



Ms. Laudeman called the Joint Quarterly Performance Meeting of the City of Orlando Pension Advisory Committee, Police and Firefighters' Pension Boards to order at 9:30 AM on Thursday, June 2, 2016, in the Veterans Conference Room, 2nd floor, City Hall, Orlando. There were quorums representing the General Employees' and Police Pension Boards.

PAC Members

Rebecca W. Sutton, Chairman (Absent)
Steve Brown, L.I.U.N.A. Representative
Jay Carr, Police Department
Gustavo Castro, Economic Development
Gerald Poke, L.I.U.N.A. Representative (Absent)
Charles Ramdatt, Public Works (Absent)
Michael Rhodes, Economic Development
Tamara Wilson, Fire Department (Absent)
Joshia Willis, S.E.I.U. Representative

Police Pension Board Trustees

William C. Long, Chairman
Jay L. Smith, Vice-Chairman
Jose Vicente, Secretary
Tony Blanca, Trustee (Absent)
Laurie Botts, Trustee

Firefighters' Pension Board Trustees

Ronald A. Glass, Chairman (Absent)
Edward Torres, Vice-Chairman
Douglas Zabin, Secretary (Absent)
Kevin Edmonds, Trustee (Absent)
Mario A. Garcia, Trustee (Absent)

Others Present

Katrina A. Laudeman, Treasurer &
Director Fire & Police Pension Boards
Matt Dickey, Treasury Manager & Deputy Director Fire & Police
Pension Boards
Kevin Leonard & Keith Stronkowsky, NEPC
Jim Nevola & Michael Fuehrer, Bank of New York Mellon
Gregg Hymowitz, Mark Guariglia & Paul Rosenberg of
EnTrustPermaul
Michele V. Keane, Pension Coordinator

1. PUBLIC COMMENT

Ms. Laudeman asked if there was anyone from the public who wished to speak on an agenda item. There was no response.

2. EN TRUST PRESENTATION

Mr. Gregg Hymowitz, Mr. Mark Guariglia and Mr. Paul Rosenberg introduced themselves to the board members. Mr. Hymowitz spoke about the recent merger of EnTrust and Permal and how the advantages of the increased size of the joint companies, larger number of investment professionals and decrease in fees will benefit their customers. (Ms. Botts left the meeting at 10:02 AM.) A short recess was taken at 10:33 AM.

The meeting resumed at 10:42. 3.

3. **MARKET UPDATE** – Keith Stronkowsky, NEPC

Mr. Stronkowsky gave an update on the market overview for the first calendar quarter of 2016. He noted that international volatility continues. Additionally, the Federal Reserve is hinting they could raise interest rates again in the next quarter. In March, US equities and high-yield bonds rebounded sharply and emerging markets had their best month since 2011.

4. **PERFORMANCE UPDATE** – Kevin Leonard, NEPC

Mr. Leonard stated that EnTrust and Permal had both been on the preferred list of managers for hedge funds. With the merger, they are now on NEPC's hold list while they monitor their "culture" and how they work together under these new circumstances.

Secondly, GMO is announcing today that they are laying off 10% of their employees and changing from a fundamental equity manager to a quantitative equity manager. NEPC is meeting with GMO on Friday and will update staff on the changes.

Mr. Leonard reviewed the performance of the money managers. The General Employees' Pension Fund returned 0.8% for the calendar first quarter and 4.0% fiscal year to date.

The Firefighters' Pension Fund returned 0.8% for the first quarter and the Police Pension Fund returned 0.9%. Both the Firefighters' and Police Pension Funds returned 3.9% fiscal year to date. (Mr. Vicente left the meeting at 11:30 AM.)

Mr. Leonard summarized by saying there are not any significant concerns with any of the managers or their performance, and NEPC will be in touch with staff regarding GMO. NEPC will meet with the Police and Firefighters' Pension Boards at a later time to discuss asset allocation changes to their portfolios. Lastly, NEPC will work with GRS and staff to come up with a glide path to meet the specific needs of the General Employees' closed plan.

5. **MEETING ADJOURNED** at 11:34 AM.

Respectfully submitted,

Katrina A. Laudeman

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Treasurer

Michele V. Keane

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Pension Coordinator