVALUATION OF MANAGER PERFORMANCE**

- 1) Provide the following investment performance reports:

Report	Frequency	Deliverable Date	Description
<b>Monthly Investment Performance Report</b>	Monthly	Within seven (7) business days of month end.	
<b>Monthly Target vs. Actual Asset Allocation Report</b>	Monthly	Within seven (7) business days of month end.	Monthly report which lists actual asset allocation compared to target allocations at an individual manager level.

Report	Frequency	Deliverable Date	Description
<b>Monthly Rebalancing Analysis</b>	Monthly	Within seven (7) business days of month end.	
<b>Monthly Market Update Report</b>	Monthly	Within seven (7) business days of month end.	Focus on Key Market Themes: U.S. Economic Cycle; Federal Reserve; China/Foreign Markets; Globalization, U.S. and Global Inflation; U.S. Cash and Interest Rate Expectations. Provide Tactical Investment Advice on Current Market Opportunities
<b>Quarterly Investment Performance Report</b>	Quarterly	Within thirty (30) days of quarter end.	
<b>Annual Asset Allocation Study</b>	Annually	Present study at February Board meeting	Asset class assumptions should include an intermediate (5-7 years) and long term (30 years) forecast horizon. The 5 – 7 year forecast should capture the return outlook for the current investment cycle. The 30-year assumptions should reflect a long-term outlook and informed by historical relationships among asset classes.
<b>Annual Liquidity Study</b>	Annually	Present study at March Board meeting	Highlight the impact of changing cash flows (both investment driven and exogenous)
<b>Annual Investment Management Fee Study</b>	Annually	Present study at March Board meeting	
<b>Liability Study (Demographic-Based Investment Study)</b>	Every 3 Years (starting 2019)	2 <sup>nd</sup> Tuesday of the month of January 2019	Analysis to include demographic leveraging with pension fund liabilities identified by membership type; pension risk overview; and demographic-based investing analysis. The study should bring assets & liabilities together in a single risk framework and adapt the level of risk to plan demographics.



The reports provided to the Board should contain information which is typical or standard for such reports provided to the firm's other pension fund clients. At a minimum, the reports should provide the following information:

- Summary statistical information on the market value of assets and asset allocation.
- Total time-weighted return for each asset class for the most recently completed month, quarter, calendar year, fiscal year, three (3) years and five (5) years.
- Separate information for each manager and for the overall portfolio as a whole.
- Comparisons of actual returns with generally recognized indices, and with an appropriate universe of other pension fund managers.
- Information presented in both table and graph form.
- Calculations which allocate the total return between general market forces and management decisions of the fund manager.
- An indication of whether the manager is meeting the Board's goals and adhering to investment guidelines and legal requirements.
- Transaction costs.

2) Provide an oral briefing to the Board at all twelve (12) monthly meetings during the year unless excused by the Board. The briefing should include an overview of the Fund's investment performance, a review of individual investment manager performance, a rebalancing analysis, a market update and tactical/strategic investment advice relating to current market activity. The rebalancing analysis should include recommendations for funding sources for liquidity needs and contain research on market activity/investment return potential and have a focus on demographic-based investing.

**B) ASSIST THE BOARD WITH THE FOLLOWING FUNCTIONS:**

1) Provide comprehensive evaluation of the investment results achieved by the designated investment managers in light of the investment guidelines and performance standards contained in the Investment Policy Statements.

2) Make recommendations to the Board of appropriate actions to be considered which in the consultant's opinion, will enhance the probability of achieving overall Plan objectives. Such recommendations may include, but are not limited to:

- Use of alternate asset strategies or asset classes
- Changes in overall investment policy



- Changes in designated investment managers

3) Provide assistance to the Board in screening and selecting investment managers and investment opportunities, in traditional asset classes, alternative assets and private funds and investment strategies as appropriate.

C) SERVICES RELATING TO STAFFING:

ACG will be responsible for providing the necessary numbers and types of staff required to carry out successfully the responsibilities set forth in this scope of services. In addition, ACG must ensure the following:

1) ACG must assign at least two (2) Senior Consultants to perform services under the Agreements. While one may be designated Primary Consultant for the Agreement, the Secondary Consultant must be fully capable of handling all aspects of the Agreement in the absence of the Primary Consultant. One of the consultants assigned to the account must possess an active Chartered Financial Analyst (CFA) certification.

2) The individual assigned to the Board as Primary Consultant must, as of the effective date of this agreement, have a minimum of ten (10) total years of experience as the Primary Consultant to at least one (1) public defined benefit pension fund. This individual must have had, as of the effective date of this agreement, at least five (5) years of experience as the Primary Consultant to at least one (1) public pension fund with at least \$500 million in current assets, whether that experience was included in or in addition to the ten (10) Year requirement above. The term "Primary Consultant" shall refer to the lead, most-senior consultant assigned to regularly provide direct investment consulting services in a consulting relationship.

D) SERVICES RELATING TO THE ESTABLISHMENT OF INVESTMENT GUIDELINES, GOALS AND APPROPRIATE ASSET ALLOCATION

1) ACG should be prepared to act as consultant in the review or development of the Investment Policy Statement and the development of an Asset Allocation Analysis. ACG should prepare and present an annual Asset Allocation Analysis to the Board at the February meeting. The Analysis should include intermediate and long-term rate of return projections for the Fund. ACG should also prepare an annual Demographic-Based Investing Study to bring assets & liabilities together in a single risk framework and adapt the level of risk to plan demographics. In developing a statement and plan, consideration should be given to:



- The Board’s willingness and ability to assume investment risk.
- Identification of asset classes which should be considered for investment.
- Evaluation of the effect that the current and alternate asset class mixes have on expected long-term return and risk.
- Evaluation and recommendation concerning the plan’s liquidity requirements and long range investment goals.

#### E) SERVICES RELATING TO INVESTMENT MANAGER SEARCHES

##### 1) Services to be provided shall include the following:

- Analysis leading to identification of appropriate investment styles consistent with the Board’s long-term investment objectives.
- Development and distribution of a Request of Proposal (RFP) to outside investment managers and appropriate styles.
- Clarifying the RFP to potential managers.
- Receive proposals from potential managers.
- Clarify and evaluate the proposals from potential managers for the Board.
- Assist the Board in interviewing, selecting and negotiating with investment managers.
- Review and recommend contract providers and reporting requirements.

#### F) SERVICES RELATING TO INVESTMENT TRAINING

- 1) Provide training to the Board and staff on investment topics as requested.
- 2) Conduct a maximum of two (2) workshops per year on specific issues designated by the Board and staff.
- 3) Participate in an annual planning session for the Board during Q4 as designated by the staff.

#### G) MEETINGS WITH THE BOARD AND GENERAL EMPLOYEES’ RETIREMENT FUND STAFF

ACG shall be available to meet with Board members and/or staff, in addition to regularly scheduled Board meetings to discuss investment related topics.

#### H) UNSCHEDULED DELIVERABLES



The Board and/or City of Tampa (Plan Sponsor) may require various investment consulting services necessary for the efficient administration of the General Employees' Retirement Fund. The nature of those services is such that they may not be regularly scheduled. The investment consultant will be required to perform those services on an ad hoc basis as requested by the Board.

#### ARTICLE III. FIDUCIARY RESPONSIBILITY

While the Fund is not a plan governed by ERISA, ACG acknowledges that it is a fiduciary under the ERISA Fiduciary Rule 3(21), with respect to the investment advice it provides to the Board to the extent that such advice is considered fiduciary in nature under applicable Florida law, or would be fiduciary in nature if provided to an ERISA plan. An individual is a fiduciary under Section 3(21) if he or she renders investment advice for a fee (or has any authority or responsibility to do so). A 3(21) fiduciary gives advice and makes recommendations, but the Board makes the final decisions.

ACG's responsibility does not include discretionary control of any plan or the assets contained therein. ACG has no responsibility for the actions or advice of any other investment advisors or service providers. The services consisting of investment advice will be provided by ACG with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims.

As a fiduciary to the Fund, ACG must avoid conflicts of interest. A conflict of interest arises when a fiduciary finds that they are in a position where their personal interest is conflicted with the duty they owe to the plan members. In this investment fiduciary situation, ACG's advisor compensation must not be affected by the advice given. ACG must not receive compensation from a third party for recommending an investment to the Board of Trustees of the City of Tampa, General Employees' Retirement Fund. This can take many forms such as proprietary funds, or revenue sharing such as shareholder servicing or sub-transfer agency fees.

#### ARTICLE IV. PERIOD OF AGREEMENT

This Agreement shall become effective on September 18, 2018 and shall be for three (3) years. The Board by action of a formal vote, may renew this agreement at the same terms and conditions for two (2) additional one-year periods, unless earlier cancelled as hereinafter provided. When deemed to be in the best interest of the Board, the Board may cancel the Agreement at any time prior to the expiration of the initial three-year term or at any time



within the two additional one-year renewal periods. The agreement may be cancelled by the following means:

- 10-day written notice with cause; or
- 30-day written notice without cause

In the event that the Board terminates this Agreement, ACG shall cease work and shall deliver to the Board all completed work product prepared or obtained by ACG specifically and exclusively for the Board in connection with its services herein.

#### ARTICLE V. CONSIDERATION

A) The Board shall pay to ACG, as total consideration for all services rendered pursuant to this Agreement, an annual fee of One Hundred Thirty Thousand Dollars (\$130,000.00).

B) No other costs or expenses incurred by ACG or on its behalf shall be chargeable to the Board unless specifically authorized by this Agreement.

C) ACG shall prepare and submit quarterly invoices to the Board representing the services completed to the date of invoice. Said invoices shall include supporting documentation as the Board may reasonably require. Invoices shall be paid within 30 days of Board approval.

#### ARTICLE VI. COMPLIANCE WITH LAWS, STATUTES, ORDINANCES AND POLICIES

ACG shall comply with all applicable laws, statutes, ordinances and policies of the United States, the State of Florida and the City of Tampa.

#### ARTICLE VII. CONFIDENTIALITY; PROPRIETARY INFORMATION

In connection with the performance of its services under this Agreement, ACG will hold any confidential information it receives concerning the Board in strict confidence, and will not disclose any confidential information it receives concerning the Board in strict confidence, and will not disclose any such confidential information to any third party except as necessary in connection with the performance of its duties on behalf of the Board or as required by applicable law, or upon the request of a regulator with jurisdiction over ACG.

#### ARTICLE VIII. INSURANCE



A) During the term of this Agreement, ACG shall provide, pay for, and maintain insurance with companies authorized to do business in Florida, and an A.M. Best rating of B+ (or better) Class VII (or higher) (other than Errors and Omissions insurance). All insurance other than Errors and Omissions insurance) shall be from responsible companies duly authorized to do business in the State of Florida. All liability policies (other than Errors and Omissions insurance) shall provide that the Board be included as an additional insured with respect to the Board's vicarious liability arising from the operations of ACG under the award/agreement including the Additional Insured endorsement, the Waiver of Subrogation endorsement, and the Severability of Interest Provision. The insurance coverages limits, and endorsements required must be evidenced by a properly executed Acord 25 Certificate of Insurance form or its equivalent. Each Certificate shall be manually signed by the Authorized Representative of the insurance company shown in the Certificate. All insurance policies shall require that the insurer endeavor to provide thirty days' written notice to the Board of any cancellation or reduction in the policy coverages, except in the application of the aggregate liability limits provisions. Should any aggregate limit of liability coverage be reduced, it shall be immediately increased back to the limit required by the award/agreement. The insurance coverages required herein are to be primary to any insurance carried by the Board or any self-insurance program thereof for claims arising solely from ACG's provision of services pursuant to the Agreement.

B) ACG shall provide and pay for the following:

1) **Commercial General Liability Insurance** shall be provided on the most current Insurance Services Office (ISO) form or its equivalent. The amount of Commercial General Liability insurance shall be the amount specified.

a) \$1,000,000 per occurrence and a \$2,000,000 general aggregate.

2) **Automobile Liability Insurance** shall be maintained on all automobiles owned by ACG and located in the State of Florida in accordance with the laws of the State of Florida, as to the ownership maintenance, and use of all owned, non-owned, leased, or hired vehicles. The amount of Automobile Liability Insurance shall be the amount specified.

a) \$1,000,000 combined single limit each occurrence bodily injury & property damage.

3) **Workers' Compensation and Employer's Liability Insurance** shall be provided for all employees engaged in the work under the award, in accordance with the laws of the



State of Florida. The amount of the Employer's Liability Insurance shall be the amount specified.

**Worker's Compensation:** Florida Statutory Requirements  
**Employer's Liability:**

a) \$1,000,000 bodily injury each accident/bodily injury/disease or per occurrence. These amounts apply except as otherwise exempt by Florida State Statute.

4) **Professional or Errors and Omission Liability** on a claim made basis, coverage shall cover any act or omission in the rendering of professional services pursuant to the award/contract.

a) \$3,000,000 in aggregate with no per occurrence limit; inclusive of defense costs.

5) **Excess Liability Insurance (Umbrella Policy)** may compensate for a deficiency in general liability, automobile, or worker's compensation insurance coverage limits.

#### ARTICLE IX. NONASSIGNABILITY

ACG may not assign or transfer any interest in this Agreement without the consent of the Board.

#### ARTICLE X. MODIFICATION, AMENDMENT OR EXTENSION.

This Agreement may not be modified, amended or extended verbally or by conduct but only be a formal Board motion in a writing duly executed by the parties.

#### ARTICLE XI. HEADINGS

All articles and descriptive headings or paragraphs in this Agreement are inserted for convenience only and shall not affect the construction or interpretation hereof.

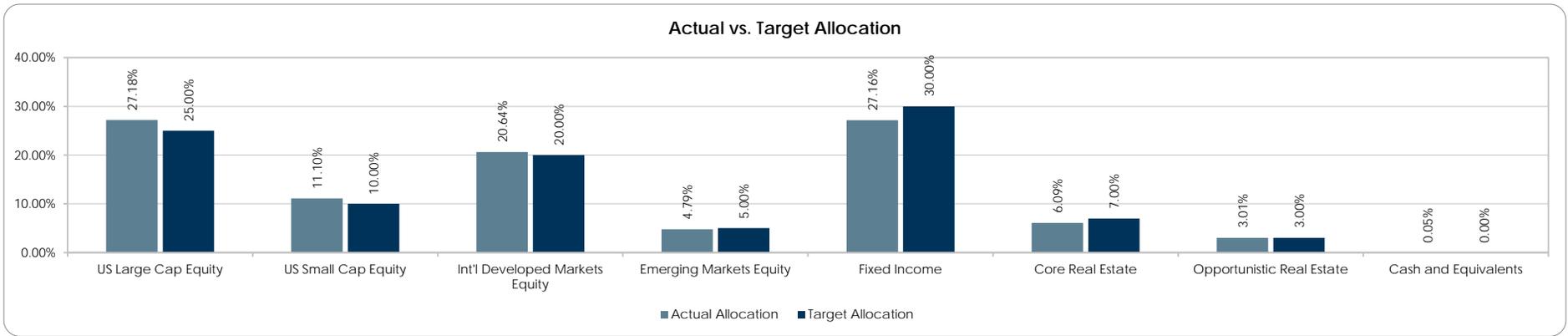
#### ARTICLE XIII. FORM ADV PART II

ACG must provide Form ADV, Part II, within 48 hours of execution of this Agreement. The Board also agrees that future offers to provide, or the provision of, Form ADV, Part II or other information required by applicable regulation may be sent to the Board electronically, at the email address provided to ACG by the Board prior to such time.

### City of Tampa General Employees' Retirement Fund

For the Periods Ending August 31, 2018

Gross of Fees



Asset Class	Market Value (\$000s)	Actual Allocation (%)	Target Allocation (%)	Over/Under (%)	Range Min - Max (%)
<b>Total Portfolio</b>	<b>729,154</b>	<b>100.00</b>	<b>100.00</b>		
<b>Equity</b>	<b>464,513</b>	<b>63.71</b>	<b>60.00</b>	<b>3.71</b>	<b>55.00 - 65.00</b>
US Large Cap Equity	198,192	27.18	25.00	2.18	20.00 - 30.00
US Small Cap Equity	80,903	11.10	10.00	1.10	7.00 - 13.00
Int'l Developed Markets Equity	150,475	20.64	20.00	0.64	17.00 - 23.00
Emerging Markets Equity	34,944	4.79	5.00	-0.21	3.00 - 7.00
<b>Fixed Income</b>	<b>198,002</b>	<b>27.16</b>	<b>30.00</b>	<b>-2.84</b>	<b>23.00 - 37.00</b>
<b>Real Assets</b>	<b>66,297</b>	<b>9.09</b>	<b>10.00</b>	<b>-0.91</b>	<b>7.00 - 13.00</b>
Core Real Estate	44,375	6.09	7.00	-0.91	5.00 - 12.00
Opportunistic Real Estate	21,922	3.01	3.00	0.01	1.00 - 5.00
<b>Cash and Equivalents</b>	<b>341</b>	<b>0.05</b>	<b>0.00</b>	<b>0.05</b>	

	Market Value (\$000s)	Actual Allocation (%)	1 Month (%)	YTD (%)	FYTD (%)	1 Year (%)	3 Years (%)	5 Years (%)	10 Years (%)	Since Inception (%)
<b>Total Portfolio (07/85)</b>	<b>729,154</b>	<b>100.00</b>	<b>0.74</b>	<b>3.87</b>	<b>7.10</b>	<b>9.14</b>	<b>9.71</b>	<b>8.78</b>	<b>7.47</b>	<b>8.73</b>
<i>Policy Index</i> <sup>1</sup>			<i>0.97</i>	<i>3.29</i>	<i>6.90</i>	<i>8.68</i>	<i>9.12</i>	<i>8.25</i>	<i>7.00</i>	<i>--</i>

<sup>1</sup> The Policy Index consists of 30% BloomBar US Aggregate, 20% MSCI EAFE, 25% Russell 1000, 10% Russell 2000, 5% MSCI Emerging Markets, and 10% NFI ODCE net. Prior to July 2017, the Policy Index consisted of 30% BloomBar US Aggregate, 20% MSCI EAFE, 25% Russell 1000, 10% Russell 2000, 5% MSCI Emerging Markets, 5% NFI ODCE net and 5% FTSE EPRA/NAREIT Developed RE. Prior to June 2014, the Policy Index consisted of 30% BloomBar US Aggregate, 18% MSCI EAFE, 29% Russell 1000, 7% Russell 2000, 3% MSCI EAFE SMID NetDiv, 3% MSCI Emerging Markets, 5% NFI ODCE net and 5% FTSE EPRA/NAREIT Developed RE. Prior to August 2009, the Policy Index consisted of 30% BloomBar US Aggregate, 18% MSCI EAFE, 32% Russell 1000, 8% Russell 2000, 3.5% MSCI EAFE Small Cap, 3.5% MSCI Emerging Markets, and 5% NFI ODCE net.

## City of Tampa General Employees' Retirement Fund

For the Periods Ending August 31, 2018

Gross of Fees

	Market Value (\$000s)	Actual Allocation (%)	1 Month (%)	YTD (%)	FYTD (%)	1 Year (%)	3 Years (%)	5 Years (%)	10 Years (%)	Since Inception (%)
<b>Total Portfolio (07/85)</b>	<b>729,154</b>	<b>100.00</b>	<b>0.74</b>	<b>3.87</b>	<b>7.10</b>	<b>9.14</b>	<b>9.71</b>	<b>8.78</b>	<b>7.47</b>	<b>8.73</b>
<i>Policy Index</i> <sup>1</sup>			0.97	3.29	6.90	8.68	9.12	8.25	7.00	--
<b>US Large Cap Equity (04/02)</b>	<b>198,192</b>	<b>27.18</b>	<b>2.73</b>	<b>13.08</b>	<b>19.94</b>	<b>23.24</b>	<b>17.39</b>	<b>16.26</b>	<b>11.56</b>	<b>9.35</b>
<i>Russell 1000</i>			3.45	10.07	17.32	19.82	15.84	14.37	10.93	8.24
<b>US Small Cap Equity (01/99)</b>	<b>80,903</b>	<b>11.10</b>	<b>4.93</b>	<b>12.50</b>	<b>16.51</b>	<b>22.84</b>	<b>15.92</b>	<b>13.06</b>	<b>11.76</b>	<b>11.82</b>
<i>Russell 2000</i>			4.31	14.26	18.08	25.45	16.11	13.00	10.46	8.91
<b>Non US Equity (03/03)</b>	<b>185,419</b>	<b>25.43</b>	<b>-1.62</b>	<b>-2.98</b>	<b>0.44</b>	<b>2.61</b>	<b>8.23</b>	<b>5.48</b>	<b>4.59</b>	<b>8.73</b>
<i>Non US Equity Index</i> <sup>2</sup>			-2.07	-2.88	1.89	3.88	8.47	6.23	4.30	9.30
<b>Fixed Income (10/84)</b>	<b>198,002</b>	<b>27.16</b>	<b>-0.39</b>	<b>-1.33</b>	<b>-1.04</b>	<b>-1.47</b>	<b>2.50</b>	<b>2.58</b>	<b>4.23</b>	<b>6.50</b>
<i>BloomBar US Aggregate</i>			0.64	-0.96	-0.58	-1.05	1.76	2.49	3.70	6.97
<b>Real Assets (07/02)</b>	<b>66,297</b>	<b>9.09</b>	<b>0.00</b>	<b>4.03</b>	<b>6.31</b>	<b>8.37</b>	<b>7.77</b>	<b>8.69</b>	<b>5.17</b>	<b>8.06</b>
<i>Real Assets Composite Index</i> <sup>3</sup>			0.00	3.82	5.74	7.47	8.24	9.03	5.88	--
<b>Cash and Equivalents (06/93)</b>	<b>341</b>	<b>0.05</b>	<b>0.17</b>	<b>1.13</b>	<b>1.38</b>	<b>1.47</b>	<b>0.86</b>	<b>0.61</b>	<b>0.50</b>	<b>2.84</b>
<i>US T-Bills 90 Day</i>			0.18	1.15	1.44	1.52	0.79	0.49	0.36	2.60

<sup>1</sup> The Policy Index consists of 30% BloomBar US Aggregate, 20% MSCI EAFE, 25% Russell 1000, 10% Russell 2000, 5% MSCI Emerging Markets, and 10% NFI ODCE net. Prior to July 2017, the Policy Index consisted of 30% BloomBar US Aggregate, 20% MSCI EAFE, 25% Russell 1000, 10% Russell 2000, 5% MSCI Emerging Markets, 5% NFI ODCE net and 5% FTSE EPRA/NAREIT Developed RE. Prior to June 2014, the Policy Index consisted of 30% BloomBar US Aggregate, 18% MSCI EAFE, 29% Russell 1000, 7% Russell 2000, 3% MSCI EAFE SMID NetDiv, 3% MSCI Emerging Markets, 5% NFI ODCE net and 5% FTSE EPRA/NAREIT Developed RE. Prior to August 2009, the Policy Index consisted of 30% BloomBar US Aggregate, 18% MSCI EAFE, 32% Russell 1000, 8% Russell 2000, 3.5% MSCI EAFE Small Cap, 3.5% MSCI Emerging Markets, and 5% NFI ODCE net.

<sup>2</sup> The Non US Equity Index consists of 80% MSCI EAFE and 20% MSCI Emerging Markets Index. Prior to June 2014, the Non U.S. Equity Policy Index consisted of 75% MSCI EAFE, 12.5% MSCI EAFE SMID NetDiv, and 12.5% MSCI Emerging Markets Index.

<sup>3</sup> The Real Assets Composite Index consists of 100% NFI ODCE net. Prior to July 2017, the Real Assets Composite Index consisted of 50% NFI ODCE net and 50% FTSE EPRA/NAREIT Developed RE Index.

## City of Tampa General Employees' Retirement Fund

For the Periods Ending August 31, 2018

## Gross of Fees

	Market Value (\$000s)	Actual Allocation (%)	1 Month (%)	YTD (%)	FYTD (%)	1 Year (%)	3 Years (%)	5 Years (%)	10 Years (%)	Since Inception (%)
<b>US Large Cap Equity (04/02)</b>	<b>198,192</b>	<b>27.18</b>	<b>2.73</b>	<b>13.08</b>	<b>19.94</b>	<b>23.24</b>	<b>17.39</b>	<b>16.26</b>	<b>11.56</b>	<b>9.35</b>
<i>Russell 1000</i>			3.45	10.07	17.32	19.82	15.84	14.37	10.93	8.24
<b>Loomis Sayles Large Cap Growth (08/18)</b>	<b>99,244</b>	<b>13.61</b>	<b>3.82</b>	--	--	--	--	--	--	<b>3.82</b>
<i>Russell 1000 Growth</i>			5.47	16.44	25.59	27.23	19.33	17.47	12.84	5.47
<b>Dodge &amp; Cox Incorporated (04/02)</b>	<b>98,910</b>	<b>13.56</b>	<b>1.65</b>	<b>7.41</b>	<b>13.60</b>	<b>18.18</b>	<b>15.86</b>	<b>13.90</b>	<b>10.58</b>	<b>9.26</b>
<i>Russell 1000 Value</i>			1.48	3.71	9.23	12.47	12.32	11.22	8.93	7.56
<b>Ivy Investment Management (12/04)</b>	<b>36</b>	<b>0.01</b>	--	--	--	--	--	--	--	--
<b>Large Cap Growth Transition Account (08/18)</b>	<b>1</b>	<b>0.00</b>	<b>0.16</b>	--	--	--	--	--	--	<b>0.16</b>
<b>US Small Cap Equity (01/99)</b>	<b>80,903</b>	<b>11.10</b>	<b>4.93</b>	<b>12.50</b>	<b>16.51</b>	<b>22.84</b>	<b>15.92</b>	<b>13.06</b>	<b>11.76</b>	<b>11.82</b>
<i>Russell 2000</i>			4.31	14.26	18.08	25.45	16.11	13.00	10.46	8.91
<b>WTC SC 2000 (01/99)</b>	<b>37,442</b>	<b>5.13</b>	<b>5.59</b>	<b>12.32</b>	<b>16.74</b>	<b>22.78</b>	<b>17.24</b>	<b>15.70</b>	<b>13.84</b>	<b>12.34</b>
<i>Russell 2000</i>			4.31	14.26	18.08	25.45	16.11	13.00	10.46	8.91
<b>ClariVest Asset Management (07/07)</b>	<b>22,146</b>	<b>3.04</b>	<b>6.10</b>	<b>17.58</b>	<b>21.66</b>	<b>28.46</b>	<b>17.27</b>	<b>15.46</b>	<b>11.94</b>	<b>8.70</b>
<i>Russell 2000 Growth</i>			6.23	18.53	23.97	30.72	16.36	14.20	11.57	9.64
<b>LMCG Small Cap Value (07/16)</b>	<b>21,315</b>	<b>2.92</b>	<b>2.54</b>	<b>8.02</b>	<b>11.32</b>	<b>17.81</b>	--	--	--	<b>16.68</b>
<i>Russell 2000 Value</i>			2.38	9.86	12.11	20.05	15.73	11.72	9.27	19.51
<b>Non US Equity (03/03)</b>	<b>185,419</b>	<b>25.43</b>	<b>-1.62</b>	<b>-2.98</b>	<b>0.44</b>	<b>2.61</b>	<b>8.23</b>	<b>5.48</b>	<b>4.59</b>	<b>8.73</b>
<i>Non US Equity Index <sup>2</sup></i>			-2.07	-2.88	1.89	3.88	8.47	6.23	4.30	9.30
<b>Int'l Developed Markets Equity</b>										
<b>Marathon-London International Fund (08/15)</b>	<b>76,959</b>	<b>10.55</b>	<b>-0.87</b>	<b>0.06</b>	<b>3.95</b>	<b>6.43</b>	<b>7.67</b>	--	--	<b>5.48</b>
<i>MSCI EAFE NetDiv</i>			-1.93	-2.28	1.85	4.39	7.04	5.73	3.66	4.23
<i>MSCI EAFE Value</i>			-3.62	-4.97	-1.85	1.23	5.73	4.85	3.32	2.93
<b>Fisher Investments (07/03)</b>	<b>73,516</b>	<b>10.08</b>	<b>-1.76</b>	<b>-2.41</b>	<b>-0.23</b>	<b>3.46</b>	<b>8.63</b>	<b>6.60</b>	<b>5.18</b>	<b>8.42</b>
<i>MSCI EAFE</i>			-1.92	-1.88	2.32	4.90	7.57	6.22	4.14	7.69
<i>MSCI EAFE Growth</i>			-0.27	1.17	6.50	8.55	9.29	7.51	4.89	7.97
<b>Emerging Markets Equity</b>										
<b>Aberdeen Asset Management (06/08)</b>	<b>34,944</b>	<b>4.79</b>	<b>-2.92</b>	<b>-10.17</b>	<b>-5.37</b>	<b>-6.62</b>	<b>9.12</b>	<b>4.22</b>	<b>6.36</b>	<b>4.79</b>
<i>MSCI Emerging Markets</i>			-2.67	-6.93	0.06	-0.32	11.83	5.42	3.80	1.45

## City of Tampa General Employees' Retirement Fund

For the Periods Ending August 31, 2018

### Gross of Fees

	Market Value (\$000s)	Actual Allocation (%)	1 Month (%)	YTD (%)	FYTD (%)	1 Year (%)	3 Years (%)	5 Years (%)	10 Years (%)	Since Inception (%)
<b>Fixed Income (10/84)</b>	<b>198,002</b>	<b>27.16</b>	<b>-0.39</b>	<b>-1.33</b>	<b>-1.04</b>	<b>-1.47</b>	<b>2.50</b>	<b>2.58</b>	<b>4.23</b>	<b>6.50</b>
<i>Barclays US Aggregate</i>			0.64	-0.96	-0.58	-1.05	1.76	2.49	3.70	6.97
<b>Taplin, Canida &amp; Habacht (03/97)</b>	<b>70,522</b>	<b>9.67</b>	<b>0.59</b>	<b>-0.76</b>	<b>-0.06</b>	<b>-0.32</b>	<b>2.46</b>	<b>2.98</b>	<b>4.60</b>	<b>5.44</b>
<i>BloomBar US Aggregate</i>			0.64	-0.96	-0.58	-1.05	1.76	2.49	3.70	5.00
<b>State Street Global Advisors (06/03)</b>	<b>64,956</b>	<b>8.91</b>	<b>0.64</b>	<b>-0.95</b>	<b>-0.57</b>	<b>-1.04</b>	<b>1.78</b>	<b>2.50</b>	<b>3.80</b>	<b>3.80</b>
<i>BloomBar US Aggregate</i>			0.64	-0.96	-0.58	-1.05	1.76	2.49	3.70	3.73
<b>Brandywine (02/12)</b>	<b>62,524</b>	<b>8.57</b>	<b>-2.51</b>	<b>-2.63</b>	<b>-2.82</b>	<b>-3.40</b>	<b>3.16</b>	<b>2.24</b>	<b>--</b>	<b>2.15</b>
<i>Citigroup World Govt Bond</i>			-0.20	-1.55	-0.52	-1.72	2.28	0.80	2.19	-0.12
<b>Real Assets (07/02)</b>	<b>66,297</b>	<b>9.09</b>	<b>0.00</b>	<b>4.03</b>	<b>6.31</b>	<b>8.37</b>	<b>7.77</b>	<b>8.69</b>	<b>5.17</b>	<b>8.06</b>
<i>Real Assets Composite Index</i> <sup>3</sup>			0.00	3.82	5.74	7.47	8.24	9.03	5.88	--
<b>Core Real Estate</b>										
<b>UBS Global Asset Management (09/00)</b> <sup>4</sup>	<b>44,375</b>	<b>6.09</b>	<b>0.00</b>	<b>3.69</b>	<b>6.13</b>	<b>7.70</b>	<b>7.98</b>	<b>9.39</b>	<b>5.50</b>	<b>8.32</b>
<i>NFI ODCE Net</i>			0.00	3.82	5.74	7.47	8.37	10.03	4.33	7.19
<b>Opportunistic Real Estate</b>										
<b>Blackstone (07/17)</b> <sup>5</sup>	<b>21,922</b>	<b>3.01</b>	<b>0.00</b>	<b>4.74</b>	<b>6.60</b>	<b>9.70</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>8.26</b>
<i>NFI ODCE Net</i>			0.00	3.82	5.74	7.47	8.37	10.03	4.33	6.37
<b>Cash and Equivalents (06/93)</b>	<b>341</b>	<b>0.05</b>	<b>0.17</b>	<b>1.13</b>	<b>1.38</b>	<b>1.47</b>	<b>0.86</b>	<b>0.61</b>	<b>0.50</b>	<b>2.84</b>

Dates behind managers reflect the first full month of performance.

FYTD: Fiscal year ending September.

<sup>4</sup> Market value as of 06/30/18. Updated valuation available quarterly.

<sup>5</sup> Market value as of 06/30/18. Quarterly valuation available 45 days after quarter-end.

## Disclosures and Legal Notice

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City of Tampa  
 General Employees' Retirement Fund  
 Cash Flow Projection - FY 2018/2019

	Actuals	Actuals	Actuals	Actuals	Actuals	Actuals	Actuals	Actuals	Actuals	Actuals	Actuals	Actuals	Projection	Projection	Projection
DESCRIPTION	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	
<b>Beginning Balance:</b>	\$ 420,821	\$ 544,588	\$ 580,025	\$ 509,941	\$ 462,655	\$ 5,262,555	\$ 961,813	496,510	\$ 661,072	\$ 564,678	\$ 506,028	\$ 333,571	\$ 287,228	\$ 340,885	
<b>RECEIPTS</b>															
EE Contributions - City	1,301	1,273	1,693	1,273	1,314	1,961	1,278	1,353	1,293	1,321	1,930	1,320	1,320	1,320	
EE Contributions - County	425	425	425	645	439	439	439	439	439	659	439	439	439	439	
ER Contributions - City	17,600,000	-	-	-	-	-	-	-	-	-	-	2,800,000	18,500,000	-	
ER Contributions - County	868	868	868	1,317	898	898	898	898	898	1,347	898	898	898	898	
<b>Liquidity Needs</b>	<b>1,300,000</b>	<b>4,100,000</b>	<b>4,600,000</b>	<b>3,800,000</b>	<b>4,200,000</b>	<b>0</b>	<b>3,400,000</b>	<b>4,500,000</b>	<b>7,300,000</b>	<b>3,800,000</b>	<b>4,300,000</b>	<b>2,000,000</b>	<b>0</b>	<b>4,500,000</b>	
Commission Recapture Income Received	999	665	485	1,061	504	1,076	745	776	1,078	604	29				
Dividend Income Received	4	-	-	-	-	-	-	-	-	-	-	-	-	-	
Interest Income Received	678	2,834	780	835	1,047	1,078	5,646	2,167	6,165	2,149	1,621	1,000	1,000	1,000	
Securities Litigation Distributions Received	2,327	183	3,480				1,258				1,005				
Tax Reclaims Received from JP Morgan	56,636	9,281	1,401	-											
Transfers of Residual Assets from CBRE Clarion	8,363	-	-	-											
Distributions from Fidelity Real Estate Growth Fund III	-	108,486	17,018	-											
Refunds				1,560	660										
Rebalancing					5,000,000										
<b>Total Receipts</b>	<b>18,971,603</b>	<b>4,224,015</b>	<b>4,626,149</b>	<b>3,806,692</b>	<b>9,204,862</b>	<b>5,452</b>	<b>3,410,264</b>	<b>4,505,633</b>	<b>7,309,873</b>	<b>3,806,080</b>	<b>4,305,923</b>	<b>4,803,657</b>	<b>18,503,657</b>	<b>4,503,657</b>	
<b>DISBURSEMENTS</b>															
Pension Benefits	(3,343,110)	(3,311,006)	(3,314,611)	(3,420,564)	(3,515,923)	(3,468,786)	(3,454,411)	(3,462,441)	(3,462,112)	(3,462,962)	(3,551,968)	(3,600,000)	(3,600,000)	(3,600,000)	
Taxes	(321,191)	(326,143)	(324,614)	(284,851)	(311,677)	(291,158)	(288,887)	(286,986)	(290,791)	(289,790)	(331,009)	(350,000)	(350,000)	(350,000)	
Vendors	(183,535)	(551,429)	(41,066)	(129,738)	(577,363)	(28,150)	(132,269)	(591,644)	(70,392)	(111,977)	(595,403)	(100,000)	(100,000)	(600,000)	
Quarterly DROP Payouts	-	-	(1,015,943)	(18,824)		(518,100)			(3,582,972)			(800,000)			
Rebalancing	(15,000,000)	-	-	-	-	-	-	-	-	-	-	-	(14,400,000)	-	
<b>Total Disbursements</b>	<b>(18,847,836)</b>	<b>(4,188,578)</b>	<b>(4,696,234)</b>	<b>(3,853,977)</b>	<b>(4,404,963)</b>	<b>(4,306,194)</b>	<b>(3,875,567)</b>	<b>(4,341,071)</b>	<b>(7,406,267)</b>	<b>(3,864,729)</b>	<b>(4,478,380)</b>	<b>(4,850,000)</b>	<b>(18,450,000)</b>	<b>(4,550,000)</b>	
<b>Ending Balance</b>	<b>\$ 544,588</b>	<b>\$ 580,025</b>	<b>\$ 509,941</b>	<b>\$ 462,655</b>	<b>\$ 5,262,555</b>	<b>\$ 961,813</b>	<b>\$ 496,510</b>	<b>\$ 661,072</b>	<b>\$ 564,679</b>	<b>\$ 506,028</b>	<b>\$ 333,571</b>	<b>\$ 287,228</b>	<b>\$ 340,885</b>	<b>\$ 294,542</b>	

**Notes:**

October Rebalancing: +\$5M - Brandywine; +\$4.5M - SSGA; +\$4M - Dodge & Cox; +\$1.5M - LMCG  
 October Liquidity: (\$1.3M) - Wellington  
 November Liquidity: (\$2.1M) - Ivy Investments; (\$1M) - ClariVest; (\$1M) - Wellington  
 December Liquidity: (\$2M) - Ivy Investments; (\$2M) - Wellington; (\$600K) - ClariVest  
 January Liquidity: (\$2.5M) - Ivy Investments; (\$1.3M) - Dodge & Cox  
 February Liquidity: (\$3.5M) - Dodge & Cox; (\$700K) - Ivy Investments  
 February Rebalancing: (\$5M) - Brandywine  
 April Liquidity: (\$2.4M) - Ivy Investments; (\$1M) - Dodge & Cox  
 April Rebalancing: (\$4.5M) - Marathon London  
 June Liquidity: (\$7.3M) - Ivy Investments  
 July Liquidity: (\$3.8M) - Dodge & Cox  
 August 2018 Liquidity: (\$4.3M) - Wellington

## City of Tampa General Employees' Retirement Fund

<i>Preliminary as of September 10, 2018</i>	Market Value	% of Total Fund	Target Value	Target %	\$ Value Over/Under Target	Proposed Rebalance (Cash Increase)	Rebalanced Value	Rebalanced Mix
<b>Total Equity</b>	<b>\$455,854,600</b>	<b>62.91%</b>	<b>\$434,764,887</b>	<b>60.00%</b>	<b>\$21,089,713</b>	<b>(\$2,000,000)</b>	<b>\$453,853,561</b>	<b>62.63%</b>
Ivy Investments	\$36,456	0.01%			\$36,456		\$36,456	0.01%
Loomis Sayles Large Cap Growth**	\$95,024,019	13.11%	\$90,576,018	12.50%	\$4,448,001		\$95,024,019	13.11%
Dodge & Cox	\$97,886,363	13.51%	\$90,576,018	12.50%	\$7,310,345	(\$2,000,000)	\$95,886,363	13.23%
Large Cap Growth Transition Account	\$1,039	0.00%						0.00%
<b>U.S. Large Cap Equity Total</b>	<b>\$192,947,876</b>	<b>26.63%</b>	<b>\$181,152,036</b>	<b>25.00%</b>	<b>\$11,795,840</b>	<b>(\$2,000,000)</b>	<b>\$190,946,838</b>	<b>26.35%</b>
ClariVest	\$21,841,419	3.01%	\$18,115,204	2.50%	\$3,726,215		\$21,841,419	3.01%
LMCG	\$21,081,291	2.91%	\$18,115,204	2.50%	\$2,966,088		\$21,081,291	2.91%
Wellington	\$37,042,202	5.11%	\$36,230,407	5.00%	\$811,795		\$37,042,202	5.11%
<b>U.S. Small Cap Equity Total</b>	<b>\$79,964,912</b>	<b>11.04%</b>	<b>\$72,460,814</b>	<b>10.00%</b>	<b>\$7,504,098</b>	<b>\$0</b>	<b>\$79,964,912</b>	<b>11.04%</b>
Marathon-London Intl Fund*	\$76,958,873	10.62%	\$72,460,814	10.00%	\$4,498,058		\$76,958,873	10.62%
Fisher	\$71,039,327	9.80%	\$72,460,814	10.00%	(\$1,421,487)		\$71,039,327	9.80%
Aberdeen*	\$34,943,611	4.82%	\$36,230,407	5.00%	(\$1,286,796)		\$34,943,611	4.82%
<b>Non-U.S. Equity Total</b>	<b>\$182,941,811</b>	<b>25.25%</b>	<b>\$181,152,036</b>	<b>25.00%</b>	<b>\$1,789,775</b>	<b>\$0</b>	<b>\$182,941,811</b>	<b>25.25%</b>
<b>Total Real Assets</b>	<b>\$66,297,292</b>	<b>9.15%</b>	<b>\$72,460,814</b>	<b>10.00%</b>	<b>(\$6,163,523)</b>	<b>\$0</b>	<b>\$66,297,292</b>	<b>9.15%</b>
Blackstone Real Estate***	\$21,922,410	3.03%	\$21,738,244	3.00%	\$184,166		\$21,922,410	3.03%
UBS Trumbull***	\$44,374,882	6.12%	\$50,722,570	7.00%	(\$6,347,688)		\$44,374,882	6.12%
<b>Total Fixed Income (including cash)</b>	<b>\$202,456,253</b>	<b>27.94%</b>	<b>\$217,382,443</b>	<b>30.00%</b>	<b>(\$14,926,190)</b>	<b>\$2,000,000</b>	<b>\$204,456,253</b>	<b>28.22%</b>
Taplin, Canida & Habacht	\$70,230,394	9.69%	\$72,460,814	10.00%	(\$2,230,420)		\$70,230,394	9.69%
Brandywine**	\$64,134,461	8.85%	\$72,460,814	10.00%	(\$8,326,354)		\$64,134,461	8.85%
SSgA*	\$64,955,949	8.96%	\$72,460,814	10.00%	(\$7,504,865)		\$64,955,949	8.96%
<b>Fixed Income Total</b>	<b>\$199,320,804</b>	<b>27.51%</b>	<b>\$217,382,443</b>	<b>30.00%</b>	<b>(\$18,061,640)</b>	<b>\$0</b>	<b>\$199,320,804</b>	<b>27.51%</b>
Cash and Equivalents	\$335,450	0.05%	\$0	0.00%	\$335,450	\$4,800,000	\$5,135,450	0.71%
City Contribution	\$2,800,000	0.39%	\$0	0.00%	\$2,800,000	(\$2,800,000)	\$0	0.00%
<b>Cash and Equivalents Total</b>	<b>\$3,135,450</b>	<b>0.43%</b>	<b>\$0</b>	<b>0.00%</b>	<b>\$3,135,450</b>	<b>\$2,000,000</b>	<b>\$5,135,450</b>	<b>0.71%</b>
<b>Total Portfolio</b>	<b>\$724,608,145</b>	<b>100.00%</b>	<b>\$724,608,145</b>	<b>100.00%</b>	<b>\$0</b>	<b>\$0</b>	<b>\$724,607,106</b>	<b>100.00%</b>

\*Market Value as of 08/31/2018

\*\*Market Value as of 07/31/2018

\*\*\*Market Value as of 06/30/2018

CBRE Clarion

\$5,746

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## Asset Class Relative Rankings

3rd Quarter 2018

## Market Overview

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- Current asset class views represent the **outlook for the next twelve months**. **Expected returns** for the next twelve months are **compared to ACG's intermediate-term assumptions** for each asset class to determine if the outlook is positive (i.e. expected return greater than intermediate-term assumption) or negative (i.e. expected return lower than intermediate-term assumption).
- After a tumultuous start to the year, the second quarter of 2018 **continued to see elevated volatility**. While economic and corporate fundamentals generally remain solid, the **recent trajectory may be difficult to sustain** given a combination of cyclical and secular headwinds. Rising rates reflect the potential for an inflation surprise in a tighter labor market, and increased expectations around Federal Reserve rate hikes. A flatter yield curve reduces the penalty for holding cash, and **higher yields overall diminish the price risk associated with core fixed income**.
- Spreads have drifted modestly wider, but **investor compensation for taking risk beyond US government bonds remains below average**. As such, credit-oriented fixed income categories may still struggle to deliver total returns at or above indicated yields over the next year. ACG continues to view the diversification of risk factors within portfolios as appropriate, as this can aid in downside protection and reduces key correlations. **Absolute Return strategies** with the ability to dynamically navigate markets in transition appear attractive.
- **Global equity valuations have trended lower, primarily given the follow-through of robust corporate earnings growth**. Near-term expectations remain lofty, so maintaining momentum will become increasingly difficult as policy support recedes. The prospects of a trade war may provide further headwinds for large global enterprises. **ACG expects the varied equity categories to provide positive returns over the coming year, however, we have adopted a neutral stance toward any long-only implementation, while continuing to favor hedged exposures**.

## At A Glance – Our Current Asset Class Views

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### ACG Relative Ranking



## Asset Class Relative Rankings as of 3Q2018

Asset Class	Tactical Outlook		Comments
	Current	Prior	
<b>Cash</b>	Neutral 	Neutral 	Continued improvement in unemployment and building momentum behind realized and anticipated inflation, is causing investors to consider a more active central bank response. The Fed continues to be relatively optimistic about near-term growth, and is working to reduce its “accommodative” policy stance with gradual rate increases. The 12-month US T-Bill yield offered 2.3% as of the end of June.
<b>US Core Fixed Income</b>	Neutral 	Neutral 	The US Treasury market adjusted throughout 2Q, with front-end rates increasing most meaningfully as the yield curve continued its multi-year flattening trend. Investment grade (IG) corporates underperformed, with spread widening most pronounced for longer and lower-quality issues. With core taxable bonds now yielding more than 3.3%, the ability to absorb either a sell-off in credit or a strong inflationary impulse has improved. Municipal bonds are not “cheap,” but outperformed as higher overall yields enhance the value of tax-exempt income. High quality fixed income continues to play a role in portfolio diversification, providing a critical ballast if/when market dislocations occur.
<b>Absolute Return</b>	Overweight 	Overweight 	Ongoing bouts of volatility in rates, spreads, and currency should provide enhanced opportunities for tactical managers with a wider range of implementation options. The ability to broadly diversify risk factors within benchmark-agnostic portfolios remains valuable, as this aids in downside protection and complements long-only fixed income mandates. Higher base yields should help nominal returns, even as the flatter yield curve environment may challenge the ability of absolute return strategies to fully deliver on their longer-term alpha objectives.
<b>Multi-Sector Fixed Income</b>	Underweight 	Underweight 	Both IG and High Yield (HY) corporate spreads drifted modestly wider, but investor compensation for taking risk beyond US government bonds remains subpar. CCC-rated issues have been an outlier given the currently benign default environment, and are a concern at this point in the credit cycle. Although US dollar denominated Emerging Markets Debt (EMD) suffered a set-back in 2Q, spreads and yields remain somewhat below average. In non-US developed markets, unhedged yields are low, even as downside risk from further US dollar strength has diminished. The category's blended yield now is now approaching 4.0%, however, price returns appear asymmetrically sensitive to a sell-off in risk assets or further normalization in global rates.
<b>US Large Cap Equity</b>	Neutral 	Neutral 	Domestic large caps rebounded in 2Q, returning to positive territory for the year. Although certainly not in bubble territory, equity valuations remain elevated despite the follow-through of robust corporate earnings growth. The S&P 500 is trading at a trailing P/E ratio of 20.3x compared with a historical average of 16.6x. Optimistic earnings estimates over the next 12-months may provide justification for current pricing, but maintaining momentum will become increasingly difficult as policy support recedes. Key metrics to follow include wage pressures that could impact margins, and less-efficient uses of cash on hand. The benchmark's earnings yield of 4.9% is still favorable versus both US Treasury and IG corporate yields, though less so than last quarter.

## Asset Class Relative Rankings as of 3Q2018

Asset Class	Tactical Outlook		Comments
	Current	Prior	
<b>US Small Cap Equity</b>	Neutral 	Neutral 	The Russell 2000 index performed well in 2Q, with all sectors advancing. Given an increased earnings base, the trailing P/E ratio has now declined to 19.9x. While this remains elevated compared with a historical average of 18.0x, the thesis remains that domestically-oriented small caps should be more insulated from trade tensions and currency translation issues than larger global firms. Earnings growth forecasts remains robust, however, understanding the persistently positive bias in analyst estimates is most critical at cyclical turning points. As margins in this space are already lower, tolerance for shortfalls is likely limited at current valuations.
<b>Non-US Developed Equity</b>	Neutral 	Overweight 	Valuations remain somewhat attractive relative to the US, with the MSCI EAFE index trading at a 12-month trailing P/E ratio of 15.2x. Dividend yields are also appealing on a relative basis, as the MSCI EAFE index offers 3.2%. That said, global growth has become less synchronized, and developed countries abroad appear to have lost some momentum within their local economies. The divergence in monetary policy relative to the US, with the foreign central banks now looking far more accommodative, has also led to increased currency volatility. Weaker currencies may benefit local corporate earnings, but further strength in the US dollar acts as a headwind for US investors' returns from international assets.
<b>Emerging Market Equity</b>	Neutral 	Overweight 	Emerging markets (EM) equities traded notably lower in 2Q, with nervous periods of "risk-off" causing investors to seek safe haven assets. The MSCI EM index trades at a 12-month trailing P/E ratio of 13.4x compared to a historical average of 14.9x. Relative to other markets, EM valuations remain reasonable as the MSCI World index trades at 18.2x. Although corporate fundamentals should continue to benefit from developed market growth, which remains above-trend overall, EM index-level earnings projections have recently softened. Idiosyncratic issues also have appeared across the disparate landscape of emerging economies, and China remains a critical variable that's front and center in the ongoing tariff negotiations.
<b>Global Equity Long/Short</b>	Overweight 	Overweight 	Despite a less-robust/neutral outlook for global equity beta, increases in market volatility as well as sector/stock-specific dispersion should provide managers the opportunity to generate profits on both longs and shorts. Global M&A announcements have also increased, potentially creating an opportunity for event driven managers. We expect risk-adjusted outcomes to remain compelling, with the benefit of enhanced downside protection for diversified portfolios.

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## City of Tampa General Employees' Retirement Fund - Fully Invested Option

<i>Preliminary as of September 10, 2018</i>	Estimated October 1 Market Value	% of Total Fund	Target Value	Target %	\$ Value Over/Under Target	Proposed Rebalance (Cash Increase)	Rebalanced Value	Rebalanced Mix
<b>Total Equity</b>	<b>\$453,854,600</b>	<b>61.47%</b>	<b>\$442,984,887</b>	<b>60.00%</b>	<b>\$10,869,713</b>	<b>\$6,900,000</b>	<b>\$460,753,561</b>	<b>62.41%</b>
Ivy Investments	\$36,456	0.00%			\$36,456		\$36,456	0.00%
Loomis Sayles Large Cap Growth**	\$95,024,019	12.87%	\$92,288,518	12.50%	\$2,735,501	\$1,100,000	\$96,124,019	13.02%
Dodge & Cox	\$95,886,363	12.99%	\$92,288,518	12.50%	\$3,597,845	\$1,100,000	\$96,986,363	13.14%
Large Cap Growth Transition Account	\$1,039	0.00%						0.00%
<b>U.S. Large Cap Equity Total</b>	<b>\$190,947,876</b>	<b>25.86%</b>	<b>\$184,577,036</b>	<b>25.00%</b>	<b>\$6,370,840</b>	<b>\$2,200,000</b>	<b>\$193,146,838</b>	<b>26.16%</b>
ClariVest	\$21,841,419	2.96%	\$18,457,704	2.50%	\$3,383,715	\$750,000	\$22,591,419	3.06%
LMCG	\$21,081,291	2.86%	\$18,457,704	2.50%	\$2,623,588	\$750,000	\$21,831,291	2.96%
Wellington	\$37,042,202	5.02%	\$36,915,407	5.00%	\$126,795	\$750,000	\$37,792,202	5.12%
<b>U.S. Small Cap Equity Total</b>	<b>\$79,964,912</b>	<b>10.83%</b>	<b>\$73,830,814</b>	<b>10.00%</b>	<b>\$6,134,098</b>	<b>\$2,250,000</b>	<b>\$82,214,912</b>	<b>11.14%</b>
Marathon-London Intl Fund*	\$76,958,873	10.42%	\$73,830,814	10.00%	\$3,128,058		\$76,958,873	10.42%
Fisher	\$71,039,327	9.62%	\$73,830,814	10.00%	(\$2,791,487)	\$1,500,000	\$72,539,327	9.83%
Aberdeen*	\$34,943,611	4.73%	\$36,915,407	5.00%	(\$1,971,796)	\$950,000	\$35,893,611	4.86%
<b>Non-U.S. Equity Total</b>	<b>\$182,941,811</b>	<b>24.78%</b>	<b>\$184,577,036</b>	<b>25.00%</b>	<b>(\$1,635,225)</b>	<b>\$2,450,000</b>	<b>\$185,391,811</b>	<b>25.11%</b>
<b>Total Real Assets</b>	<b>\$66,297,292</b>	<b>8.98%</b>	<b>\$73,830,814</b>	<b>10.00%</b>	<b>(\$7,533,523)</b>	<b>\$0</b>	<b>\$66,297,292</b>	<b>8.98%</b>
Blackstone Real Estate***	\$21,922,410	2.97%	\$22,149,244	3.00%	(\$226,834)		\$21,922,410	2.97%
UBS Trumbull***	\$44,374,882	6.01%	\$51,681,570	7.00%	(\$7,306,688)		\$44,374,882	6.01%
<b>Total Fixed Income (including cash)</b>	<b>\$218,156,253</b>	<b>29.55%</b>	<b>\$221,492,443</b>	<b>30.00%</b>	<b>(\$3,336,190)</b>	<b>(\$6,900,000)</b>	<b>\$211,256,253</b>	<b>28.61%</b>
Taplin, Canida & Habacht	\$70,230,394	9.51%	\$73,830,814	10.00%	(\$3,600,420)	\$4,000,000	\$74,230,394	10.05%
Brandywine**	\$64,134,461	8.69%	\$73,830,814	10.00%	(\$9,696,354)	\$0	\$64,134,461	8.69%
SSgA*	\$64,955,949	8.80%	\$73,830,814	10.00%	(\$8,874,865)	\$3,500,000	\$68,455,949	9.27%
<b>Fixed Income Total</b>	<b>\$199,320,804</b>	<b>27.00%</b>	<b>\$221,492,443</b>	<b>30.00%</b>	<b>(\$22,171,640)</b>	<b>\$7,500,000</b>	<b>\$206,820,804</b>	<b>28.01%</b>
Cash and Equivalents	\$335,450	0.05%	\$0	0.00%	\$335,450	\$4,100,000	\$4,435,450	0.60%
City Contribution	\$18,500,000	2.51%	\$0	0.00%	\$18,500,000	(\$18,500,000)	\$0	0.00%
<b>Cash and Equivalents Total</b>	<b>\$18,835,450</b>	<b>2.55%</b>	<b>\$0</b>	<b>0.00%</b>	<b>\$18,835,450</b>	<b>(\$14,400,000)</b>	<b>\$4,435,450</b>	<b>0.60%</b>
<b>Total Portfolio</b>	<b>\$738,308,145</b>	<b>100.00%</b>	<b>\$738,308,145</b>	<b>100.00%</b>	<b>\$0</b>	<b>\$0</b>	<b>\$738,307,106</b>	<b>100.00%</b>

\*Market Value as of 08/31/2018

\*\*Market Value as of 07/31/2018

\*\*\*Market Value as of 06/30/2018

CBRE Clarion

\$5,746



# CITY OF TAMPA

Bob Buckhorn, Mayor

Revenue and Finance Department

Accounting

September 18, 2018

TO: GE Pension Board  
FROM: Lee Huffstutler, Chief Accountant  
RE: Office Update

**Supervisor Transition** – GE Pension Supervisor Natasha Wiederholt’s last day was September 7, 2018. In the weeks preceding her departure, we assigned our Fiscal Support Team to document her processes, met with her individually and in various groups to review her work and any pending items, notified all of the Plan money managers of her departure and asked for any paperwork they needed to make the change from her to the interim supervisor Mike Cascone (it was minimal since Natasha and Mike do not have signatory authority), notified Northern Trust of the change and completed paperwork to give trade access to Mike and other staffers in the online portal, notified the tax attorney Jim Culbreth and discussed the transition with Jason Pulos and Beth Sanborn at ACG.

The transition has gone very smoothly. Natasha was very forthcoming with all of us and she did a great job of documenting all of the work she has done in the past three years since she joined the City, to which we have complete access.

We have begun the process with HR to replace her.

**AON work update** – At the previous Board meeting we shared with the Board some challenges we were encountering making a transition from the former actuary AON, to the new actuary Foster & Foster. The transition has been completed. AON provided the documents Foster & Foster and the State needed.

**Pension Software RFP update** – The software system selection process is moving forward. Potential vendors have provided follow-up questions to the RFP we issued. We continue to utilize a consultant (Linea Solutions) to move forward and we will hold a pre-bid conference with the vendors on September 21, 2018, with their proposals due on October 24, 2018.

**City of Tampa**  
**General Employees' Retirement Fund**  
**Retirement Benefits & Estate Payments**  
**Consent Agenda**  
**September 18, 2018**

**LONGEVITY RETIREMENT**

<u>Employee Number</u>	<u>Employee Name</u>	<u>Date of Birth</u>	<u>Date Hired</u>	<u>Separation Date</u>	<u>Division</u>	<u>Creditable Service</u>		<u>Department</u>
						<u>Yrs</u>	<u>Mos</u>	
36640-00	Allen, Deborah L		11/27/1989	8/3/2018	B	28	8	Police

**DEFERRED RETIREMENTS**

<u>Employee Number</u>	<u>Employee Name</u>	<u>Date of Birth</u>	<u>Membership Date</u>	<u>Separation Date</u>	<u>Division</u>	<u>Creditable Service</u>		<u>Department</u>
						<u>Yrs</u>	<u>Mos</u>	
31771-00	Baker, Jacklyn K	9/9/1956	5/6/1985	6/5/2002	B	17	1	Planning & Development

**DROP ENTRANTS**

<u>Employee Number</u>	<u>Employee Name</u>	<u>Date of Birth</u>	<u>Membership Date</u>	<u>DROP Entry Date</u>	<u>Division</u>	<u>Creditable Service</u>		<u>Department</u>
						<u>Yrs</u>	<u>Mos</u>	
18906-00	Cann, Wayne	4/7/1956	5/27/2003	8/26/2018	B	15	3	Transportation & Stormwater Services
45645-00	Figueroa, Edwin	4/11/1958	9/10/2001	9/9/2018	B	17	0	Solid Waste
29294-00	Frost, Terry L	4/5/1949	4/24/2000	9/9/2018	B	18	4	Parks & Recreation
29145-00	Garwood, Ernel	2/26/1955	6/14/1982	8/26/2018	B	36	2	Solid Waste
30063-00	Mederos-Sequeira, Lucia C	9/8/1957	5/9/1983	9/9/2018	B	35	4	Neighborhood Enhancement
34394-00	Pasquino, Ann E		9/21/1987	8/12/2018	B	30	11	Police
21353-00	Rogers, Clarence	8/21/1956	9/28/1998	9/9/2018	B	19	11	Transportation & Stormwater Services
31556-00	Runion, Stewart	8/27/1960	12/26/1984	8/26/2018	B	33	8	Neighborhood Enhancement

**DROP EXITS**

<u>Employee Number</u>	<u>Employee Name</u>	<u>Date of Birth</u>	<u>Membership Date</u>	<u>DROP Entry Date</u>	<u>DROP Exit Date</u>	<u>Division</u>	<u>Creditable Service</u>		<u>Department</u>
							<u>Yrs</u>	<u>Mos</u>	
56122-00	Cordero, Jose A	2/24/1958	4/9/1980	3/10/2013	8/15/2018	A	30	0	Minority Business Development
47686-00	Draughn, Carolyn E		8/23/2004	5/8/2016	8/10/2018	B	11	8	Police
11543-00	Thomas, Leo E	8/3/1953	10/2/1989	8/18/2013	8/10/2018	B	23	10	Parks & Recreation

**DISABILITY RETIREMENTS**

<u>Employee Number</u>	<u>Employee Name</u>	<u>Date of Birth</u>	<u>Membership Date</u>	<u>Separation Date</u>	<u>Division</u>	<u>Creditable Service</u>		<u>Department</u>
						<u>Yrs</u>	<u>Mos</u>	
41654-00	Martinez, Dale C	12/17/1967	8/2/1993	4/27/2018	B	24	8	Parks & Recreation

**SURVIVOR ALLOWANCES**

<u>Number</u>	<u>Spouse</u>	<u>Decedent</u>	<u>Date of</u>	<u>Division</u>
			<u>Death</u>	
10635-01	Filbeck, Faye	Filbeck, Charles	8/22/2018	A
02377-01	Ivey, Marie G	Ivey, Robert A	8/30/2018	A
18431-01	Sarcone-Menendez, Lucy	Menendez, Bernardo	8/2/2018	B

**ESTATE PAYMENTS**

<u>Number</u>	<u>Beneficiary</u>	<u>Decedent</u>	<u>Date of</u>
			<u>Death</u>
02257-80	Carter Jr, George	Lacy, Sarah B	7/9/2018
01676-80	Martin, Michele L	Zeman, Howard	4/23/2018
02559-80	McClarty, Donald	Davis, Buck	10/5/2016
02532-80	Newton, Teresa G.	Rhodes, Elsie Mae	12/30/2014
06544-81	Ricks, Arabell Beamon	Dallas, Francena	8/5/2013
09683-80	Scudder, Ellison	Scudder, Martha	7/14/2018



# **Fund's Net Investment Return**

**Actual Rate of Return for the Period**

**October 1, 2017 – June 30, 2018**

**DROP Option 1: +4.30%**

***Past performance is not an indicator of future results.***

**City of Tampa, Florida**

**General Employees' Retirement Fund**

**DROP Option #1: Net Investment Rate of Return Calculation**

**For the period October 1, 2017 - June 30, 2018**

**ADDITIONS**

Contributions:	
Employer	\$ 15,341,543
Employees	17,179
State of Florida	0
Other	0
Total contributions	15,358,722
Investment earnings:	
Interest and dividends	10,051,140
Net increase in the fair value of investments	22,925,023
Total investment earnings	32,976,163
Less investment expense	2,821,658
Net investment earnings	30,154,505
Total additions, net	45,513,227

**DEDUCTIONS**

Pension benefits	38,634,748
Withdrawal payments	0
Administrative expenses	219,162
Total deductions	38,853,910
Change in net assets	6,659,316

<b>Net assets - beginning</b>	<b>\$ 714,256,333</b>
<b>Net assets - ending</b>	<b>\$ 720,915,649</b>

<b>Net Investment Earnings</b>
<b>Beginning Assets Available + ((Total Contributions) - (Total Deductions)) / 2</b>
<b>30,154,505</b>
<b>714,256,333 + ((15,358,722) - (38,853,910)) / 2</b>
<b>30,154,505</b>
<b>702,508,739</b>
<b>4.30% (For the Period 10/01/2017 - 6/30/2018)</b>
<b>5.72% (Annualized)</b>



**Northern Trust Fund**  
**U.S. Government Short-Term Investment Fund**

**Rate of Return**  
**One Year Performance for the Quarter Ending**  
**June 30, 2018**

**DROP Option 2: +1.35%**

***Past performance is not an indicator of future results.***

# Northern Trust COLLECTIVE GOVERNMENT SHORT TERM INVESTMENT FUND

As Of June 30, 2018

CASH

## Key Facts

Fund Size (\$M)	17,504.17
Benchmark	ICE ML 3m US Treas Bill

## Fees and Expenses

Total Admin Expenses (%)	0.0100
Total Annual Operating Expense (%)	0.0100
Per \$1000 Investment (\$)	0.1000

## Portfolio Information

Total Number of Issues	126
Current Yield (%)	1.99
Average Quality Rating	A1+
Weighted Average Maturity (Days)	45
7 Day Yield (%)	1.93
30 Day Yield (%)	1.85

## Security Distribution (% of fund)

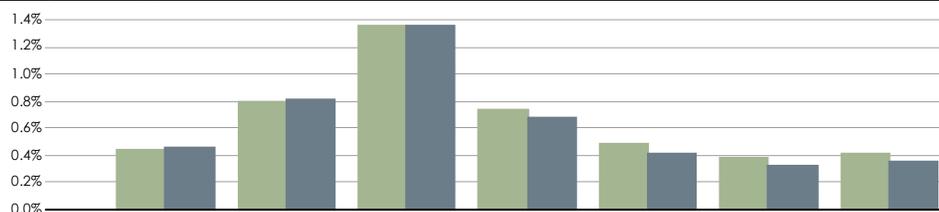
Broker/Dealer	46.22
Government Agency or Sponsored Enterprise	32.95
Other	0.86
US Treasury	19.97

## INVESTMENT OBJECTIVE

The Northern Trust Collective Government Short Term Investment Fund is an investment vehicle for cash reserves, that offers a competitive rate of return through a portfolio of obligations of the U.S. Government, its agencies or instrumentalities, and related money market instruments. Principal preservation and liquidity management are the prime objectives.

## Fund Performance

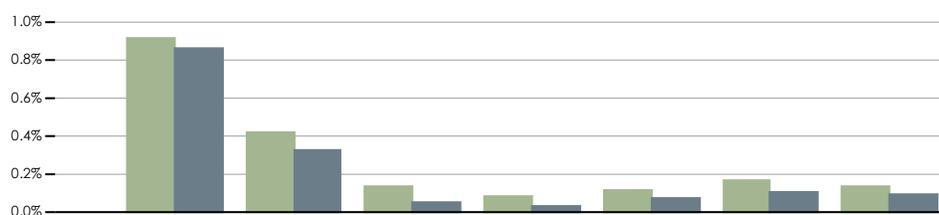
Trailing Returns (%)



as of 06/30/2018	3 Month	Year-to-Date	1-Year	3-Year	5-Year	7-Year	10-Year
<b>Fund</b>	0.44	0.79	1.35	0.74	0.48	0.39	0.42
<b>Benchmark</b>	0.45	0.81	1.36	0.68	0.42	0.33	0.35

Calendar Year Returns (%)

All performance periods greater than 1-year are annualized.



	2017	2016	2015	2014	2013	2012	2011
<b>Fund</b>	0.92	0.42	0.14	0.08	0.12	0.17	0.14
<b>Benchmark</b>	0.86	0.33	0.05	0.03	0.07	0.11	0.10

## INVESTOR STRATEGY

The fund invests only in high quality securities. Within maturity, and sector diversification guidelines, the fund invests in those securities with the most attractive yields.

## INVESTMENT MANAGER

Northern Trust is a global multi-asset class investment manager serving clients worldwide. Through the combined resources of the Northern Trust Company, Northern Trust Investments, Inc., Northern Trust Global Investments Limited, and its subsidiaries, a broad range of investment products and services are offered to personal and institutional markets around the globe.



**Northern Trust Fund – Daily Rate**  
**U.S. Government Short-Term Investment Fund**

**Daily Rate of Return**  
**As of September 3, 2018**

**DROP Holding Account Rate: +0.0051%**

***Past performance is not an indicator of future results.***

Short Term Investment Fund: NTGI COLTV GOVT STIF REGI STERED

Value Date	Balance	Daily Rate	Annual Rate	Interest
09-03-2018	333,571.68	0.00505259397	1.8441968	16.85
<b>Total STIF Payment for the Period:</b>				<b>16.85</b>
<b>Average Interest Rate for the Period:</b>				<b>1.8441968</b>
<b>Average STIF Balance for the Period:</b>				<b>333,571.68</b>
<b>Account Total of STIF Payment for the Period:</b>				<b>16.85</b>

Although this report has been prepared using information believed to be reliable, it may contain information provided by third parties or derived from third party information, and/or information that may have been obtained from, categorized or otherwise reported based upon client direction. The Northern Trust Company does not guarantee the accuracy, timeliness or completeness of any such information. The information included in this report is intended to assist clients with their financial reporting needs, but you must consult with your accountants, auditors and/or legal counsel to ensure your accounting and financial reporting complies with applicable laws, regulations and accounting guidance. The Northern Trust Company and its affiliates shall have no responsibility for the consequences of investment decisions made in reliance on information contained in this report.

**CITY OF TAMPA**  
**General Employees' Retirement Fund Reimbursement**  
**For the Period October 1, 2017 - August 31, 2018**

<u>Account Descriptions</u>	<u>Budget</u>	<u>Actual</u>
Regular Salaries and Wages	231,248.00	137,981.20
Longevity Awards	2,250.00	62.50
Holiday Pay	-	6,482.16
Floating Holiday	-	1,021.68
Compensated Annual Leave	-	12,808.56
Compensated Sick Leave	-	4,972.60
FICA Taxes	14,337.00	9,576.52
1.45% Medicare Match	3,353.00	2,239.67
Retirement Contributions	19,973.00	22,665.26
Life Insurance	486.00	402.91
Accidental D&D Insurance	116.00	95.10
Employee Health Insurance	32,227.00	24,988.11
Long-Term Disability Insurance	220.00	121.42
Unemployment Compensation	208.00	41.06
Employee Training Cost - Professional Services	-	1,789.00
Other Services	1,500.00	167.97
Temp Personnel-Contractual Services	6,950.00	21,547.46
Travel and Per Diem	15,000.00	12,917.08
Comm Svcs - Fiber Optics and VoIP	-	300.77
Postage-Outside-Transportation	7,500.00	5,724.46
Printing and Binding	-	1,556.68
Licenses, Fees & Fines	250.00	100.00
Office Supplies	2,400.00	1,573.18
Other - Supplies & Materials	-	135.00
Computers - Bulk Purchases Hardware/Software	500.00	2,285.06
Dues & Subscriptions	3,500.00	1,782.88
Postage-Indirect Costs-Transportation	320.00	293.37
Computers-Contractual Services	-	9,546.00
<b>Total</b>	<b>\$ 342,338.00</b>	<b>\$ 283,177.66</b>

**Reimbursement for October 1 - July 31, 2018**

**\$ (248,575.95)**

**Balance Due**

**\$ 34,601.71**

**Approved by**

**Michael Cascone**  
**Accounting Supervisor**





Invoice No. :	305607
Invoice Date :	07/27/2018
Terms :	Due Upon Recpt
Customer No. :	[REDACTED]

**Bill To:**

City of Tampa, Florida  
Ms. Natasha Wiederholt  
306 East Jackson St., 7E  
Tampa, FL 33602

**Remit To:**

Bank: UMB Kansas City ABA: 101000695  
Beneficiary's Name: Ivy Investment Mgmt Co  
Beneficiary's Account Number: [REDACTED]  
Beneficiary's Address: 6300 Lamar Avenue,  
Attn: Corporate Treasury Dept  
Shawnee Misslon, KS 66201-9217

303 - City of Tampa, Florida, General Employees Retirement Fund

Line #	Description	Amount
1	Investment Management Fees for the period of July 1, 2018 through July 18, 2018	21,571.28

<b>Total</b>	<b>21,571.28</b>
--------------	------------------

**Approved by**

**Michael Cascone**  
**Accounting Supervisor**

If you have questions regarding this invoice, or if we might be of assistance, please contact Jen Marsh at 913-236-1728.



# Invoice

Date	Invoice #
9/11/2018	13106

**Phone: (239) 433-5500**  
**Fax: (239) 481-0634**  
**data@foster-foster.com**  
**www.foster-foster.com**

**Bill To**  
 Tampa General Employees' Retirement Fund  
 Tampa Municipal Office Building, 2 Floor  
 306 E. Jackson Street, 7E  
 Tampa, FL 33602

Terms	Due Date
Net 30	<b>10/11/2018</b>

Description	Amount
Experience study	22,500.00
Quantitative Analysis regarding Investment Rate of Return	6,600.00
<p> <b>Approved by</b>  <b>Michael Cascone</b>  <b>Accounting Supervisor</b>   </p>	

**Balance Due \$29,100.00**

*Thank you for your business!*  
 Please make all checks payable to:  
 Foster & Foster, Inc.  
 13420 Parker Commons Blvd, Suite 104  
 Fort Myers, FL 33912