BOARD OF TRUSTEES
REGULAR MEETING MINUTES
TUESDAY – SEPTEMBER 17, 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; Viola Dawson, Office Support Specialist III, Chaucnee Green, Accountant; Dana Neves, Accountant;

Consultants to Board: Jason Pulos and Elizabeth Sanborn - 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 (awaiting official reappointment), Steve Kenny, Trustee Andy Waitman, Trustee and Elizabeth Mackie, Trustee.

Board Members Absent: Derwin Bright, Trustee.

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

Stephen Simon, newly elected President to the ATU #1464 Executive Board, introduced himself and commented that he will begin coming to all of our meetings as representative of all employees.

IV. APPROVAL OF MINUTES

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

MOTION: (Kenny/Waitman) Steve Kenny made motion to approve the Minutes from July 16, 2019. Andy Waitman seconded motion. MOTION CARRIED.

V. LARGE CAP EQUITY MANAGER PRESENTATIONS

1) Aberdeen Standard Investments
   Matt Murdoch, Associate Director and Tom Harvey, Senior Equity Specialist provided a firm update and review of the Emerging Markets portfolio.

2) Fisher Investments Institutional Group
   Alyssa Koral, Investment Counselor and Charles Dornbusch provided a firm update and review of the International Growth portfolio.
3) **Marathon London**
Zack Lauckhardt, Client & Consultant Relations Manager and Ben Kottler, Client Manager provided a firm update and review of the International Value portfolio.

**VI. Disability Retirement Hearing**

Ms. Blydenburgh briefed the Board on the comprehensive medical evaluation reports that were received from the Board’s independent medical examiners.

We received a comprehensive evaluation/medical report from Eniola Owu, M.D. dated August 29, 2019. It states in relevant part, “After review of medical history and examination, it is my opinion that Ms. Ballew is incapable of usefully and efficiently performing any job within the City of Tampa.”

A comprehensive evaluation/medical report dated August 29, 2019 was also received from Kathleen T. Jenkins, M.D.. It states, “Ms. Deanne Ballew is incapable of usefully and efficiently performing any job within the City of Tampa. The above analysis is based upon the available information at this time, including the history given by the examinee, the medical records and tests provided. Based upon reasonable medical certainty and is impartial.”

Ms. Blydenburgh made a staff recommendation for the Board to approve the disability retirement application for Ms. Ballew.

**MOTION:** (Kenny/Waitman) Motion was made by Steve Kenny to approve the disability retirement application for Deanne Ballew 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 Andy Waitman. **MOTION CARRIED.**

**VI. STAFF REPORT**

1) **Litigation Update – Chris Polaszek**

The Class Action Settlement – American Realty Capital Partners
On September 8, 2019, the Company signed a Memorandum of Understanding ("MOU") providing for the settlement of the Class Action (the "Class Action MOU"). The Class Action settlement will resolve the claims by class plaintiffs relating to the disclosures made by the Company in October 2014 and March 2015 regarding its financial statements, which included the Company’s March 2015 restatement of certain of its previously issued financial statements.

Pursuant to the terms of the Class Action MOU, certain defendants have agreed to pay in the aggregate $1.025 billion, comprised of contributions from the Company’s former external manager and its principals (together the "Former Manager") totaling $225.0 million, $12.5 million from the Company’s former chief financial officer (the "Former CFO"), $49.0 million from the Company’s former auditor, and the balance of $738.5 million from the Company. The contributions from the
Company's Former Manager and Former CFO can be satisfied by a combination of (i) cash, (ii) limited partner units of the Operating Partnership ("OP Units") held by the Former Manager and the Former CFO, and (iii) amounts due related to the dividends on such OP Units previously withheld from distribution. The contributions from the Company's Former Manager are inclusive of the value of substantially all of the OP Units and dividends surrendered to the Company in July 2019 as a result of a settlement by the Former Manager and certain of its principals with the Securities and Exchange Commission (the "SEC"), totaling approximately $32.0 million, which was recorded in the Company's quarterly report on Form 10-Q for the quarter ended June 30, 2019. Pursuant to the Class Action MOU, the parties will negotiate in good faith to execute definitive stipulations of settlement and related documents to be filed with the court, which will not contain any admission of liability, wrongdoing or responsibility by any of the parties and will provide that upon final approval of the Class Action settlement, the Class Action will be dismissed with prejudice, with mutual releases by all parties. The Class Action settlement is subject to court approval and is conditioned on approval of the Derivative Action settlement.

2) Portfolio Performance Review – August 2019

As of August 31, 2019, the total fund value stood at approximately $707 million. Fiscal Year-to-Date as of August 31, 2019, the fund was up 1.40% gross of fees coming in under the policy index returns of 2.43% for the same period. Over the ten-year period ending August 31, 2019, the fund was up 8.62% gross of fees annualized, outperforming the policy index returns of 8.30% for the same period.

3) September 2019 Liquidity Needs & Rebalancing Analysis

To meet the Fund’s $5.5 million liquidity needs for the month of September, ACG recommended that $2.2 million come from the Dodge & Cox Large Cap Value investment, $1 million from Wellington Small Cap, $1 million from State Street Global Advisors and $1.3 million from Taplin, Canida & Habacht.

MOTION: (Mackie/Kenny) Elizabeth Mackie made motion to approve the liquidity needs as proposed. Steve Kenny seconded motion. MOTION CARRIED.

4) Forfeiture Recommendations – Luis Santos

Deirdre Williams

Luis Santos, Independent Counsel, Ford & Harrison, presented an overview of the forfeiture hearing that was conducted for Deirdre Williams on July 31, 2019 and reviewed the Administrative Law Judge's Recommended Order dated August 29, 2019. The Board engaged in a discussion of the case and voted to adopt the conclusions of law cited in the Recommended Order.
MOTION: (Kenny/Mackie) A motion was made by Steve Kenny to adopt the Administrative Law Judge’s Recommended Order for the pension forfeiture of Deirdre Williams. Motion was seconded by Elizabeth Mackie. MOTION CARRIED.

5) Updates from Dana Blydenburgh

Ms. Susan Kamensky, Payroll Accountant, presented the Pension Application Software (PAS) implementation schedule. Ms. Kamensky is serving as project manager on behalf of the City of Tampa. The contract for ICON, data transformation manager, is on schedule and will be presented to Council on October 3. Linea Solutions, project management consulting services, is expected to be presented to Council on October 17. LRS, software provider and implementation team services, is expected to be presented to Council on November 7.

Discussion ensued regarding a permanent meeting location set for the Board of Trustees. Staff will continue to evaluate viable locations.

VII. 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:
Longevity Retirement, Deferred Retirement, DROP Applications, DROP Exits, Survivor Allowance, Estate Payments

DROP Rates of Return
1) DROP Rate of Return for Period Oct. 1, 2018 – June 30, 2019 – Option #1
2) DROP Rate of Return for Period Oct. 1, 2018 – June 30, 2019 – Option #2
3) NT Gov’t Short-Term Investment Fund – Daily Rate of Return – Sept 2, 2019

Monthly Invoices:
1) City of Tampa Reimbursement – July & August 2019 - $60,895.43

Quarterly Invoices:
1) Clarivest – Q2 2019 - #137389 - $38,631.23
2) Dodge & Cox – Q2 2019 - #49684 - $74,411.94
3) Fisher Investments – Q2 2019 - #201-0630-10112-10578-A - $246,982.89
4) Northern Trust – Q3 2018 - #831489277951 - $40,739.04
5) Northern Trust – Q4 2018 - #831498142869 - $34,530.56
6) Northern Trust – Q1 2019 - #831433762368 - $36,450.71
7) State Street Global Advisors – Q2 2019 - #SSGABA2930172 - $6,581.05
8) Taplin, Canida & Habacht – Q2 2019 - $36,764.23

Auto Deducted:
1) Brandywine Global – Q2 2019 - #18380 - $72,023.51
2) UBS Trumbull Property Fund – Q2 2019 - $95,066.43

Miscellaneous Invoices:
1) CCS Marketing - #115964 - $466.40
2) Division of Administrative Hearings - #005180A - $38.25
3) Division of Administrative Hearings - #005218A - $694.25
4) FordHarrison - #761097 - $9,207.84
5) Foster & Foster - #14972 - $2,250.00
6) Workhealth Occupational Medicine - $1,500.00 (Arnold)
7) Workhealth Occupational Medicine - $825.00 (Ballew)

MOTION: (Kenny/Waitman) Steve Kenny 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 3:37 p.m. and advised the Board that the next meeting would be held on Tuesday, October 15, 2019 at the Fire & Police Pension Fund, Board Meeting Conference Room, 3001 N. Boulevard Tampa, FL 33603.

[Signature]
BOARD CHAIRMAN – Ernest Carrera

[Signature]
GE PENSION PLAN SUPERVISOR & RECORDING SECRETARY – Dana Blydenburgh