PENSACOLA
FLORIDA'S FIRST & FUTURE

MINUTES OF THE MEETING
FIRE PENSION BOARD
NOVEMBER 8, 2023

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

Members Present:
Samuel A. Horton, Chairman
Jeff Wilmoth
Veronica Dias
Charles (Chuck) Good, Jr.
Charles Clark, II

Members Absent:
None

Others Present:
Earl Denney Integrity Fixed Income Management
Christopher Caputo, Integrity Fixed Income Management
Gregory Gosch, Nuveen
David Heilbrunn, Churchill Asset Management
Larry Cole, Burgess Chambers & Associates
Gary Leuchtman, Leuchtman Law
Lauren Pride, Leuchtman Law
Richard Russo, Help Desk Technician
Chris Johnston, Digital Media Specialist
Michelle Madril, Payroll & Retirement Manager
Amy Lovoy, Finance Director
Alexandra Daily, Assistant to Finance Director (by Teams Meeting)

Chairman Horton called the meeting to order at 2:00 p.m. Chairman Horton stated there was a quorum present.

Mr. Wilmoth made a motion to approve the minutes of the August 9, 2023 meeting. Ms. Dias seconded the motion and it passed unanimously.

Mr. Earl Denney and Mr. Christopher Caputo 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 September 30, 2023. Mr. Denney stated the total return for the quarter ending September 30, 2023 was negative 0.91%. He stated that the total return for the trailing one-year period ending September 30, 2023 was 2.08%, the total return for the trailing three years ending September 30, 2023 was negative 2.23% and the total return since inception for the period ending September 30, 2023 was 3.45%. The total value of the portfolio as of September 30, 2023 was $18,056,063.67. All returns are net of fees.

The report for Integrity Fixed Income Management, LLC is on file.

Mr. Gregory Gosch and Mr. David Heilbrunn with Churchill from Nuveen addressed the Board and provided an overview of the Churchill Middle Market Senior Loan Fund V – Levered Evergreen. Mr. Heilbrunn stated that Churchill Middle Market Senior Loan Fund V offers investors efficient access to U.S. middle market, private equity-backed, senior secured, floating rate term loans.

After reviewing a number of managers in this space, Mr. Cole made a recommendation to approve investing $5,000,000 with Churchill from Nuveen.

After some discussion, Mr. Good made a motion to approve investing $5,000,000 with Churchill from Nuveen. Mr. Clark seconded the motion and it passed unanimously.

Mr. Larry Cole, with Burgess Chambers & Associates, addressed the Board and provided a review of the performance for the Fund for the period ending September 30, 2023. He stated the total value of the Fund as of September 30, 2023, was $120,106,039.00 with a negative 3.5% investment return for the quarter ending on September 30, 2023, the one-year investment return of 10.1% for the period ending on September 30, 2023, the three-year return for the period ending September 30, 2023 was 3.5% and the five-year return for the period ending on September 30, 2023 was 4.9%. (All net of fees).

The report for Burgess Chambers Associates is on file.

Mr. Cole recommended moving $1,000,000 from Advent, $1,000,000 from SSI and $1,000,000 from EuroPacific and moving the entire $3,000,000 over to Integrity to maintain a diversified Fund.

Mr. Wilmoth made a motion to move $1,000,000 from Advent, $1,000,000 from SSI and $1,000,000 from EuroPacific and moving the entire $3,000,000 to Integrity to maintain a diversified Fund. Ms. Dias seconded the motion and it passed unanimously.

Mr. Leuchtman reviewed House Bill 3 that states that governmental agencies have to make investments based upon pecuniary factors only. He noted that within House Bill 3, all pension boards must file a biennial report of decision-making in voting and adherence to fiduciary standards by

December 15. Mr. Leuchtman presented a form of such report for the Fire Pension Board to review and approve.

Mr. Good made a motion to accept the form provided by Mr. Leuchtman to satisfy the State's requirement in House Bill 3. Mr. Wilmoth seconded the motion and it passed unanimously.

Ms. Pride reviewed *Siena v. Orange County Fire Rescue* case with the Fire Pension Board. She noted that the Court of Appeals of Florida, First District ruled that the widow of a firefighter who died from brain cancer in 2020 had been improperly denied workers compensation death benefits. In its ruling, the court stated medical and indemnity benefits, along with a one-time $25,000 payment that firefighter Eric Siena received at the time of his diagnosis, did not preclude his wife, Christy Siena, from seeking workers compensation death benefits after his death. Mr. Siena's employer, Orange County, had denied the death benefits claim because he had received the other benefits under a separate section of state law. The appeals court said the previous benefits fell under a section of the law that only applies to benefits available to a firefighter, not their dependents or beneficiaries, upon the diagnosis of cancer, and that this does not affect the right to death benefits for spouses.

Ms. Lovoy noted that the City of Pensacola has migrated to a new software called CivicClerk which will house all the meeting videos, agendas and agenda packets and may be viewed at any time on the City of Pensacola's website.

Ms. Lovoy also informed the Fire Pension Board that for those who attended the Fall Trustee School on October 1-4, 2023 at the Sawgrass Marriott and had an issue with getting the taxes waived from their bill, the City will attempt one more time to have Sawgrass waive the taxes. If this is not successful, the Plan will reimburse all taxes paid.

Mr. Leuchtman also informed the Fire Pension Board that all board members are required to file a Form 1 Financial Disclosure will have to do so electronically beginning January 1, 2024.

Mr. Wilmoth made a motion to approve payment of the following invoices for the quarter ending September 30, 2023:

- Advent Capital Management, LLC in the amount of $15,610.92
- Baron Capital Management, Inc. in the amount of $15,405.01
- DePrince Race & Zollo, Inc. in the amount of $14,395.00
- Garcia Hamilton & Associates, L.P. in the amount of $4,826.15
- Integrity Fixed Income Management, LLC in the amount of $11,353.75
- Polen Capital in the amount of $17,198.11
- Sawgrass Asset Management in the amount of $11,496.20
- SSI in the amount of $14,071.00
- Wedge Capital Management in the amount of $10,476.75
- Burgess Chambers & Associates, Inc. in the amount of $12,500.00

- Leuchtman Law in the amount of $4,198.90
- FPPTA 2024 Membership Renewal in the amount of $750.00
- FPPTA 2024 CPPT Recertification for Samuel Horton and Jeff Wilmoth

Mr. Clark seconded the motion and it passed unanimously.

Mr. Wilmoth made a motion to approve the Lump Sum Distribution for Daveyon Finkley, Tristan Snow, Hunter West and Zane George. Ms. Dias seconded the motion and it passed unanimously.

Mr. Wilmoth made a motion to approve attendance at the following:

- Winter Trustee School on January 28 - 31, 2024 at the Rosen Centre
- 40th Annual Conference on June 23-26, 2024 at the Renaissance Orlando at SeaWorld
- Fall Trustee School on September 22-25, 2024 at the Hilton Bonnet Creek

Mr. Clark seconded the motion and it passed unanimously.

Chairman Horton noted the following information items:

- Statement of changes to cash balances for August 2023, September 2023 and October 2023
- Correspondence from Thompson, Siegel and Walmsley
- Correspondence from Baron Capital Management
- Correspondence from SSI Investment Management

There being no further business to come before the Board, the meeting was adjourned at 3:30 p.m.

Amy Lovoy

Amy Lovoy
Fund Administrator