PENSACOLA
FLORIDA'S FIRST & FUTURE

Police Officers' Retirement Fund

MINUTES OF MEETING
POLICE PENSION BOARD
NOVEMBER 8, 2023

The trustees of the Police Pension Plan met this date.

Members Present:
- Shawn Thompson
- Pat Bradley
- Stephanie Taylor
- Rodney Randle

Members Absent:
- Bryan Ball

Others Present:
- Richard Russo, Help Desk Technician
- Tyler Grumbles, AndCo Consulting
- Gary Leuchtman, Police Pension Board Attorney
- Lauren Pride, Attorney
- Michelle Madril, Payroll & Retirement Manager
- Amy Lovoy, Finance Director
- Alexandra Daily, Assistant to Finance Director

The meeting was called to order by Chairman Thompson at 9:07 a.m. Chairman Thompson stated there was a quorum present.

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

Mr. Grumbles with AndCo Consulting addressed the Board and provided a report on quarterly performance. He stated the total value of the Fund was $115,329,147 as of September 30, 2023 and the return for the quarterly period ending September 30, 2023 was negative 3.49%. Mr. Grumbles stated that the one-year return was 9.03%, the three-year return was 4.01% and the five-year return was 5.19% all for the period ending on September 30, 2023. All net of fees.

The report from AndCo Consulting is on file.

Mr. Grumbles presented a Senior Direct Lending Review. He noted that direct lending is expected to outperform core real estate and public fixed income over the long term with less risk than public equity, private equity, and value-added real estate. After his presentation and reviewing a number of managers in this space, Mr. Grumbles made a recommendation to allocate $5,000,000 to fund the direct lending in Deerpath Capital Management's Evergreen Fund pending subject to negotiation the contract and approval by AndCo's investment policy statement committee.

Ms. Taylor made a motion to allocate $5,000,000 to fund the direct lending in Deerpath Capital Management's Evergreen Fund pending subject to negotiation the contract and approval by AndCo's investment policy statement committee. Mr. Randle seconded the motion and it passed unanimously.

Mr. Leuchtman updated the Police Pension Board on the Harrison Street investment. He noted that at the last meeting, he was tasked with working out an agreement with them. Mr. Leuchtman presented Harrison Street with a side letter and is currently awaiting a response.

Mr. Leuchtman also updated the Police Pension Board on the FIGS litigation. He noted that the defendant has filed a motion to dismiss. Mr. Leuchtman is expecting a ruling on the motion to dismiss in the next thirty days.

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 Police Pension Board to review and approve.

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

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 Police 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 informed the Police 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.

Ms. Taylor made a motion to approve the following invoices for the period ending September 30, 2023:

- Allspring in the amount of $28,499.97
- DePrince, Race & Zollo, Inc. in the amount of $27,370.00

- Integrity Fixed Income Management, LLC in the amount of $19,506.40
- AndCo Consulting in the amount of $15,000.00
- Law Office of Gary B. Leuchtman, PLLC in the amount of $9,890.00
- FPPTA – 2024 Membership – Pension Board in the amount of $750.00
- FPPTA – CPPT Recertification for Shawn Thompson and Pat Bradley in the amount of $62.00

Mr. Randle seconded the motion and it passed unanimously.

Mr. Bradley made a motion to approve the Police Cost of Living of 3% effective January 1, 2024. Ms. Taylor seconded the motion and it passed unanimously.

Ms. Taylor made a motion to approve 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. Bradley seconded the motion and it passed unanimously.

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

Julia H. Cassady
Type of Pension: Widow
Effective Date: 11.3.23
Monthly Pension: $4,096.78
Annual Pension: $49,161.36

Mr. Bradley seconded the motion and it passed unanimously.

Chairman Thompson noted the following information items:

- State of Changes to Cash Balances for August 2023, September 2023 and October 2023
- Correspondence from Integrity Fixed Income Management, LLC
- Correspondence from Allspring

There being no further business to come before the Board, the meeting was adjourned at 10:40 a.m.

Amy Lovoy
Amy Lovoy
Fund Administrator