

**MINUTES OF THE MEETING OF THE BOARD OF TRUSTEES
OF THE
TAMPA FIRE & POLICE PENSION FUND**

Livestream: <https://attendee.gotowebinar.com/register/8733809428084425567> Webinar ID: 440-568-307

Audio Only: (866) 901-6455 Access Code: 222-001-510

August 28, 2024 9:30 a.m.

The Board of Trustees of the City Pension Fund for Firefighters and Police Officers in the City of Tampa met on Wednesday, August 28, 2024 at 9:30 a.m. for a regular meeting with the following members present:

Patrick Messmer, Chairman
Matthew Belmonte
John Cannon
Dennis Rogero

John Haintz
Alex Thiel
Ocea Wynn

Additional participants included Mr. Robert Klausner, General Counsel; Mr. Mark Lenker, Fund Accountant; Mr. Wayne DeMatthews, retiree; and active and retired plan members.

Public Comments: Pursuant to Florida Statutes, Section 286.0114(4), members of the public may comment on items requiring Board action, other than ministerial matters. Speakers are limited to two minutes each and not more than 20 minutes will be set aside for comments, without further Board approval. Speakers shall fill out a card identifying the speaker and the agenda item(s) being addressed or a card supporting or objecting to an item without speaking. See Board Policy 107 for rules of conduct. *The statements made by speakers under Public Comments are solely the opinion of each speaker and do not necessarily reflect the views of the Board of Trustees, its staff, or its professionals.*

There were no public comments.

1. Approved the minutes of the June 18, 2024 regular board meeting. **It was moved by Mr. Belmonte, seconded by Mr. Cannon and by unanimous vote to approve the minutes of the June 18, 2024 regular board meeting.**
2. Approved the minutes of the August 20, 2024 committee 3 meeting. **It was moved by Mr. Haintz, seconded by Mr. Thiel and by unanimous vote to approve the minutes of the August 20, 2024 committee 3 meeting.**

Consent Agenda: Items on the consent agenda shall be acted upon in one motion. If an item requires additional discussion, that item shall be removed from the consent agenda for discussion. [Items 3 – 12] **It was moved by Mr. Belmonte, seconded by Mr. Thiel and by unanimous vote to approve items 3 – 12.**

3. Ratified pension benefits.
4. Approved billing for services rendered by Klausner, Kaufman, Jensen & Levinson during June 2024:
 - a. General: \$10,295.00
 - b. Artz: \$320.00
 - c. Sanzone: \$810.00
 - d. Vidovic: \$230.00
5. Approved billing for services rendered by Klausner, Kaufman, Jensen & Levinson during July 2024:
 - a. General: \$2,200.48
 - b. Sanzone: \$380.00
 - c. Vidovic: \$13,630.00
 - d. Smith: \$4,640.00
6. Noted receipt of email from the Division of Retirement approving the Fund's annual report, dated 07/24/2024.

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7. Noted receipt of letters from the Division of Retirement regarding the state premium tax money dated 08/13/2024.
 - a. Spreadsheet reflecting historical Chapter 175/185 state premium tax money received, including this year's receipt of \$11,541,004.18, an increase of \$964,908.44, or +9.12%, over the prior year.
8. Admitted Tampa Police Department new hires to pension fund effective 07/01/2024, contingent upon 1) furnishing a list of all medical providers and authorizations to obtain such medical records and 2) passing a complete medical examination:

Ballinger, Garret
 Berry, Nathan
 Cardenas, Leticia
 Chandler, Allen
 Dixon, Kristopher

Fuhry, Sabrina
 Garcia, Vicente
 Girard, Kaleb
 Guerra, Robert
 Merolillo, Jacob

Miller, Bryce
 Mullins, Merrick
 Saunders, Shane
 Whelan, Connor

9. Noted receipt of independent performance measurement report prepared by IPS for the quarter ended 06/30/2024.
10. Noted receipt of Police Trustee Election notice dated 08/13/2024. Qualification deadline is 08/27/2024, election date is 09/10/2024. [Trustee M. Belmonte's term is expiring 09/30/2024.]
11. Noted receipt of Firefighter Trustee Election notice dated 08/20/2024. Qualification deadline is 09/03/2024, election date is 09/17/2024. [Trustee J. Cannon's term is expiring 09/30/2024.]
12. Noted receipt of Disability Process Timeline of disabilities in process as of 08/21/2024.
13. Investment Management Presentation by Jay Bowen of Bowen, Hanes & Co. Inc. Noted receipt of the following:
 - a. Investment management report for the month ended 06/30/2024. Market value of *investments* was \$3,017,227,083.59, with an investment return of +24.3% on the total portfolio.
 - b. Investment management report for the month ended 07/31/2024. Market value of *investments* was \$3,062,714,637.92, with an investment return of +26.7% on the total portfolio.
 - c. Investment Summary written by Jay Bowen, dated 07/01/2024.
 - d. Bond portfolio information and recommendation to hold.
 - e. Proxies voted during quarter ended 06/30/2024.
 - f. Addendum to be distributed at the meeting.

Mr. Bowen provided commentary on the strong year noting that the total portfolio is currently up over 30%. He advised that September is historically a volatile month, but the Fund has strong double-digit returns that can weather a pullback. Mr. Bowen advised that the three biggest issues moving ahead will include federal reserve policy and how that will impact the direction of the financial markets, November presidential and congressional elections with regards to economic and tax policy, and corporate profits focusing on valuation instead of momentum. It was noted that while the Fed will continue to focus on reserving the business cycle, the stock market will focus on earnings. Mr. Bowen responded to questions from the board. **It was moved by Mr. Thiel, seconded by Mr. Haintz and by unanimous vote to receive and file items 13a-f.**

New Business

14. Noted receipt of listing of upcoming conferences. Disclosure of planned attendance, if any. Mr. Thiel, Mr. Belmonte, and Mr. Messmer disclosed for the IFEBP conference in San Diego. Mr. Thiel stated he would not be attending the conference in Laguna Beach. Mr. Cannon confirmed he would not be attending the Fall

FPPTA school. Ms. Weber disclosed for three staff to attend the LRS Teaming Conference and one staff to attend the P2F2 conference in Indianapolis. **Item 14 was received and filed.**

15. Committee 3 report.

a. Policy 414 – Payment of Pension Benefits – redline

Ms. Weber provided the committee report on behalf of Ms. Wynn noting the committee met on August 20th to discuss policies 201, 307, 409, and 414. The committee decided no action was needed on policy 201 at this time. Policies 307 and 409 are still with the committee for further review at its next meeting on October 1st. The committee is recommending a change to policy 414 regarding minor child benefits for certain recipients enrolling in college. The current policy requires a letter of acceptance, but not all institutions issue that exact document or are able to provide it within the timeframe required in policy. The committee proposes a statement reading “or such other proof deemed acceptable to the Board of Trustees” be added to assist in this instances. **It was moved by Mr. Belmonte, seconded by Mr. Haintz and by unanimous vote to change Policy 414 – Payment of Pension Benefits as recommended by the committee.**

[Mr. Rogero left meeting at 10:10 am.]

16. Noted receipt of agenda appearance request from W. DeMatthews, retired TFR, received 08/05/2024.

a. Policy 424 – Deferred Retirement Option Program (DROP)

Mr. DeMatthews addressed the board and requested access to his DROP funds prior to the normal December distribution due to personal financial needs. Mr. Klausner reviewed policy 424 and noted that it says DROP funds distribution will occur within 45 days after the approval of the rates of return, typically in November. He stated that the board would have to change its rule to allow earlier distributions. Discussion was held by the board. Ultimately, it was noted that the policy couldn't be changed in time to assist this member but for committee 3 to discuss this issue at its next meeting on October 1st. On the advice of counsel, **it was moved by Mr. Thiel, seconded by Mr. Haintz to deny the petitioner's request and for the item to be placed on the committee 3 agenda.** Additional discussion was held, after which **the motion was approved by unanimous vote.** Mr. Klausner said he would draft an order and forward it to the Plan Administrator.

17. Chair's call for any new business items from trustees to be placed on next agenda. None.

18. Chair's report. None.

[Mr. Rogero rejoined meeting at 10:25 am.]

19. Plan Administration: IME fees, October disability hearings. Ms. Weber started her report by saying there was potential for four disability hearings in October, which would have warranted a special board meeting, but due to IME scheduling, there will likely only be two. She continued by stating multifactor authentication on the Fund's SharePoint site would be rolled out to trustees over the next few weeks. Going back to the topic of IMEs, Ms. Weber noted that the cost of IMEs has been increasing over the past few years, in some cases upwards of \$10k+ per appointment depending on the volume of medical records for review. She gave examples and stated other funds and attorneys were experiencing the same increases. Mr. Klausner agreed that these fees are the new normal. He also stated this fund has a significant number of disabilities compared to other funds he represents. The board discussed options for lowering costs, but Mr. Klausner commented that it is the cost of doing business and the fees are negligible for a \$3 billion fund. Mr. Messmer stated he would like to change the pension contract language to “up to three physicians” and leave it to the discretion of the medical director to decide how many IMEs an applicant needs. He also

recalled remarks by Dr. Glencross recommending PTSD applicants be seen by psychologists rather than psychiatrists. He continued by saying the unions have not been agreeable to making these changes to the contract and that the costs of the increased IME fees will impact members and the City by way of contributions. It was the consensus of the board for staff to continue trying to control costs for processing disability applications but not to cause excessive delays.

20. Attorney's report. Mr. Klausner mentioned that some of their clients received a letter from the House Judiciary Committee regarding ESG policies as antitrust against oil companies. However, that will not happen in Florida because of statute.

Litigation Report – Update by attorney, if any. [Items 21 – 23]

21. Sanzone Small Claims Lawsuit Hillsborough County Circuit Court Case No.23-CC-019963

Mr. Klausner reported that they took the deposition of their expert on fees. He said Mr. Sanzone attended and stated he is unable to pay fees. Mr. Klausner continued by saying we went out of way to talk him out of litigation, but he declined. **Item 21 was received and filed.**

22. Vidovic Petition for Writ of Certiorari Hillsborough County Circuit Court Case No.24-CA-002860
a. Respondent... Response to Motion for Case Management Conference, Dated 07/15/2024.

Mr. Klausner advised that this is pending and a response due in two weeks. Then they can file reply and it will go to the appellate court; however, oral arguments are unlikely, because that have not been granted on these as much and are now usually decided on paper. Their position is that the board decided the facts incorrectly. The law governing judicial review of these hearings states that even if the court would have decided the case differently, they cannot substitute their determination of the facts and base its decision on what it would have done. Mr. Klausner believes the fund is holding high ground on this one. **Item 22a was received and filed.**

23. Smith Petition for Writ of Certiorari Hillsborough County Circuit Court Case No.24-CA-005469
a. Notice of Appeal, dated 07/04/2024.
b. Petition for Writ of Certiorari, dated 07/04/2024.
c. Order Dismissing Petition for Writ of Certiorari, dated 07/17/2024.
d. Respondent... Motion to Dismiss for Lack of Subject Matter Jurisdiction and Incorporated Memorandum of Law, dated 07/23/2024.

Mr. Klausner reported that Mr. Smith appealed the board's denial of his disability application, but he filed it late and the court dismissed it as untimely. As such, this matter is done and closed. **Items 23a-d were received and filed.**

Securities Litigation Report – Update by attorney, if any. [Item 24]

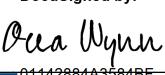
24. Generac United States District Court Case No. 2:22-cv-01436-BHL
United States District Court Case No. 2:23-cv-00081-BHL
a. Litigation Report, Q2 2024.

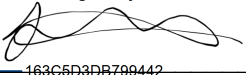
Mr. Klausner said he entered a notice of appearance so he would see anything that came out of the court. At this time, the motion to dismiss is still pending and they are awaiting determination on the motion to dismiss. Mr. Messmer asked if it is normal for it to take so long, to which Mr. Klausner replied yes, it is normal for them to sit for a while. It is up to the judge and there is a lot of paper filed. Sometimes the judge will want a hearing and sometimes not. If the motion is denied, it will likely go to mediation to settle. Mr. Klausner reiterated that these cases take a long time.

Motion to adjourn was made by Ms. Wynn at 10:47am.

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Patrick Messmer
Chairman

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Ocea Wynn
Secretary

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Tiffany Weber
Recording Secretary

Notice

No verbatim record by a certified court reporter will be made of this Board meeting, except as noticed for any executive sessions. Notice is hereby given as provided in Section 286.0105, Fla. Stat., that any person who decides to appeal any decision made by the board, agency, or commission with respect to any matter considered at such meeting or hearing, will need a record of the proceedings, and that, for such purpose, he or she may need 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.

Persons needing a special accommodation to participate in any noticed meeting should contact the F&P Pension office at (813) 274-8550 or (888) 335-8550 or the Florida Relay Service at (800) 955-8770 (voice) or (800) 955-8771 (TTY). You may also dial 711 from any landline or mobile phone. Additional options for contacting the Florida Relay Service may be found on their website: www.fri.org Please make your request at least five (5) working days before the scheduled meeting date.

2024 Board meeting schedule – meetings begin at 9:30 a.m.

September **18**, 2024 – early to accommodate trustee travel
October 23, 2024

November **20**, 2024 – early due to holidays
December **18**, 2024 – early due to holidays