

General Pension and Retirement Plan

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

**MINUTES OF MEETING
GENERAL PENSION BOARD
AUGUST 14, 2019**

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

Members Present:

Mick Novota
William "Rusty" Wells
Amy Miller
Laura Picklap
Larry Porto

Members Absent:

Debra Little

Others Present:

Kurt Wood, DePrince, Race & Zollo, Inc.
Brian Kahley, Templeton
Andrew Berkly, Templeton
Janna Hamilton, Garcia Hamilton & Associates
Tracy Musser, Thompson, Siegel & Walmsley
Matthew Soule, Thompson, Siegel & Walmsley
Derwood Chase, Jr., Chase Investment
Robert C. Klintworth, Chase Investment
Larry Cole, Burgess Chambers & Associates
Gary Leuchtman, Attorney
Robyn Tice, Assistant City Clerk
Amy Lovoy, Deputy Chief Financial Officer
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 11:35 a.m. Chairman

Novota stated there was a quorum present.

Robyn Tice was in attendance to swear in Mick Novota and Amy Miller.

Ms. Miller made a motion to approve the minutes of the May 8, 2019 meeting. Ms. Amentler seconded the motion and it passed unanimously.

Ms. Janna Hamilton with Garcia Hamilton & Associates addressed the Board to review the quarterly performance of the bond portfolio for the period ending June 30, 2019. Ms. Hamilton stated the total account return for the quarter ending June 30, 2019 was 2.09 percent (gross of fees). The return for the year period ending June 30, 2019 was 5.67% (gross of fees) and 2.24% (gross of fees) annualized for the last three- year period ending on June 30, 2019. The total value of the portfolio as of June 30, 2019 was \$7,422,396.78.

The report from Garcia Hamilton & Associates is on file

Larry Porto arrived at 11:47 a.m.

Ms. Tracy Musser and Mr. Matthew Soule with Thompson, Siegel & Walmsley LLC addressed the Board to review the quarterly performance of the small-mid cap account. Mr. Soule stated the total return for the SMID Cap Value Fund for the quarter ending June 30, 2019 was 1.45% (net of fees). The return for one-year period ending June 30, 2019 was negative (4.21%) and for three-year period ending June 30, 2019 was 5.46%. The total value of the portfolio as of June 30, 2019 was \$6,781,775.

The Thompson, Siegel Walmsley report is on file.

Mr. Kurt Wood with DePrince, Race & Zollo addressed the Board to review the quarterly performance of the portfolio for the period ending June 30, 2019. Mr. Wood stated the total account return for the Large-Cap Fund for the quarter ending June 30, 2019 was 2.35% (net of fees). The return for one-year period ending June 30, 2019 was 2.80% (net of fees) and for three-year period ending on June 30, 2019 was 10.80% (net of fees). The total value of the portfolio as of June 30, 2019 was \$6,599,996.00.

The report from DePrince, Race & Zollo is on file

Mr. Derwood Chase and Mr. Robert Klintworth with Chase Investment addressed the Board to review the quarterly performance of the portfolio for the period ending June 30, 2019. Mr. Klintworth stated the total account return for the Large-Cap Fund for the

quarter ending June 30, 2019 was 5.6% (net of fees). The return for one-year period ending June 30, 2019 was 8.4% (net of fees) and for three-year period ending June 30, 2018 was 14.0% (net of fees). The total value of the portfolio as of June 30, 2019 was \$10,582,942.00

The report from Chase Investment is on file.

Mr. Andrew Berkly and Brian Kahley with Templeton addressed the Board to review the quarterly performance of the portfolio for the period ending June 30, 2019. Mr. Kahley stated the total account return for the TIF International Equity Series for the quarter ending June 30, 2019 was a negative (0.18%) (net of fees). The return for one-year ending June 30, 2019 was negative (6.26%) (net of fees) and for three-year period ending June 30, 2019 was 6.38%.

The report from Templeton is on file.

Mr. Larry Cole with Burgess Chambers & Associates addressed the Board and reviewed the total Fund's performance for the quarter ending June 30, 2019. Mr. Cole stated the total return for the quarter was 2.4% (net of fees). The return for the one-year period ending June 30, 2019 was 4.4% (net of fees) and 8.1% (net of fees) for the three-year period ending June 30, 2019. He stated the total value of the Fund as of June 30, 2019 was \$145,139,608.00. Mr. Cole then reviewed the individual money managers and asset allocation.

Mr. Cole provided and reviewed with the General Pension Board an International Manager Analysis. He then made a recommendation to move half of the funds managed by Templeton and move them to Clearbridge.

After some discussion, Mr. Wells made a motion to postpone this decision until September 18th so that the board members had enough time to review the International Manager Analysis. Ms. Miller seconded the motion and it passed unanimously.

Mr. Wells made a motion to approve the following invoices. Ms. Miller seconded the motion and it passed unanimously.

- Advent Capital Management in the amount of \$11,329.53
- Chase Investment Counsel in the amount of \$17,229.00
- DePrince, Race & Zollo, Inc. in the amount of \$7,920.00
- Fiduciary Management in the amount of \$10,255.00
- Frontier Capital Management Co., LLC in the amount of \$21,506.95
- Garcia Hamilton & Associates in the amount of \$4,639.00

- Integrity Fixed Income, Inc. in the amount of \$15,707.80
- Salient in the amount of \$4,765.16
- Sawgrass Asset Management, LLC in the amount of \$13,955.24
- SSI Investment Management in the amount of \$10,234.00
- Vulcan Value Partners in the amount of \$14,074.27
- Westwood Trust in the amount of \$5,766.31
- Burgess Chambers & Associates in the amount of \$12,500.00
- Law Office of Gary B. Leuchtman, PLLC in the amount of \$2,389.65

Ms. Amentler made a motion to approve the following Notices of Pension. Mr. Wells seconded the motion and it passed unanimously.

JoAnn Bjorensen
Type of Pension – Widow
Effective Date – 7/22/19
Monthly Pension - \$1,651.38
Annual Pension - \$19,816.56

Zennie M. Blocker
Type of Pension – Widower
Effective Date – 7/22/19
Monthly Pension - \$283.78
Annual Pension - \$3,405.36

Christopher L. Fails
Type of Pension – Vested
Effective Date – 8/8/41
Monthly Pension - \$898.12
Annual Pension - \$10,777.44

James Daniel Horn
Type of Pension - Vested
Effective Date – 3/6/20
Monthly Pension – \$904.48
Annual Pension - \$10,853.76

Edward J. Palmer, III
Type of Pension – DROP
Effective Date – 5/20/19
Monthly Pension - \$810.20
Annual Pension - \$9,722.40

Matthew J. O'Brien
Type of Pension - Normal
Effective Date – 8/3/19
Monthly Pension - \$1,095.52
Annual Pension - \$13,146.24

The following information items were noted:

- Statement of Changes to Cash Balances for May, 2019, June, 2019 and July 2019
- Virtu Americas, LLC commission recapture in the amount of \$113.93
- Correspondence from Templeton

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There being no further business to come before the Board, the meeting was adjourned at 1:55 p.m.



Richard Barker, Jr.
Plan Administrator