



**BOARD OF TRUSTEES
REGULAR MEETING MINUTES
TUESDAY – May 21, 2019 – 1:30 P.M.**

Support Staff: Dana Blydenburgh, GE Pension Plan Supervisor and Recording Secretary; Justin Vaske, Assistant City Attorney and Board Attorney; Terrie Williams, Accounting Operations Manager and Rosie Rivera, Accountant.

Consultants to Board: Jason Pulos and Elizabeth Sanborn - Asset Consulting Group (ACG); Joe Griffin, Tim Bowen and Amanda Brown, Foster & Foster.

I. ROLL CALL

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

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

Board Members Absent: Derwin Bright, Trustee.

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

None.

III. APPROVAL OF MINUTES

Mr. Carrera requested the Board approve the minutes from the April 16, 2019 meeting.

MOTION: (Hill/Mackie) Stephen Hill made motion to approve the Minutes from April 16, 2019. Elizabeth Mackie seconded motion. MOTION CARRIED.

IV. DISABILITY RETIREMENT HEARING (Motion)

Ms. Blydenburgh briefed the Board on the comprehensive medical evaluation report received from the Board's independent medical examiners for Richard Seward, Jr.

Dr. Robin Hughes' medical report indicated that the claimant is not totally and permanently disabled.

Ms. Blydenburgh made a staff recommendation that the Board not approve the disability retirement application for Richard Seward, Jr. based on the advice of the independent medical examiners.

MOTION: (Hill/Mackie) Stephen Hill made motion to not approve the disability retirement application for Richard Seward, Jr. Elizabeth Mackie seconded motion. MOTION CARRIED.



V. PENSION FORFEITURE (Motion)

Mr. Luis Santos, Ford & Harrison, provided basic detail relating to the termination of Deirdre Williams. Ford & Harrison recommends that the Board move forward with advancing the case to an Administrative Law Judge due to the fact that Ms. Williams was terminated by reason of her admitted commission of a specified offense.

MOTION: (Waitman/Hill) Andy Waitman made motion to advance the case to the Administrative Law Judge. Stephen Hill seconded motion. MOTION CARRIED.

VI. FIDUCIARY LIABILITY INSURANCE POLICY RENEWAL (Motion)

Ms. Blydenburgh presented a one-year renewal of the City's fiduciary liability insurance policy effective 04/15/2019. A discussion ensued about the insurance policy and the coverage. It is recommended that the Board approve the premium payment of the policy for the General Employees' Retirement Fund in the amount of \$43,603.00 for the period of 04/15/2019 – 04/15/2020.

MOTION (Kenny/Hill): Motion was made by Steve Kenny to renew the fiduciary liability insurance policy effective 4/15/2019 for the period of 04/15/2019 – 04/15/2020 and approve the premium payment. Motion was seconded by Stephen Hill. MOTION CARRIED.

VII. ACTUARIAL VALUATION REPORT

Joe Griffin, Tim Bowen and Amanda Brown, Foster & Foster presented the Actuarial Valuation as of January 1, 2019 to the Board. Mr. Griffin stated that the decrease in the required minimum contribution is largely attributable to the prior year required contributions being determined by including investment related expense with administrative expenses and the change from Frozen Initial Liability Cost Method to Entry Age Normal (level percentage of payroll) Cost Method with a 25-year amortization of Unfunded Actuarial Accrued Liabilities.

Plan experience was unfavorable overall on the basis of the plan's actuarial assumptions. The primary source of unfavorable experience was an investment return of 4.86% (Actuarial Asset Basis) which fell short of the 7.90% assumption, resulting in an actuarial loss of \$21.5 million. The Entry Age Normal Accrued Liability was \$4.6 million lower than expected. This decrease was due to offsetting gains and losses which included a \$4.7 million increase in Actuarial Accrued Liability due to data adjustments, a \$3.5 million decrease due to higher than expected inactive mortality and \$9.0 million decrease due to transition of actuarial services and associated refinements to valuation methods.

Actuarial assumption/method changes resulted in an increase in the Unfunded Accrued Liability of \$68,867,017, a decrease in the Normal Cost of \$7,333,649, and a decrease in the required City contribution for the fiscal year ending September 30, 2020 of 3.5% of payroll.



V. STAFF REPORT (Motion)

1) Portfolio Performance Review – April 2019

ACG provided an update on capital markets, and reviewed the quarter report for the period ending 3/31/19 and the monthly performance report for the period ending 4/30/19.

The one-year gross return of the Total Fund as of 3/31/19 was 3.15%, coming in under Policy Index returns of 3.83%. The Fund ranked in the 74th percentile of the Public Fund Universe for the same time period. On a dollar basis the Return on Investment for the one-year period ending 3/31/19 was \$21.7 million. The trailing ten-year annualized gross return of the Total Fund as of 3/31/19 was 10.80% which ranks in the top 15% of all Public Pension Funds for that time period. The Policy Index was up 10.42% for the same timeframe.

As of April 30, 2019, the total fund value stood at approximately \$730 million. Fiscal Year-to-Date as of April 30, 2019, the fund was up 2.24% gross of fees coming in ahead of the Policy Index returns of 2.00% for the same period. Over the ten-year period ending April 30, 2019, the fund was up 10.27% gross of fees annualized, outperforming the policy index returns of 9.79% for the same period.

2) May 2019 Liquidity Needs

To meet the Fund's \$4.4 million liquidity needs for the month of May, ACG recommended the liquidation of \$2.4 million from the Loomis Sayles U.S. Large Cap Equity investment. Additionally, in consideration of the liquidity provisions of the Mondrian International investment, a \$2 million liquidation from this investment was approved last month, and executed on the strategy's May 1 liquidity gate date.

MOTION: (Waitman/Hill) Andy Waitman made motion to approve the liquidity needs as recommended by ACG. Stephen Hill seconded motion. MOTION CARRIED.

VI. CONSENT AGENDA – RECEIVE & FILE ALL DOCUMENTS

Ms. Blydenburgh 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, Deferred Retirement, DROP Applications, DROP Exits, Disability Retirements, Survivor Allowances, Estate Payments

Monthly Invoices:

1) City of Tampa Reimbursement – April 2019 - \$27,549.49

Quarterly Invoices:

- 1) Aberdeen Standard – Q1 2019 - #86822 - \$89,091.28
- 2) ClariVest – Q1 2019 - #136731 - \$40,952.19
- 3) Dodge & Cox – Q1 2019 - #48542 - \$74,686.51
- 4) LMCG – Q12019 - \$34,710.99



- 5) State Street Global Advisors – Q1 2019 - #SSGABA2894189 - \$6,442.60
- 6) Taplin, Canida & Habacht – Q1 2019 - \$37,815.89

Auto-Deducted:

- 1) Brandywine Global – Q1 2019 - #20190331-482-4233-A - \$70,072.87
- 2) Marathon-London International Group – Apr 2019 - \$21,960.00
- 3) Marathon-London International Group – Mar 2019 - \$21,357.00
- 4) Marathon-London International Group – Feb 2019 - \$21,304.00
- 5) Marathon-London International Group – Jan 2019 - \$20,773.00
- 6) UBS Realty Investors, LLC – Q1 2019 - \$96,293.91

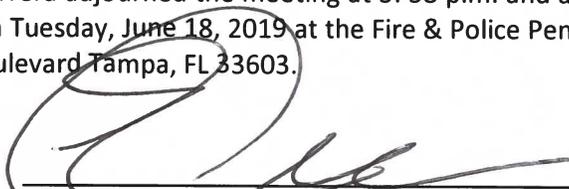
Miscellaneous Invoices:

- 1) CCS Marketing - #115596 - \$462.36
- 2) CCS Marketing - #115617 - \$279.28
- 3) CCS Marketing - #115618 - \$1,898.34
- 4) Ford Harrison - #751229 - \$350.00
- 5) Foster & Foster - #14048 - \$14,080.00
- 6) Shumaker - #000732714 - \$402.50
- 7) Tampa Occupational Health & Wellness - \$1,200.00

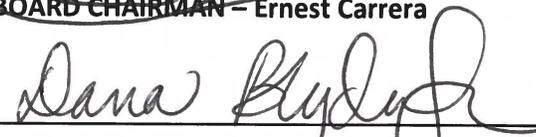
MOTION: (Little/Waitman) Sonya Little made motion to approve the Consent Agenda and to Receive & File all Documents. Andy Waitman seconded motion. MOTION CARRIED.

VII. ADJOURNMENT

There being no further business, Chairman Carrera adjourned the meeting at 3: 38 p.m. and advised the Board that the next meeting would be held on Tuesday, June 18, 2019 at the Fire & Police Pension Fund, Board Meeting Conference Room, 3001 N. Boulevard Tampa, FL 33603.



BOARD CHAIRMAN – Ernest Carrera



**GE PENSION PLAN SUPERVISOR & RECORDING
SECRETARY – Dana Blydenburgh**