



**CITY OF TAMPA**

**BOARD OF TRUSTEES  
REGULAR MEETING MINUTES  
TUESDAY – NOVEMBER 13, 2018 – 1:30 P.M.**

**Support Staff:** Mike Cascone, Interim GE Pension Plan Supervisor and Recording Secretary; Justin Vaske, Assistant City Attorney and Board Attorney; Lee Huffstutler – Chief Accountant, Terrie Williams, Accounting Operations Manager; Rosie Rivera, Accountant; and Viola Dawson, Office Support Specialist III.

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

**I. ROLL CALL**

Mr. Carrera, Chairman, presiding, brought the meeting to order at 1:30 p.m.

**Board Members Present:** Ernest Carrera, Chairman; Stephen Hill, Vice Chairman; Andy Waitman, Trustee; Elizabeth Mackie, Trustee; and Steve Kenny, Trustee.

**Board Members Absent:** Sonya Little, Trustee and Derwin Bright, Trustee.

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

None.

**III. ANNUAL ELECTION**

Mr. Huffstutler informed the Board that the annual terms for Vice-Chairman and Chairman were ending and both roles need election for 2019.

**MOTION: (Mackie/Kenny)** Elizabeth Mackie made motion to nominate Stephen Hill as Vice-Chairman. Steve Kenny seconded motion. **MOTION CARRIED.**

**MOTION: (Hill/Waitman)** Stephen Hill made motion to nominate Ernest Carrera as Chairman. Andy Waitman seconded motion. **MOTION CARRIED.**

**III. APPROVAL OF MINUTES**

Mr. Carrera requested the Board approve the minutes from the October 16, 2018 meeting.

**MOTION: (Hill/Mackie)** Stephen Hill made motion to approve the Minutes from October 16, 2018. Elizabeth Mackie seconded motion. **MOTION CARRIED.**



#### **VI. DISABILITY RETIREMENT HEARING**

Mr. Huffstutler 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 Samuel Llanes.

We received a comprehensive evaluation/medical report from Eniola Owi, M.D. dated September 27, 2018. It states in relevant part, "After reviewing the provided medical records, taking a history and performing a physical examination of Mr. Llanes, it is my opinion that Mr. Llanes is incapable of usefully and efficiently performing any job within the City of Tampa."

A comprehensive evaluation/medical report dated October 20, 2018 was also received from Robin R. Hughes, M.D., M.P.H. It states, "Upon review of Mr. Llanes' recent medical and surgical records, the independent examination by Dr. Owi conducted on 9/27/2018 and my evaluation today, I concur with Dr. Owi in that Mr. Llanes is incapable of usefully and efficiently performing any job within the City of Tampa."

Mr. Huffstutler made a staff recommendation for the Board to approve the disability retirement application for Mr. Llanes.

**MOTION: (Hill/Kenny) Stephen Hill made motion to approve the disability retirement application for Mr. Llanes. Steve Kenny seconded motion. MOTION CARRIED.**

Mr. Huffstutler also provided an update to the disability audit. The final paperwork on Tameka Townes provides that there is no change and we continue to provide disability retirement. The audit update also provides that Julio Ruiz Ramos has been non-compliant and his disability retirement has been suspended since April 12, 2018.

#### **VI. FOSTER & FOSTER ACTUARIAL RATE OF RETURN CONTINUED**

Mr. Brad Heinrichs requested that the Board consider making decisions on the following: demographic assumptions for retirement-termination-disability rates, cost and funding methods with amortization, and basis of actuarial rate of return.

**MOTION: (Hill/Kenny) Stephen Hill made motion to change the demographic assumptions as suggested by Foster & Foster. Steve Kenny seconded motion. MOTION CARRIED.**

**MOTION: (Hill/Waitman) Stephen Hill made motion for a 25-year amortization. Andy Waitman seconded motion. MOTION CARRIED.**



**MOTION: (Hill/Kenny) Stephen Hill made motion to accept option 1 to move quickly to reach 7.5%. Steve Kenny seconded motion. MOTION CARRIED.**

## **VII. STAFF REPORT**

### **1) Portfolio Performance Review – Q3 2018**

Jason Pulos, ACG, provided the quarter report for the period ending 9/30/2018. The one year net of fee return of the total fund as of 9/30/18 was 3.38% which was 0.09% above the return of the Policy Index and ranked in the top 49% of the Public Fund Universe. On a dollar basis the Return on Investment for the One Year period ending 9/30/18 was \$27.53 million. The trailing five year annualized net return of the total fund as of 9/30/18 was 7.18% which ranks in the top 43% of all Public Pension Funds for that time period.

### **2) Portfolio Performance Review – October 2018**

Mr. Pulos also reviewed the monthly report as of October 31, 2018. The total fund value stood at approximately \$698.6 million. Year-to-date through October 31, 2018 the fund is down 2.20% gross of fees which is 0.20% under the Policy Index for the same period. Over the five year period ending October 31, 2018 the Fund is up 5.90% gross of fees annualized compared to the policy index of 5.73% for the same time period.

### **3) November 2018 Liquidity Needs**

Mr. Pulos advised the Board of the recommendation for liquidity. The liquidation of \$2 million from the Loomis Sayles Large Cap Growth Equity strategy and \$2 million from the Dodge & Cox Large Cap Value Equity strategy to provide liquidity needs for the month. This reduction to these slightly overweight positions is consistent with ACG's 4Q2018 Asset Class Relative Rankings, which indicates a neutral allocation to equities.

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

### **4) Schedule for Fund Managers Presentations 2019**

Mr. Huffstutler requested that ACG provide the 2019 schedule for the Fund Manager Presentations.

### **5) Board Meeting Locations**

Mr. Huffstutler announced that we are in the process of locating a new place for our Board Meetings to accommodate everyone and the need for technology in order to go paperless.

### **6) Laptops/Tablets**



Mr. Huffstutler informed the Board that when we do find the appropriate meeting place to become paperless, that there may be a need to provide the Board of Trustees with the electronics required. Further discussion will ensue once we find a location.

**7) Biennial Pension Verification Questionnaire Audit**

Mr. Huffstutler informed the Board that staff is preparing for the Verification Questionnaire Audit and requested approval from the Board to proceed.

**MOTION: (Waitman/Hill) Andy Waitman made motion to approve GE Pension staff to proceed with the Biennial Pension Verification Questionnaire Audit and to approve moving forward with the Surviving Spouse Audit at the first of the year. Elizabeth Mackie seconded motion. MOTION CARRIED.**

**8) Public Pension Standards Award**

Mr. Huffstutler announced that we have received the Public Pension Standards Award again this year. Ms. Natasha Wiederholt first applied for this award three years ago and we have continued to win yearly. We intend to continue going forward with making sure that we keep up the standards that are required.

**MOTION: (Waitman/Hill) Andy Waitman made motion to make the Public Pension Standards Award to be part of the policy and we continue. Stephen Hill seconded motion. MOTION CARRIED.**

**V. CONSENT AGENDA**

Mr. Huffstutler 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:

Early Retirements, Deferred Retirements, DROP Entrants, Survivor Allowances, Estate Payments, Death Benefit Payments

Monthly Invoices:

1) City of Tampa Reimbursement – September 2018 - \$25,145.91

Quarterly Invoices:

- 1) Aberdeen – Q3 2018 - #85070 - \$83,617.72
- 2) ClariVest – Q3 2018 - #134385 - \$45,868.53
- 3) Dodge & Cox – Q3 2018 - #46235 - \$79,956.71
- 4) Fisher Investments – Q3 2018 - #20180930-10112-10578-A - \$123,321.35
- 5) LMCG Investments – Q3 2018 - \$39,292.57
- 6) Loomis Sayles – Q3 2018 - #194182 - \$75,860.26



## CITY OF TAMPA

- 7) Northern Trust – Q3 2018 - \$36,814.57
- 8) Taplin, Canida & Habacht – Q3 2018 - \$35,980.06
- 9) Wellington Management – Q3 2018 - #20180930-103079-A - \$58,733.53

### Annual Invoices:

- 1) Marathon-London International Group - #LLP8410 - \$74,528.78

### Auto-Deducted:

- 1) Blackstone – Q2 2018 - \$54,344.00
- 2) Brandywine Global – Q3 2018 - #20180930-4233-A - \$69,295.34
- 3) Marathon-London International Group – August 2018 - \$22,453.00
- 4) Marathon-London International Group – September 2018 - \$22,537.00
- 5) Marathon-London International Group – October 2018 - \$20,578.00
- 6) UBS – Q3 2018 - \$95,055.98

### Miscellaneous Invoices:

- 1) Chameleon Custom Solutions - #114609 - \$497.55
- 2) Chameleon Custom Solutions - #114970 - \$496.97
- 3) Foster & Foster - #13288 - \$1,050.00
- 4) HB Workman Design - #10501 - \$75.00
- 5) Tampa Occupational Health & Wellness - \$1,200.00 (Llanes)
- 6) Tampa Occupational Health & Wellness - \$1,200.00 (Townes)
- 7) Travel Reimbursement – 2018 FPPTA Trustee School - \$161.87 (Kenny)
- 8) Travel Reimbursement – 2018 FPPTA Trustee School - \$180.71 (Rivera)
- 9) Travel Reimbursement – 2018 FPPTA Trustee School - \$161.87 (Waitman)
- 10) Workhealth Occupational Medicine - \$725.00 (Townes)

**MOTION: (Hill/Kenny) Motion was made by Stephen Hill to approve the Consent Agenda. Motion was seconded by Steve Kenny. MOTION CARRIED.**

### **IX. MOTION TO RECEIVE & FILE ALL DOCUMENTS**

Mr. Huffstutler suggested that we add to receive and file all documents to our Board Minutes.

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

### **X. ADJOURNMENT**



**CITY OF TAMPA**

There being no further business, Chairman Carrera adjourned the meeting at 3:40 p.m. and advised the Board that the next meeting would be held on Tuesday, December 18, 2018 at the Fire & Police Pension Fund, Board Meeting Conference Room, 3001 N. Boulevard Tampa, FL 33603.

A large, stylized handwritten signature in black ink, consisting of a large loop followed by a horizontal line extending to the right.

**BOARD CHAIRMAN – Ernest P. Carrera**

A smaller, cursive handwritten signature in blue ink.

**INTERIM GE PENSION PLAN SUPERVISOR &  
RECORDING SECRETARY – Mike Cascone**