

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

**Livestream:** <https://attendee.gotowebinar.com/register/8651153607314864654> Webinar ID: 953-115-131

**Audio Only:** (877) 309-2074 Access Code: 324-251-704

**May 20, 2020 1:30 p.m.**

The Board of Trustees of the City Pension Fund for Firefighters and Police Officers in the City of Tampa met remotely on Wednesday, May 20 2020 at 1:30 p.m. for a regular meeting with the following members present:

Douglas Burkett, Chairman  
Matthew Belmonte  
John Cannon  
Trevor Hall

Patrick Messmer  
Gregory Reed  
Dennis Rogero  
Ocea Wynn

Additional participants included Mr. Timothy Bowen, Actuary; Mr. Joseph Griffin, Actuary; Mr. Robert Klausner, General Counsel; Mr. Mark Lenker, External CPA; and active and retired plan members.

1. Approved the minutes of the April 22, 2020 regular board meeting. It was noted that the location of the April meeting is misidentified and the minutes should reflect that the Board met remotely. **It was moved by Mr. Messmer, seconded by Mr. Hall and by unanimous vote to approve the minutes of the April 22, 2020 regular board meeting, as corrected.**
2. Approved the minutes of the May 5, 2020 Investment committee meeting. **It was moved by Mr. Messmer, seconded by Mr. Reed and by unanimous vote to approve the minutes of the May 5, 2020 Investment committee 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 – 7] **It was moved by Mr. Belmonte, seconded by Mr. Cannon and by unanimous vote to approve consent agenda items 3 – 7.**

3. Ratified pension benefits.
4. Investment Management Report from Bowen, Hanes & Co. Inc. Noted receipt of the following:
  - a. Investment management report for the month ended 04/30/2020: Market value of *investments* was \$2,031,124,693.87. Investment return has been -1.3% (*negative 1.3%*) so far this fiscal year.
  - b. Addendum distributed at the meeting. As of 05/19/2020, market value of investments was \$2,068,022,267. Investment return has been 0.5% (*positive 0.5%*) so far this fiscal year.
5. Approved billing for services rendered by Klausner, Kaufman, Jensen & Levinson during April 2020:
  - a. General Counsel: \$8,075.00
6. Noted receipt of memo from Klausner, Kaufman, Jensen & Levinson regarding COVID-19 dated 04/30/2020.
7. Noted receipt of Disability Process Timeline of disabilities in process as of 05/14/2020.
8. **Actuarial Valuation Presentation** by Joseph Griffin, Actuary, and Tim Bowen, Actuary – Foster & Foster Distributed and discussed at board meeting by actuary:
  - a. Annual actuarial valuation for the fiscal year ended 09/30/2019.
  - b. Highlights of annual actuarial valuation for the fiscal year ended 09/30/2019.
  - c. Establish the employee contribution rate for fiscal year 10/1/2020 – 09/30/2021 as recommended by the actuary based upon actuarial and statutory requirements and the 09/30/2019 actuarial valuation just presented and approve the plan administrator to email all active members the contribution rate for fiscal year ending 09/30/2021.

- d. Noted receipt of draft letter to eligible retirees and eligible surviving spouses regarding the payment or non-payment of the 13th check for fiscal year ending 09/30/2019.

Mr. Griffin provided an introduction, noting that the valuation develops funding requirements for the base plan and determines contribution requirements for fiscal year ending 2021. Membership data used in the valuation was reviewed, including the size of the membership, average earnings of active members, and average monthly pension benefits of retired members. It was noted that the work force is growing and that average earnings were up 7% for fiscal year ending 2019. Mr. Griffin reviewed the Fund's asset allocation noting that all member, city, and state contributions and returns from 1-5% are allocated to the base account, returns from 5-10% and above 11% are allocated to the COLA account, and returns from 10-11% are allocated to the 13<sup>th</sup> check account, if certain conditions are met. The history of the assumed rate of return was reviewed and it was noted that the recent stochastic study validated the current 8.5%. Mr. Griffin advised that the total fund return was just shy of the 5% cumulative that is due the base account for fiscal year ending 2019, so if the return is over 5% in fiscal year ending 2020, the base plan will get the first 5% plus enough to make up for the \$24 million shortfall from the prior year. Funding status was reviewed and it was noted that the Fund was 94.5% funded on an actuarial basis. Contribution requirements were discussed and it was noted that a 2004 actuarial gain was fully amortized, resulting in contribution increases.

Mr. Messmer asked if state premium tax money will be impacted by COVID-19. Mr. Klausner advised that he does not expect the chapter 175 monies to be impacted, but there may be a reduction in chapter 185 funds because every auto insurer is giving a substantial reduction in insurance premiums for the next year.

[Ms. Wynn joined the meeting at 2:05 p.m.]

**It was moved by Mr. Hall, seconded by Mr. Messmer and by unanimous vote to accept the annual actuarial valuation results, as prepared by Foster & Foster.**

**It was moved by Mr. Reed, seconded by Mr. Cannon and by unanimous vote to adopt the employee contribution rate of 13.46% for fiscal year ending 09/30/2021 and authorize the plan administrator to email contribution rate information to all active members.**

Mr. Griffin advised that a 13<sup>th</sup> check is not payable for fiscal year ending 09/30/2019 since investment returns did not exceed 10%. **It was moved by Mr. Hall, seconded by Ms. Cannon and by unanimous vote to approve the communication to retirees regarding non-payment of 13<sup>th</sup> check.**

Mr. Griffin advised that the staff pension plan document requires that assumptions be adopted by the Board. He recommended an interest rate of 7%, and noted that the plan is required to use the same mortality tables used by FRS. Mr. Griffin also recommended that the Board give the actuary direction to review and make updates as new tables are used. He explained that this will add an auto-update feature in the plan every time FRS makes a change. **It was moved by Mr. Reed, seconded by Mr. Cannon and by unanimous vote to adopt the recommended assumptions and authorize the actuary to update the statutorily mandated mortality rates, as necessary. It was further moved that the actuary shall present all changes made to the Board.**

#### Old Business

9. Investment committee report.
  - a. Policy 702 – Investment Policy (redline)

Mr. Messmer advised that the committee met remotely to discuss changing the investment policy to allow for investment grade bonds, noting that there is consensus in the financial community in terms of defining

“investment grade.” It was noted that the Board can continue to monitor the quarterly report for anything that falls below investment grade. **It was moved by Mr. Messmer, seconded by Mr. Belmonte and by unanimous vote to amend Policy 702, as recommended.**

### New Business

10. Noted receipt of listing of upcoming conferences. Disclosure of planned attendance, if any.

Ms. Ernst advised that trustees are not required to disclose for virtual education sessions, but they should report participation for education credit tracking. Mr. Hall requested that he be registered for all of the FPPTA virtual sessions. **Item 10 was received and filed.**

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

12. Chair’s report. None.

13. Plan Administration: Update on PAS implementation.

Ms. Ernst advised that the PAS project, including data cleansing, is still moving along. She noted that the LRS team is still planning on coming to Tampa the week of July 13<sup>th</sup>, but plans will not be finalized until we get closer to July. Ms. Ernst noted that the office remains closed to walk-ins, but there is a single staff member working out of the office every day. It was noted that retirement and DROP appointments are still being conducted remotely and the office is prepared to continue working remotely for the foreseeable future.

[Mr. Rogero exited the meeting at 2:29 p.m.]

14. Attorney’s report. None.

### Litigation – Update by attorney, if any.

15. Artz Lawsuit	2 <sup>nd</sup> District Court of Appeals Case No.	2D15-1342
	Hillsborough County Circuit Court Case No.	07-012048

It was noted that a response from the insurance company is pending about recoverable fees. Mr. Klausner advised that a hearing has not yet been scheduled because there are multiple witnesses.

16. Houston, L. Appeal	2 <sup>nd</sup> District Court of Appeals Case No.	2D18-4279
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Mr. Klausner advised that the 2<sup>nd</sup> DCA reversed the decision of the Board on the basis that there is insufficient proof that Ms. Houston committed a felony through the attempted use of her office. Mr. Klausner advised that he believes their analysis conflicts with other decisions in the state and it warrants a review by the Florida Supreme Court. **It was moved by Mr. Messmer, seconded by Mr. Reed and by unanimous vote to authorize the attorney to seek review of the decision.**

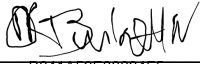
17. Houston, E. Appeal	2 <sup>nd</sup> District Court of Appeals Case No.	2D19-2119
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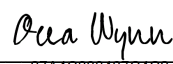
Mr. Klausner advised that an opinion has not yet been issued by the 2<sup>nd</sup> DCA.


18. Appel Petition for Writ of Certiorari	2 <sup>nd</sup> District Court of Appeals Case No.	2D18-4443
	Hillsborough County Circuit Court Case No.	17-CA-10758

Mr. Klausner advised that this case will remain pending until the Court reopens for hearings.

Motion to adjourn was made by Ms. Wynn at 2:42 p.m.

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Douglas Burkett  
Chairman

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Ocea Wynn  
Secretary

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Tiffany Corry  
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.ftri.org](http://www.ftri.org) Please make your request at least five (5) working days before the scheduled meeting date.

2020 Board meeting schedule – meetings begin at 1:30 p.m.

June 24, 2020  
July 22, 2020  
August 26, 2020

September 23, 2020  
October 28, 2020  
November **18**, 2020

December **16**, 2020