

***General Pension and Retirement Plan***

**Mick Novota, Chairman**  
**William “Rusty” Wells, Secretary**  
**Laura Amentler, Trustee**  
**Larry Porto, Trustee**  
**Amy Miller, Trustee**  
**Debra Little, Trustee**

**MINUTES OF MEETING**  
**GENERAL PENSION BOARD**  
**MAY 8, 2019**

The trustees of the City of Pensacola General Pension Plan met this date.

Members Present:

Mick Novota, Chairman  
William “Rusty” Wells, Secretary  
Laura Amentler  
Amy Miller  
Debra Little  
Larry Porto

Members Absent:

None

Others Present:

Gary Leuchtman, Attorney  
Earl Denney, Integrity Fixed Income  
Marty LePrade, Sawgrass Asset Management  
David Hulme, Advent Capital Management  
Kate Hurley, J.P. Morgan Asset Management  
Brad Lucas, J.P. Morgan Asset Management  
Larry Cole, Burgess Chambers & Associates  
Richard Barker, Jr., Plan Administrator  
Cheryl Jackson, Payroll & Retirement Manager  
Alexandra Daily, Assistant to the Chief Financial Officer

The meeting was called to order by Chairman Novota at 11:33 a.m. Chairman Novota stated there was a quorum present.

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Mr. Wells made a motion to approve the minutes of the March 28, 2019 meeting. Ms. Amentler seconded the motion and it passed unanimously.

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 2.36%. He stated that the total return for the one-year period ending March 31, 2019 was 4.22% and the annualized total return for the five years ending March 31, 2019 was 2.83%. All returns are gross of fees. The report for Integrity Fixed Income Management, LLC is on file.

Ms. Debra Little arrived.

Mr. Marty LePrade 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. LePrade stated the total value of the portfolio was \$10,981,828 as of March 31, 2019, and the total return for the quarter ending March 31, 2019 was 13.17%. He stated the total return for one-year return for the period ending on March 31, 2019 was 16.88% and the annualized total return for the five years ending on March 31, 2019 was 11.45%. All returns are net of fees. The report for Sawgrass Asset Management is on file.

Mr. David Hulme with Advent Capital Management addressed the Board (by phone) and provided a review of quarterly performance for the convertibles portfolio for the period ending March 31, 2019. Mr. Hulme stated the total return for the period ending on March 31, 2019 was 10.79%. The one-year return for the period ending on March 31, 2019 was 5.65% and the annualized five-year return for the period ending on March 31, 2019 was 5.58%. All returns are net of fees. The report for Advent Capital Management, LLC is on file.

Ms. Kate Hurley and Mr. Brad Lucas with J.P. Morgan addressed the Board and reviewed the quarterly performance of the Strategic Property Fund. Mr. Lucas stated the total account return for the quarter ending March 31, 2019 was 0.5%, 6.2% for one year ending on that date, 7.4% for three years ending on that date (annualized) and 9.5% for five years ending on that date (annualized). All returns are gross of fees. The total value of the fund is \$9,518,960.61. The report for J.P. Morgan is on file.

Mr. Larry Cole provided a review of investment performance for the quarter ending March 31, 2019. He stated the total value of the Fund was \$144,880,695.00 as of March 31, 2019 and the total return for the quarter was 8.5%. He stated the total return for the one-year period ending on March 31, 2019 was 4.0% and the annualized total return for five years ending on that date was 5.4%. Mr. Cole then reviewed the performance of each of the money managers. All returns are net of fees. The report for Burgess Chambers & Associates, Inc. is on file.

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Mr. Cole discussed bringing in a search to replace Templeton. He recommended taking an in depth look at Templeton at the next quarterly meeting. Mr. Cole will provide a manager search results at the next quarterly meeting. He also stated he has concerns with Chase. He will keep an eye on them over the next quarter.

Mr. Larry Porto left the meeting.

Mr. Leuchtman 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 annually and it is due on or before July 1<sup>st</sup> and needs to be filed with the Supervisor of Elections.

After a little discussion, Mr. Wells stated that he intends at the next quarterly meeting to make a motion to reset over time the General Pension Board's target to assumed rate of return 6%.

Mr. Wells made a motion to approve payment of the following invoices for the quarter ending March 31, 2019:

- Advent Capital Management in the amount of \$11,682.97
- Chase Investment Counsel in the amount of \$16,633.00
- DePrince, Race and Zollo, Inc. in the amount of \$7,850.00
- Fiduciary Management, Inc. in the amount of \$9,872.00
- Frontier Capital Management Co. in the amount of \$21,280.45
- Garcia Hamilton & Associates in the amount of \$4,544.20
- Integrity Fixed Income, Inc. in the amount of \$15,860.48
- Salient Capital Advisors, LLC in the amount of \$4,673.65
- Sawgrass Asset Management in the amount of \$14,441.83
- SSI in the amount of \$10,147.00
- Vulcan Value Partner, LLC in the amount of \$13,570.32
- Westwood in the amount of \$5,648.61
- Burgess Chambers in the amount of \$12,500.00
- Law Office of Gary B. Leuchtman in the amount of \$4,203.00

Ms. Miller seconded the motion and it passed unanimously.

Ms. Miller made a motion to approve the following Notice of Pension:

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Alberta C. Lesure  
Type of Pension: Widow  
Effective Date: March 18, 2019  
Monthly Pension: \$650.60  
Annual Pension: \$7,807.20

Lois Lynn White  
Type of Pension: Widow  
Effective Date: April 12, 2019  
Monthly Pension: \$1,519.70  
Annual Pension: \$18,236.40

Larry T. Crosby  
Type of Pension: DROP  
Effective Date: May 6, 2019  
Monthly Pension: \$1,998.44  
Annual Pension: \$23,981.28

Ms. Little seconded the motion and it passed unanimously.

Chairman Novota noted the following information items:

- Statement of Changes to Cash Balances for March, 2019 and April, 2019
- Commission Recapture check from Virtu Americas in the amount of \$241.98
- Memorandum – General Pension Cost of Living Increase

There being no further business to come before the Board, the meeting was adjourned at 1:30 p.m.



Richard Barker, Jr.  
Plan Administrator