



**GENERAL EMPLOYEES RETIREMENT FUND  
BOARD OF TRUSTEES - REGULAR MEETING MINUTES  
TUESDAY – APRIL 15, 2014 - 1:00 p.m.**

The Board of Trustees for the General Employees Retirement Fund convened in a regular session at 1:00 p.m. on this 15th day of April, 2014 in the City Council Chambers, City Hall, 3<sup>rd</sup> Floor, 315 E. Kennedy Blvd., Tampa, FL 33602.

**Support Staff:** Mark Boghich, Pension Plan Supervisor; Justin Vaske, ACA and Board Attorney; Mark Boghich, Recording Secretary; Lee Huffstutler, Chief Accountant; Terrie Williams, Accounting Operations Manager; Deborah Hodo, Pension Reporting Accountant; Rosie Santos, Pension Relationship Accountant; and Jill Wood Office Support Specialist II.

**Consultants to Board:** John Lessl and Bruce Crosswhite, Aon Hewitt; Jason Pulos and Andrew Gillentine, Asset Consulting Group.

**I. ROLL CALL**

Mr. Carrera, Chairman, presiding, brought the meeting to Order at 1:00 p.m.

**Board Members Present Included:** Ernest Carrera, Chairman; Sonya Little, Chief Financial Officer; Randy Goers, Trustee; Steve Kenny, Trustee; Derwin Bright, Trustee; Julio Muniz, Trustee.

Alan Weiner, Vice Chairman advised staff due to scheduling conflicts he would not be present.

**II. PUBLIC COMMENTS- Ten (10) Minutes**

There were no public comments.

**III. APPROVAL OF MINUTES**

Mr. Boghich requested the board approve the minutes from the March 15<sup>th</sup> meeting.

**MOTION: (Kenny-Bright) On a motion made by Mr. Kenny, and seconded by Mr. Bright, to approve the minutes from the March Board meeting stands approved as presented. MOTION CARRIED.**

**IV. Disability Hearing**

Mr. Carrera advised the board concerning the letter from Physician Robin Hughes to the Board recommending the disability application for Mr. Derreyl Madison be approved.

**MOTION: (Kenny-Muniz) On a motion made by Mr. Kenny, and seconded by Mr. Muniz, to approve the disability application for Mr. Derreyl Madison. MOTION CARRIED.**

**BOARD OF TRUSTEES - REGULAR MEETING MINUTES  
APRIL 15, 2014**

**IV. STAFF REPORT**

**1. March 2014 Performance Report and 2. Asset Allocation and Portfolio Construction**

- Andrew Gillentine of ACG provided an update on the overall portfolio, markets and managers. The market value of the Total Fund (“Fund”) was approximately \$682.5 million at the end of March 2014. Over the trailing one year, ending in March, the Fund’s 14.8% return was 230 basis points ahead of the Policy Index, which advanced 12.5% during this time period. Over the trailing five years ending in March, the Fund has experienced very strong returns of 15.7% annualized.
- The strong performance of the Fund was a function of strong equity market performance over the last 5 years. The Fund has had a slight overweight allocation to the strategic target to equities which has also been a positive. In addition, individual managers have generally outperformed their relevant indices.

**2. Asset Allocation and Portfolio Construction**

- Jason Pulos of ACG provided education on asset allocation and portfolio construction to the Board. Included was a discussion regarding the methodology related to the development of ACG’s long term capital market assumptions. Mr. Pulos explained that over a long term time horizon of 20 to 30 years the current mix of assets had a reasonable probability of achieving an 8% target rate of return. In the near term however, return expectations are muted due to the historically low interest rate environment we are currently experiencing.
- ACG made recommendations to make some modest changes to the strategic policy level target allocations. The Board approved the changes to the Strategic Policy level targets as summarized below:

<b>Asset Class</b>	<b>Current Target</b>	<b>New Target</b>
Core Bonds	20%	20%
Global Bonds	10%	10%
<b>Total Fixed Income</b>	<b>30%</b>	<b>30%</b>
US Large Cap Equity	29%	25%
US Small Cap Equity	7%	10%
International Developed Equity	21%	20%
Emerging Market Equity	3%	5%
<b>Total Equity</b>	<b>60%</b>	<b>60%</b>
Core Real Estate	4%	7%
Opportunistic Real Estate	2%	3%
Public REITS	4%	0%
<b>Total Real Assets</b>	<b>10%</b>	<b>10%</b>
<b>GRAND TOTAL</b>	<b>100%</b>	<b>100%</b>

**BOARD OF TRUSTEES - REGULAR MEETING MINUTES**  
**APRIL 15, 2014**

---

- In addition to the strategic policy level target allocation changes summarized above, ACG recommended the termination of the dedicated International Small Cap manager Victory and the reallocation of the assets currently invested with Victory among the other managers in accordance with the revised strategic policy level targets. This recommendation was approved by the Board.
- The changes to the Real Asset allocation, which contemplates the elimination of Public REITs' and an increase in the allocation to Core Real Estate, will take time due to the less liquid nature of Core Real Estate. This will be accomplished over time as the Core Real Estate manager UBS is able to take on additional investment.

**MOTION: (Kenny-Goers) On a motion for Amend Investment policy to allow ACG to incorporate Mix 2 as discussed made by Mr. Kenny, and seconded by Mr. Goers, to approve. MOTION CARRIED.**

**MOTION: (Kenny-Muniz) On a motion to terminate Victory and liquidation of that portfolio and movement of assets made by Mr. Kenny, and seconded by Mr. Goers, to approve. MOTION CARRIED.**

### **3. Cash Analysis Review**

Mr. Boghich reviewed the Cash Analysis Schedule which provided the actual information for February and projections for March through September. He reviewed in detail the projected revenues and expenses Information.

**4. Long Wharf FREG II Distribution \$39,952.06**

**5. Long Wharf FREG III Distribution \$239,811.17**

**6. Training Reimbursements for Mr. Bright \$331.36**

Mr. Bright gave a summary of his training.

**MOTION: (Goers-Kenny) On a motion made by Mr. Goers, and seconded by Mr. Kenny, to approve the Training Reimbursement for Mr. Bright \$331.36. MOTION CARRIED.**

<b>V. CONSENT AGENDA</b>
--------------------------

Mr. Boghich advised the items on the Consent Agenda were in order. Mr. Boghich stated they were reviewed and they are true and correct.

Retirement Benefits & Estate Payments:

Longevity Retirements, DROP Applications, DROP to Longevity, Deferred to Longevity Retirements, Surviving Spouse Benefits, Surviving Child Benefits and Estate Payments

**BOARD OF TRUSTEES - REGULAR MEETING MINUTES**  
**APRIL 15, 2014**

---

Monthly Invoices:

1. COMSERV - (March 14) - \$ 62.00
2. COMSERV - (March 31) - \$ 62.00
3. COMSERV - (April 14) - \$ 62.00

Quarterly Invoices:

1. Asset Consulting Group - \$ 31,250.00

Miscellaneous Invoice:

1. Tampa Occupational Health Services (Cirino) - \$ 250.00
2. Tampa Occupational Health Services (Madison) - \$ 1,500.00

**MOTION: (Kenny-Goers) On a motion made by Mr. Kenny, and seconded by Mr. Goers, the Consent Agenda was accepted and approved as presented. MOTION CARRIED.**

<b>VI. NEXT MEETING</b>
-------------------------

The next Regular Board meeting will be held at 1:00 p.m., Tuesday, May 20, 2014, in City Council Chambers.

<b>VII. ADJOURNMENT</b>
-------------------------

There being no further business, Chair Carrera adjourned the meeting at 2:25 p.m.

---

CHAIRMAN – Ernest Carrera

---

PENSION PLAN SUPERVISOR - Mark L. Boghich, III

---

RECORDING SECRETARY - Mark L. Boghich, III