



**BOARD OF TRUSTEES  
REGULAR MEETING MINUTES  
TUESDAY – OCTOBER 15, 2019 – 1:30 P.M.**

**Support Staff:** Dana Blydenburgh, GE Pension Plan Supervisor and Recording Secretary; Justin Vaske, Assistant City Attorney and Board Attorney; Anais Rodriguez, Accounting Tech I.

**Consultants to Board:** Elizabeth Sanborn and Jason Pulos - Asset Consulting Group (ACG).

**I. PLEDGE OF ALLEGIANCE**

Chairman Carrera led the pledge of allegiance, followed by an invocation.

**II. ROLL CALL**

Mr. Carrera, Chairman, presiding, brought the meeting to order at 1:31 p.m.

**Board Members Present:** Ernest Carrera, Chairman; Stephen Hill, Vice-Chairman; Steve Kenny, Trustee; Andy Waitman, Trustee; and Dennis Rogero, Trustee.

**Board Members Absent:** Elizabeth Mackie, Trustee.

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

None presented.

**IV. APPROVAL OF MINUTES**

Mr. Carrera requested the Board approve the minutes from the September 17, 2019 meeting.

**MOTION: (Kenny/Waitman) Steve Kenny made motion to approve the Minutes from September 17, 2019. Andy Waitman seconded motion. MOTION CARRIED.**

**V. STAFF REPORT**

**1) Portfolio Performance Review – September 2019**

ACG reviewed the monthly performance report for the period ending 9/30/19.

As of September 30, 2019, the total fund value stood at approximately \$707.9 million. Year-to-date through September 30, 2019, the Fund is up 11.67% gross of fees, while the Policy Index is up 12.43% for the same period. Over the five-year period ending September 30, 2019, the Fund is up 6.32% gross of fees annualized compared to the policy index of 6.36% for the same time period. On a ten-year basis, the portfolios are up 8.37% versus 8.12% for the policy index.



## **2) Asset Allocation Review**

ACG presented an update to the Asset Allocation study provided earlier in the year. The analysis focuses on the four alternative asset allocations that utilize asset classes now allowed under Florida statutes. The addition of new asset classes offers the possibility of diversified sources of return, while improving the risk/return profile of the portfolio. Moving more assets into less liquid options is attractive also, both through the use of Private Equity and an increased allocation to Real Estate. ACG recommends that within the Fixed Income, the Board consider eliminating indexed exposure with SSgA, and swapping out Brandywine in exchange for a true Core Plus or Multisector manager. Additionally, they recommend adding exposure to a Liquid Absolute Return manager to further diversify this broad asset class. Ms. Sanborn stated that developing a strategy to begin a Private Equity investment program, with a 10% target to this asset class in mind, and expanding the Real Estate portfolio allocation from 10% to 15% by adding investment with a more aggressive opportunistic Real Estate manager, is critical in the pursuit to attain the Plan's assumed rate of return.

**MOTION: (Rogero/Hill) Dennis Rogero made motion that the Board adopt the recommended asset allocation analysis as presented by ACG. Stephen Hill seconded motion. MOTION CARRIED.**

Ms. Sanborn commented on recent press relating to Fisher Investments. She stated that comments made by Mr. Fisher were perceived as offensive by some, however, they do not have a direct impact on Fisher's investment philosophy & investment thesis. Some pension plans have decided to replace Fisher Investments based on the negative press.

**MOTION: (Rogero/Hill) Dennis Rogero made motion that the Board review three international investment managers via analysis performed by ACG. Stephen Hill seconded motion. MOTION CARRIED.**

## **3) October 2019 Liquidity Needs & Rebalancing Analysis**

To meet liquidity needs for the month of October, ACG recommended the liquidation of \$1.8 million from the Fixed Income space, taking \$900,000 from SSgA and \$900,000 from Taplin, Canida and Habacht.

**MOTION: (Kenny/Waitman) Steve Kenny made motion to approve the liquidity needs as proposed. Andy Waitman seconded motion. MOTION CARRIED.**

Mr. Hill stated that he found his recent FPPTA School education rewarding. There was a session relating to the LeRoy Collins Report issued on the health of local pension systems. Mr. Hill asked if the GE Pension Plan is A-rated. Mr. Pulos of ACG researched and found that the GE Pension is rated as an A plan. Discussion ensued on the nature of the report and how legislators may use the results of the study.



#### 4) Plan Compliance Report – Pension Verification Questionnaire

Ms. Blydenburgh reported that beginning in April 2019, through present, the GE Pension office has followed procedures governing Plan compliance relating to the 2,070 retirees currently receiving a pension benefit from the City of Tampa GE Pension Plan. A Pension Verification Questionnaire (PVQ) was sent via postal mailing in three separate passes, requesting compliance with details contained within the Questionnaire. Of the total 2,070 retirees contacted, to date, 145 have not yet responded. This represents monthly benefit payments of \$94,830. Per the instructions below pictured from the Final Notice, the intended outcome is to hold the October pension benefit checks for those retirees not in compliance. With the proper controls followed, the pension benefit payment will be released once the retired member provides the completed Questionnaire.

##### *POLICY EXCERPT*

The Fund will conduct a biennial audit of all retirees and beneficiaries (i.e. anyone receiving an ongoing monthly pension benefit payment) by requiring them to complete a Pension Verification Questionnaire. The questionnaire is utilized to ensure that only eligible persons are receiving pension plan benefits in accordance with the retirement law.

##### *PVQ FINAL NOTICE EXCERPT*

“Please find enclosed the *Biennial Pension Verification Questionnaire form*. This was mailed to the address on file in our system in April and August with a deadline for each letter. At the time of this mailing, your form has not been received in our office and this is the final request.

If this form is not received by September 30, 2019, **we will begin to hold your check in our office for pick-up effective with your October payment.** There are no exceptions in receiving or completion by a notary and calls to provide information is not acceptable. If you are unable to complete the form yourself, you must have a Power of Attorney on file for an agent to complete for you. If we do not have a Power of Attorney on file, you may send a Power of Attorney with all pages, in order to accept the signature of your agent.

The General Employees’ Retirement Fund office provides a notary Monday-Friday between the hours of 8 a.m.- 4 p.m. without an appointment. If this is received prior to the deadline, your check will be sent as it is regularly provided.”

#### 5) Board Meeting Requirements

Ms. Blydenburgh and Mr. Vaske led a discussion on developing a policy to allow certain administrative and routine actions to be delegated to the GE Pension Supervisor. An example is the monthly liquidity requirements necessary to pay pension benefits. Staff will provide detailed documentation for Board consideration.



**6) Meeting Venue**

The Board discussed possible meeting locations for future use. The desire is to have a permanent meeting location. This item continues to be under investigation.

**7) Trustee Re-appointment**

Mr. Stephen Hill was re-appointed to a three-year term beginning August 18, 2019 to August 17, 2022.

**8) Trustee Election Results**

Ms. Billie Jo Slatton submitted the Petition for Candidacy. Mr. Vaske will review for accuracy. The Board is expected to accept, and approve, at the November board meeting.

**9) 2020 Conference Review**

A list of calendar year 2020 educational opportunities and conferences were provided for the Board's review.

**VI. CONSENT AGENDA – RECEIVE & FILE ALL DOCUMENTS (MOTION)**

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:

Early Longevity Retirement, Deferred Retirements, DROP Application, DROP Exits, Disability Retirement, Survivor Allowances, Estate Payments, Death Benefit Payment

Quarterly Invoices:

- 1) Asset Consulting Group – Q3 2019 - #9243 - \$32,500.00
- 2) Clarivest Asset Management – Q3 2019 - \$39,164.74
- 3) LMCG Investments – Q3 2019 - \$34,211.46

Miscellaneous Invoices:

- 1) Ford Harrison - # 767759 - \$425.00
- 2) Foster & Foster - # 14660 - \$10,300.00

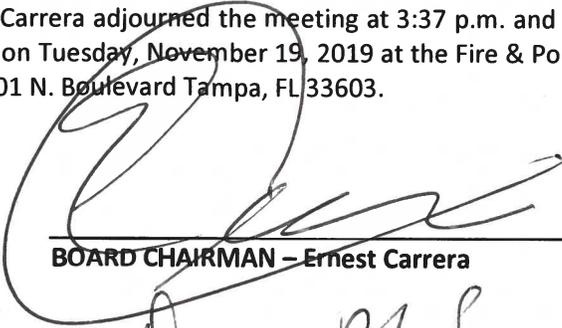
**MOTION: (Hill/Kenny) Steven Hill made motion to approve the Consent Agenda and to Receive & File all Documents. Stephen Kenny seconded motion. MOTION CARRIED.**

Trustee Waitman inquired on the possibility of providing an insurance component to the pension program. He remarked that he would like to instruct Staff to further investigate.



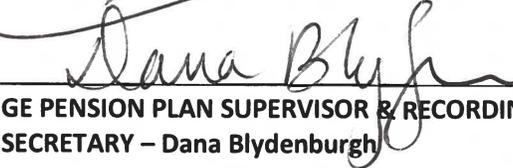
**VII. ADJOURNMENT**

There being no further business, Chairman Carrera adjourned the meeting at 3:37 p.m. and advised the Board that the next meeting would be held on Tuesday, November 19, 2019 at the Fire & Police Pension Fund, Board Meeting Conference Room, 3001 N. Boulevard Tampa, FL 33603.



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**BOARD CHAIRMAN – Ernest Carrera**



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