BOARD OF TRUSTEES
REGULAR MEETING MINUTES
TUESDAY – DECEMBER 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; Lee Huffstutler – Chief Accountant, Terrie Williams, Accounting Operations Manager; and Viola Dawson, Office Support Specialist III.

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

Guests: Stephen Simon, ATU President; Francis Sempill and Rob Phillips, Walter Scott; Kristin Burke and David Roduit, Harding Loewner; Kurt Winrich and Paul Black, WCM.

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; Elizabeth Mackie, Trustee; Billie Jo Slatton, Trustee; and Steve Kenny, Trustee. Any Waitman, Trustee arrived at 1:54 p.m.

Board Members Absent: Dennis Rogero, 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 November 19, 2019 meeting.

MOTION: (Mackie/Kenny) Elizabeth Mackie made motion to approve the Minutes from November 19, 2019. Steve Kenny seconded motion. MOTION CARRIED.

V. INTERNATIONAL GROWTH MANAGERS – NON-US EQUITY PRESENTATIONS

1) Walter Scott

General Employees' Retirement Fund, 306 E. Jackson Street, 7E, Tampa, FL 33602 • (813) 274-7850 • Fax: (813) 274-7289
Francis Semphill, Head of Client Services and Rob Phillips, Head of Consultant Relations provided an overview. Walter Scott is based in Edinburgh, Scotland and is 100% owned by BNY Mellon since 2007 with $68.6 billion assets under management, 255 client relationships.

2) WCM
Kurt Winrich, Co-CEO, Co-PM and Paul Black, Co-CEO, Co-PM provided an overview. WCM is based in Laguna Beach, California with $42.6 billion assets under management. There are 55 staff members, 28 of whom are owners.

3) Harding Loevner
Kristin Burke, Partner and David Roduit, Associate of Business Development provided an overview. Harding Loevner was established in 1989. They employ 32 analysts with $66 billion total assets under management.

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 concerning the disability retirement application for Leonard Harrington.

We received a comprehensive evaluation/medical report from Eniola Owi, M.D. dated September 5, 2019. It states in relevant part, “Mr. Harrington is incapable of usefully and efficiently performing any job within the City of Tampa.”

A comprehensive evaluation/medical report dated September 10, 2019 was also received from Kathleen T. Jenkins, M.D. It states, “Mr. Harrington is capable for sedentary-light work. He can lift/carry/push/pull up to 15 pounds. He can sit stand and walk 20% of shift. He may alternate sitting and standing every 30 minutes. He can walk up to 2 hours per shift. The above analysis is based on the available information provided at this time. This above analysis is based on the available information provided at this time. This includes the history from the examinee, medical records and tests provided. This conclusion is based upon reasonable medical certainty and is impartial.”

We received a medical report from Dr. Kamal Patel on 11/19/2019. It states, “Mr. Leonard Harrington 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 Mr. Harrington.

MOTION: (Hill/Slatton) Stephen Hill made motion to approve the disability retirement application for Mr. Harrington as recommended. Billie Jo Slatton seconded motion. MOTION CARRIED.

VII. STAFF REPORT

General Employees' Retirement Fund, 306 E. Jackson Street, 7E, Tampa, FL 33602 • (813) 274-7850 • Fax: (813) 274-7289
1) Portfolio Performance Review – November 2019

ACG reviewed the monthly performance report for the period ending November 30, 2019, the total fund value stood at approximately $729.1 million. Year-to-Date through November 30, 2019, the fund is up 16.09% gross of fees while the Policy Index is up 16.38% for the same period. Over the five-year period ending November 30, 2019, the Fund is up 6.59% gross of fees annualized compared to the policy index of 6.51% for the same period. On a ten-year basis, the portfolios are up 8.64% versus 8.32% for the policy index.

2) Asset Class Relative Valuations – November 2019

Ms. Sanborn remarked that 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, ACG recommends adding exposure to a Liquid Absolute Return manager to further diversify this broad asset class. The proposed strategy set forth is 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.

3) December 2019 Liquidity Needs

ACG recommended the liquidation of $5.5 million for December liquidity needs with $3 million from the Loomis Sayles Large Cap Growth Equity strategy and $2.5 million from Wellington Small Cap.

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

4) Investment Policy Statement

ACG presented revisions to the Investment Policy Statement, reflecting the adjustments to the strategic asset allocation approved by the Board during the October 2019 meeting. The revised IPS was reviewed by the Board.

MOTION: (Hill/Kenny) Stephen Hill made motion to approve the changes suggested. Steve Kenny seconded motion. MOTION CARRIED.

5) 2020 Board Annual Planner

Ms. Sanborn presented the 2020 Board Planner, which set the schedule for the monthly performance updates, the quarterly performance updates, and money manager presentations, along with the fee and asset/liability, asset allocation and liquidity study review dates. The Board moved to cancel the August meeting, along with shifting the Fixed
Income manager reports to April, and the Large Cap manager reports to July. The quarterly report originally scheduled for review in August will be distributed to the Board during that month.

MOTION: (Mackie/Waitman) Elizabeth Mackie made motion to approve the 2020 Planner as suggested. Andy Waitman seconded motion. MOTION CARRIED.

6) Resolution 2019-02 – UBS Trumbull Property Fund

ACG reviewed the UBS Trumbull Property Fund Loyalty Program options, the Board discussed and agreed to the 25% fee discount under a 4-year loyalty period.

MOTION: (Hill/Kenny) Stephen Hill made motion to approve the resolution and adopting the 4 year Loyalty Period. Steve Kenny seconded motion. MOTION CARRIED.

7) Proposed Change to Valuation Date – Lee Huffstutler, Chief Accountant

Mr. Huffstutler presented the history on how the City of Tampa worked with the GE Pension Plan and its changes as few times on the valuation date. The request at present is to link the valuation date with the measurement date, which will make auditing and reporting easier.

MOTION: (Kenny/Mackie) Steve Kenny made motion to approve the change in the valuation date as proposed. Elizabeth Mackie seconded motion. MOTION CARRIED.

8) Update from Dana Blydenburgh

a) Pension Administration Software Update
Ms. Blydenburgh reported that all three supporting vendors have successfully passed through the procurement process and are working onsite currently. The pension software consultants will host a kick-off presentation on January 29, 2020.

b) Venue Update
This has been more than a yearlong process and Staff remains committed to seeking solutions for the Board’s consideration to secure a meeting location with accessible, no-cost parking, that additionally offer technological solutions in order to conduct paperless meetings.

VIII. 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 Application, Survivor Allowances, Estate Payments, Disability Allowance, DROP Exits

General Employees’ Retirement Fund, 306 E. Jackson Street, 7E, Tampa, FL 33602 • (813) 274-7850 • Fax: (813) 274-7289
DROP Rates of Return
1) DROP Rate of Return – Option 1
2) DROP Rate of Return – Option 2
3) NT Gov't Short-Term Investment Fund – Daily Rate of Return – December 1, 2019

Monthly Invoices:
1) City of Tampa Reimbursement – November 2019 - $45,254.09

Auto-Deducted:
1) Blackstone Property Partners – Q3 2019 – Base & Upper Tier Fees - $59,932.00

Miscellaneous Invoices:
1) AdventHealth Centra Care - #2463184801-20191101 - $2,650.00
2) Brandon TMS & Psychiatry - #2023 - $43.50
3) Division of Administrative Hearings - #005247A - $1,109.25
4) Foster & Foster - #15871 - $1,650.00
5) NeuSpine Institute - $1,000.00

MOTION: (Kenny/Waitman) Motion was made by Steve Kenny to approve the Consent Agenda and to Receive & File all Documents. Motion was seconded by Andy Waitman. MOTION CARRIED.

IX. 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, January 21, 2020 at the Fire & Police Pension Fund, Board Meeting Conference Room, 3001 N. Boulevard Tampa, FL 33603.

[Signatures]

BOARD CHAIRMAN – Ernest P. Carrera

GE PENSION PLAN SUPERVISOR & RECORDING SECRETARY – Dana Blydenburgh