



Firefighters' Relief and Pension Fund

Samuel A. Horton, Chairman

Jeff Wilmoth, Secretary

Joseph McCombs, Trustee

Veronica Dias, Trustee

Jerri Barnes, Trustee

MINUTES OF THE MEETING FIRE PENSION BOARD FEBRUARY 10, 2021

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:

Sheri Coverman, Robbins, Gellar, Rudman & Dowd, LLP (by Teams meeting)

Laura Stein, Robbins, Gellar, Rudman & Dowd, LLP (by Teams meeting)

David Kaplan, Baron Capital (by Teams meeting)

Richard Wells, Wedge Capital (by Teams meeting)

Ron Lanier, UBS (by Teams meeting)

Kurt Wood, DePrince, Race and Zollo (by Teams meeting)

Tracy Musser, Thompson, Siegel and Walmsley (by Teams meeting)

Matt Soule, Thompson, Siegel and Walmsley (by Teams meeting)

Larry Cole, Burgess Chambers and Associates (by Teams meeting)

Gary Leuchtman, Pension Attorney

Amy Lovoy, Fund Administrator

Richard Barker, Jr., Deputy City Administrator (by Teams meeting)

Chris Johnson, Digital Media Specialist

Cheryl Jackson, Payroll & Retirement Manager

Alexandra Daily, Assistant to Finance Director

Chairman Horton called the meeting to order at 2:01 p.m. Chairman Horton stated there was a quorum present.

Ms. Dias made a motion to approve the minutes of the November 10, 2020 meeting. Mr. Wilmoth seconded the motion and it passed unanimously.

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Mr. David Kaplan with Baron Capital Management addressed the Board and provided a review of the quarterly performance of the portfolio for the period ending December 31, 2020. He stated the portfolio had a 18.89% rate of return (net of fees) for the quarter ending December 31, 2020. The one year return for the period ending on December 31, 2020 was 37.21% (net of fees) and the five year return for the period ending on December 31, 2020 was 19.98% (net of fees).

The report from Baron Capital management is on file.

Mr. Kurt Wood with DePrince, Race & Zollo addressed the Board and reviewed the Small Cap Value quarterly performance for the period ending December 31, 2020. Mr. Wood provided an overview of the firm, its philosophy, and characteristics. He stated the total value of the Small Cap Value Portfolio as of December 31, 2020, was \$6,383,604 with a 32.73% (gross of fees) rate of return for the quarter ending December 31, 2020. The one year return for the period ending on December 31, 2020 was 3.64% (gross of fees) and the five year return for the period ending on that date was 12.79% (gross of fees).

The report from DePrince, Race & Zollo is on file.

Tracey Musser and Matt Soule with Thompson, Siegel and Walmsley were in attendance by Teams meeting and gave a brief history of the firm and investment philosophy for the International Large Cap Fund. Ms. Musser noted that she would be leaving the firm and Mr. Soule would be replacing her. Mr. Soule stated the total account return for the quarter ending December 31, 2020 was \$7,731,086 with a 17.51% (net of fees). The one year return for the period ending December 31, 2020 was 6.52 percent (net of fees) and the three year return for the period ending on December 31, 2020 was 2.69 percent (net of fees).

The report from Thompson, Siegel and Walmsley is on file.

Mr. Richard Wells with Wedge Capital Management addressed the Board to review the quarterly performance of the Large Cap Value account for the period ending December 31, 2020. Mr. Wells stated the total value of the portfolio for the quarter ending December 31, 2020 was \$6,941,087 with an 17.05% (net of fees) rate of return for the quarter ending December 31, 2020. The one year return for the period ending December 31, 2020 was 15.68% (net of fees) and the three year return for the period ending that date was 7.85% (net of fees).

The report from Wedge Capital management is on file.

Mr. Ron Lanier with UBS addressed the Board and provided a review of the performance of the UBS Real Estate Investment Fund ("TPF") for the period ending December 31, 2020. Mr. Lanier stated the total return for the TPF fund for the one year period ending December 31, 2020 was negative 4.04% gross of fees. The return for the three year period ending on December 31, 2020 was 0.17% and the return for the five period year ending December 31, 2020 was 2.75% all gross of fees. The total value of the portfolio as of December 31, 2020 was \$7,204,000.

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The report from UBS is on file.

Mr. Larry Cole with Burgess Chambers & Associates reviewed the quarterly performance for the Fund for the period ending December 31, 2020. He stated the total value of the Fund as of December 31, 2020 was \$141,545,493.00 with a net return of 12.2% for the quarter and a net return of 17.7% for the one year period ending on December 31, 2020. The five year return was 10.7% (net of fees) for the period ending on December 31, 2020.

After some discussion, Mr. Cole made a recommendation to rebalance the portfolio. He recommended taking \$1,000,000 out of Euro Pacific and moving those funds to bonds to be split equally between Integrity Fixed Income and Garcia Hamilton and Associates.

Mr. Wilmoth moved to accept Mr. Cole's recommendation to rebalance the equity funds to bond funds by taking a \$1,000,000 out of Euro Pacific and moving those funds equally between Integrity Fixed Income and Garcia Hamilton and Associates. Ms. Dias seconded the motion and it passed unanimously.

Next, Mr. Cole presented the Addendum to Statement of Investment Policy for Baron Capital Management Small Cap Growth to the Fire Pension Board.

After some discussion, Mr. Wilmoth made a motion to accept the Addendum to Statement of Investment Policy for Baron Capital Management Small Cap Growth. Mr. McCombs seconded the motion and it passed unanimously.

Mr. Leuchtman introduced Sheri Coverman and Laura Stein from Robbins, Geller, Rudman & Dowd, LLP. Ms. Coverman and Ms. Stein then proceeded to give a presentation regarding portfolio monitoring offered by their firm.

Mr. Leuchtman stated that he has already reviewed the program and recommends that the Fire Pension Board hire this firm.

After some discussion, Mr. McCombs made a motion to hire Robbins, Geller, Rudman & Dowd, LLP to monitor the Fire Pension Board's portfolio. Mr. Wilmoth seconded the motion and it passed unanimously.

Mr. Leuchtman advised the Fire Pension Board that he has already reviewed the contract and approves of it.

After some discussion, Ms. Dias then made a motion to approve the portfolio monitoring contract from Robbins, Geller, Rudman & Dowd, LLP. Mr. Wilmoth seconded the motion and it passed unanimously.

Mr. Wilmoth made a motion to approve payment of invoices for money management fees for the period ending December 31, 2020 for the following:

- Advent Capital Management, LLC in the amount of \$18,721.83
- Baron Capital Management, LLC in the amount \$27,617.84
- DePrince, Race & Zollo in the amount of \$14,363.00
- Garcia Hamilton & Associates in the amount of \$6,161.18
- Integrity Fixed Income, Inc. in the amount of \$11,070.42
- Polen Capital in the amount \$25,694.57
- Sawgrass in the amounts of \$10,245.39 (9.30.20) and \$9,782.10
- SSI Investment Management in the amount of \$18,372.00
- Wedge Capital Management in the amount of \$8,669.10
- Burgess Chambers & Associates, Inc. in the amount of \$12,500.00
- Leuchtman Law in the amount of \$3,093.00

Mr. McCombs seconded the motion and it passed unanimously.

Mr. McCombs made a motion to approve the Lum Sum Distribution for Colin Sperry. Mr. Wilmoth seconded the motion and it passed unanimously.

Mr. McCombs made a motion to approve Death Allowances for Thomas Pullum, Floyd B. Beasley and Donald E. Weaver. Ms. Dias seconded the motion and it passed unanimously.

Mr. Wilmoth made a motion to approve the following pension:

Lana A. Beasley
Type of Pension: Widow
Effective Date: 1.29.21
Monthly Pension: \$2,362.38
Annual Pension: \$28,348.56

Mr. McCombs seconded the motion and it passed unanimously.

The following information items were noted:

- Statement of Changes to Cash Balances for November 2020, December 2020 and January 2021
- Correspondence from Integrity Fixed Income Management, LLC
- Florida Public Pension Trustee check in the amount of \$800.00

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There being no further business to come before the Board, the meeting was adjourned at 4:20 p.m.


Amy Lovoy
Plan Administrator