



Firefighters' Relief and Pension Fund

Samuel A. Horton, Chairman

Jeff Wilmoth, Secretary

Veronica Dias, Trustee

Jerri Barnes, Trustee

Joseph McCombs, Trustee

**MINUTES OF THE MEETING
FIRE PENSION BOARD
MAY 8, 2019**

The trustees of the City of Pensacola Firefighters' Pension Fund met this date.

Members Present:

Samuel A. Horton, Chairman

Jeff Wilmoth

Veronica Dias

Members Absent:

Joseph McCombs

Jerri Barnes

Others Present:

Larry Cole, Burgess Chambers & Associates

David Hulme, Advent Capital Management

Earl Denney, Integrity Fixed Income

Martin LaPrade, Sawgrass Asset Management, LLC

Steve Loncar, Ceredex Value Advisors

Anthony Xuereb, Polen Capital

Gary Leuchtman, Attorney

Richard Barker, Jr., Plan Administrator

Cheryl Jackson, Payroll and Pension Manager

Alexandra Daily, Assistant to the Chief Financial Officer

Chairman Horton called the meeting to order at 2:10 p.m. Chairman Horton stated that there was a quorum present.

Mr. Wilmoth made a motion to approve the minutes of the March 5, 2019 meeting. Ms. Dias seconded the motion and it passed unanimously.

Mr. Steve Loncar, Ceredex Value Advisors, addressed the Board and reviewed the portfolio's quarterly performance for the period ending March 31, 2019. He stated the total value of the portfolio as of March 31, 2019 was \$10,808,023.23. Mr. Loncar also stated the quarterly return for the period ending March 31, 2019 was negative 11.70%, the one-year return ending March 31, 2019 was 6.18%, and the annualized five-year return for the period ending on March 31, 2019 was 8.15%. All returns are gross of fees. The report for Ceredex is on file.

Mr. Earl Denney with Integrity Fixed Income Management, LLC addressed the Board and provided a review of the quarterly performance for the fixed income portfolio for the period ending March 31, 2019. Mr. Denney stated the total return for the quarter ending March 31, 2019 was 2.37%. He stated that the total return for the one-year return period ending on March 31, 2019 was 4.14% and the annualized total return for the five years ending on March 31, 2019 was 2.76%. All returns are gross of fees. The report for Integrity Fixed Income Management, LLC is on file.

Mr. Anthony Xuereb with Polen Capital addressed the Board and reviewed the portfolio's quarterly performance for the period ending March 31, 2019. He stated the total value of the portfolio as of March 31, 2019 was \$11,845,536. Mr. Xuereb also stated the quarterly return for the period ending on March 31, 2019 was 16.97%, the one-year return for the period ending on March 31, 2019 was 22.66% and the annualized five year return for the period ending on March 31, 2019 was 16.75%. All returns are net of fees. The report for Polen Capital is on file.

Mr. Martin LaPrade with Sawgrass Asset Management addressed the Board and provided a review of quarterly performance for the diversified large growth equity portfolio for the period ending March 31, 2019. Mr. LaPrade stated the total value of the portfolio was \$8,229,510 as of March 31, 2019, and the total return for the quarter ending March 31, 2019 was 13.35%. He stated the total return for one-year period ending on March 31, 2019 was 16.91% and the three year return for the period ending on March 31, 2019 was 13.81%. All returns are net of fees. The report for Sawgrass Asset Management is on file.

Mr. David Hulme, Advent Capital Management, LLC, addressed the board by phone and provided a review of quarterly performance for the convertible bonds for the period ending March 31, 2019. Mr. Hulme stated that total return for the quarter ending March 31, 2019 was 10.56%. The one-year return for the period ending on March 31, 2019 was 5.72% and the annualized five year return for the period ending on March 31, 2019 was 5.34%. All returns are net of fees. The report for Advent Capital Management, LLC is on file.

Mr. Larry Cole, Burgess Chambers & Associates, addressed the Board and provided a review of quarterly performance for the Fund for the period ending March 31, 2019. He stated the total value of the Fund as of March 31, 2019, was \$120,586,337 and the total return for the quarter ending March 31, 2019 was 9.6%. Mr. Cole stated that the total return for the one-year period ending on March 31, 2019 was 5.7% and the annualized total return for the five years ending on March 31, 2019 was 5.9%. All returns are net of fees. Mr. Cole then reviewed the performance of each of the money managers. The report for Burgess Chambers Associates is on file.

Mr. Gary Leuchtman informed the Fire Pension Board that he is still keeping an eye on the Victor Williams case.

Mr. Leuchtman stated that Terrance Wilson has been sent another letter as a final attempt to request further documentation regarding Mr. Wilson's disability claim. The Fire Pension Board has received a copy of this letter. Mr. Leuchtman stated that the Fire Pension Board will be able to take action on this disability request at the next meeting.

Mr. Leuchtman also reviewed some ethic issues including solicitation or accepting anything of value including but not limited to gifts, loans, reward or promise of future employment. He noted when a board member votes, they do have an option of abstaining only if there is a conflict and will need to file the Form 8b. Mr. Leuchtman also stated that the board members need to file a Financial Disclosure Form 1 and it is due on or before July 1st and needs to be filed with the Supervisor of Elections.

Mr. Leuchtman also discussed some new legislation that became effective July 1st. He stated that section 112.1816 has been added to the Florida Statutes which effectively states that if a firefighter was to get one of the twenty (20) named cancers a conclusive presumption it is created that such cancer occurred in the line of duty. Certain other benefits are provided in the new section 112.816 including health coverage for an extended period of time plus a \$25,000 lump sum payment.

Mr. Richard Barker has gathered several attorney contracts for the Fire Pension Board to review as part of the Board's Service Provider review. Chairman Horton would like to review the information once a full board is available.

Mr. Wilmoth made a motion to approve the following payment of invoices for management fees for the period ending March 31, 2018 from:

- Advent Capital Management in the amount of \$14,473.99
- Baron Capital Management in the amount of \$18,342.45
- Ceredex Value Advisors in the amount of \$16,212.04
- DePrince Race & Zollo in the amount of \$13,359.00
- Garcia Hamilton Associates in the amount of \$5,735.77
- Integrity Fixed Income Management in the amount of \$11,121.29
- Polen Capital in the amount of \$18,224.67
- Salient in the amount of \$4,018.49
- Sawgrass in the amount of \$10,822.35
- SSI Investment Management in the amount of \$13,471.00
- Wedge Capital Management in the amount of \$6,752.25
- Westwood Trust in the amount of \$4,819.68
- Burgess Chambers & Associates, Inc. in the amount of \$12,500.00
- Leuchtman Law in the amount of \$5,063.00

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Ms. Dias seconded the motion and it passed unanimously.

Mr. Wilmoth made a motion to approve a Notice of Lump Sum Distribution for Chad Stimmell, Blake Ward and Eric Elliot. Ms. Dias seconded the motion and it passed unanimously.

Mr. Wilmoth made a motion to approve the following Widow's Notice of Pension;

Sharon Y. Walther
Type of Pension: Widow
Effective Date: March 28, 2019
Monthly Pension: \$2,147.16
Annual Pension: \$25,765.92

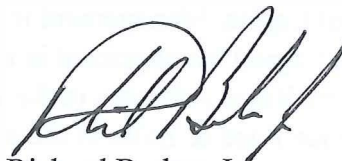
Ms. Dias seconded the motion and it passed unanimously.

Mr. Wilmoth made a motion to approve the \$200 death allowance for Aubrey L. Dixon and Richard C. Walther. Ms. Dias seconded the motion and it passed unanimously.

The following information items were noted:

- Statement of changes to cash balances for March, 2019 and April, 2019
- Memorandum – Fire Pension Cost of Living Increase
- Memorandum – 2018 Annual Reports

There being no further business to come before the Board, the meeting was adjourned at 3:50 p.m.



Richard Barker, Jr.
Fund Administrator