



MINUTES FROM MEETING
OF
May 17, 2018

Chairman Zabin called the meeting to order at 9:07 AM in the Blowfish Conference Room, 4th floor of City Hall and determined a quorum was present.

<u>Members</u>	<u>Also Present</u>
Douglas Zabin, Chairman	Katrina Laudeman, Executive Director
Eddie Torres, Vice Chair	Dionna Little, Department Advocate (9:13 AM)
Jason Franklin, Secretary	Andrea Morgan, Department Advocate
Mario Garcia, Trustee (9:08 AM)	Lori Janeczek, Employee Benefits
Christopher McCullion, Trustee	Tayt Odom, Nyhart
	Kevin Leonard, NEPC (by phone 9:52 AM)
	Sean Gill, NEPC (by phone 9:52 AM)
	Keith Stronkowsky, NEPC (by phone 9:52 AM)
	Michele Keane, Pension Coordinator

1) PUBLIC COMMENT

Chairman Zabin asked for public comment. There was none.

2) ACTUARIAL DISCUSSION

Mr. Odom introduced himself and presented the actuarial valuation for 2017. (Mr. Garcia entered the meeting at 9:08 AM.) Mr. Odom noted the assumed rate of return was lowered from 7.75% to 7.70% and the payroll growth was lowered to 2.89% to stay at or below the 10 year average historical pay growth. (Ms. Little entered the meeting at 9:13 AM.) He added the Plan is funded at 80% and in good shape. Projections and smoothing will be discussed further in the October meeting.

3) NEPC – PRIVATE EQUITY MANAGER DISCUSSION

Mr. Zabin called into the conference line at 9:52 AM at which time Mr. Leonard, Mr. Gill and Mr. Stronkowsky joined the meeting. Mr. Leonard reminded the trustees that they have allocated \$8 million to the private equity portion of the Plan for the vintage year 2018. Mr. Gill and Mr. Leonard gave a brief overview of Windjammer Capital Investors and responded to questions.

A MOTION TO ALLOCATE \$8 MILLION TO WINDJAMMER CAPITAL INVESTORS was made by Chairman Zabin and seconded by Mr. Torres; **MOTION CARRIED UNANIMOUSLY.**

Mr. Stronkowsky noted that NEPC has downgraded the rating for the EnTrustPermal Diversified Fund of Funds and is recommending the termination of the allocation. (Mr. Gill left the meeting at 10:14 AM.) Mr. Stronkowsky also discussed a liquidity issue with Peruvian bonds held in one of the funds which represents approximately 10% of the total fund. He advises to liquidate the fund but hold the 10% fund until the market on those bonds becomes liquid. Ms. Laudeman passed out copies of the NEPC memo and reminded the trustees that the liquidation is done on a quarterly basis and the assets can be reallocated at a later time.

A MOTION TO BEGIN LIQUIDATING THE ENTRUSTPERMAL DIVERSIFIED FUND OF FUNDS, CHOOSING THE DEFAULT OPTION FOR THE BONDS was made by Mr. Garcia and seconded by Chairman Zabin; **MOTION CARRIED UNANIMOUSLY.**

Chairman Zabin thanked Mr. Leonard and Mr. Stronkowsky for their presentation and they left the meeting at 10:20 AM.

4) APPROVAL OF MINUTES FROM MARCH 15, 2018

A MOTION TO APPROVE THE MINUTES OF MARCH 15, 2018, was made by Mr. Franklin and seconded by Mr. Torres; **MOTION CARRIED UNANIMOUSLY.**

5) APPROVAL OF CONSENT AGENDA

A MOTION TO APPROVE THE CONSENT AGENDA was made by Mr. Franklin and seconded by Mr. Garcia; **MOTION CARRIED UNANIMOUSLY.**

6) PENDING / OLD BUSINESS UPDATE

a. Disability Update

Garrard Harris:

Chairman Zabin asked Ms. Keane to contact Mr. Harris for an update on completing his notebook. He will issue another 30-day extension if necessary.

Chairman Zabin notified the Board that he expects two more applications to be filed for disability.

Matthew Negedly:

Chairman Zabin noted he does not expect Mrs. Negedly to pursue the disability application for her late husband.

b. Securities Litigation Update

Chairman Zabin noted the information provided by Ms. Laudeman.

c. Pension Board Attorney Replacement Update

Ms. Laudeman notified the trustees that three (3) firms responded to the pension board attorney RFP issued in May, and provided everyone with a summary she had prepared. She requested the

trustees look over the RFPs and be ready to discuss them at the next meeting. This will allow Mr. Loper to review the documents and offer recommendations or suggestions. The trustees expressed an interest in interviewing the three (3) firms, beginning in July.

d. State Report Update

Ms. Laudeman stated the report was submitted on May 4th and a copy is available for review.

7) NEW BUSINESS

There was none.

8) ADJOURNMENT

A MOTION TO ADJOURN was made by Chairman Zabin and seconded by Mr. Garcia; the meeting adjourned at 10:40 AM.

Respectfully submitted,

Michele Keane

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Pension Coordinator