

**MINUTES
BOARD OF COMMISSIONERS
PEACE OFFICERS' ANNUITY AND BENEFIT FUND**

WEDNESDAY
July 7, 2021
1208 Greenbelt Drive
Griffin, Georgia 30223
10:30 A.M.

Present:

Homer Bryson, Sec/ Treasurer
Keith Glass, Chairman
Stephen Adams
Greg Dozier
Dan Kilgore

Tyrone Oliver
Rob Turner
Brandt Barlow, CFO
David Will, Board Attorney

The meeting was called to order by Chairman Glass. Homer Bryson provided the invocation.

The following items were considered by the Board.

I. APPROVAL OF MINUTES OF PREVIOUS MEETING

The June 2, 2021 Board Meeting Minutes were reviewed. *Greg Dozier made a motion, seconded by Stephen Adams, to approve the Minutes of June 2, 2021. The vote of approval was unanimous.*

II. FINANCIAL REPORTS

Jim Fallon said Kristin Bradbury of Callan would be talking with the Board shortly about fixed income in the portfolio. The large cap core finalists will make presentations and answer any questions you may have about their companies. Mr. Fallon said he would bring large cap value managers in for interviews in the next couple of months. DRZ and Wellington currently hold those positions. Fallon said he would talk about alternatives later today but there is more homework to be done in that arena. He reported that the POAB fund is currently at \$1,025,000,000.

Homer Bryson reported that he, Jebby Votaw and Staci Boomer met with Human Resources at Department of Corrections regarding a better system to get forms for

the Peace Officers' fund completed. He said he felt like they came up with a process that will work much better in the future.

Kristin Bradbury of Callan made a presentation to the board regarding the purpose of fixed income in the portfolio. She advised the roles of fixed income include capital preservation, income, liquidity, diversification, and volatility dampener. And most of these still hold true. Typically, fixed income is a low-risk, diversifying asset for the equity allocation rather than a primary source of additional return to a fund.

The highlights of the report were:

- Core fixed income exposure still has a role in a total portfolio construct.
- Return expectations should be modest.
- Increasing yield/income potential means taking more risk; understand the risk.
- For some investors, a modified fixed income structure may make sense given the current market environment.

Jim Fallon said he is comfortable with Sage, the current fixed income manager. Kristin Bradbury said their fees are very competitive. Their performance is fine and their strategy is appropriate. Paul Troop said we have a great deal of resources in Austin, Texas with Sage, and the fund is in the best shape that it can be with them. Jim Fallon proposed a due-diligence trip for the board to Austin to visit Sage.

Parnassus team members, Benjamin Allen, CEO and President, and Scott Liffick, Director of Institutional Relations, joined the meeting to offer a presentation on Large Cap Core Management. Key attributes of Parnassus include:

- Handle primarily large cap
- High conviction, high active share and low turnover
- Focus on full market cycle returns
- Asymmetry of upside and downside capture
- Dividend requirement

There was a review of the investment philosophy and portfolio characteristics. Mr. Liffick advised the company has just recently announced a partnership with AMG.

Chris Greco, CEO of Waycross Partners, and Anthony Brooks, Portfolio Strategist, made a presentation to the board on Focused Core Equity Strategy. Chris Greco provided a brief summary of their history with police and fire, advising they take their role seriously and the individuals they represent. Waycross has done consistently well historically, and not just in the past few years. In the investment process, their edge is efficiency. Waycross strategy is to focus and ignore the market "noise". They have approximately 30 companies in their portfolio.

Following the Waycross report, Jim Fallon said he was impressed with their presentation. They are clearly doing a great job picking stocks. The board discussed and compared Parnassus Investments and Waycross Partners.

Greg Dozier made a motion, seconded by Dan Kilgore, to approve contracting with Waycross Partners as Large Cap Core Manager, and transferring funds of up to \$85 million. The vote of approval was unanimous.

III. RETIREMENTS FOR APPROVAL (List on file)

Greg Dozier made a motion, seconded by Tyrone Oliver, to approve the July 2021 list of requests for retirement. The vote was unanimous.

IV. LEGAL MATTERS

David Will advised the hearing officer for Larry Postell has not yet returned a decision. The documents for the suit with Saxena White have been signed.

V. OTHER ITEMS OF INTEREST

Homer Bryson presented the Membership Report for June. He advised we are working on a promotional item for local tag offices for the Back the Badge license plate.

After discussion, the consensus of the Board was to move the August board meeting from August 4th to Wednesday, August 11th.

Chairman Glass expressed his appreciation for the staff.

VI. PUBLIC RETIREMENT SYSTEMS TRUSTEE TRAINING

Board members in attendance at the meeting today will receive one (1) hour of training credit for the presentation by Kristin Bradbury of Callan which includes the role of fixed income in the portfolio.

VII. NEXT MEETING DATE AND LOCATION

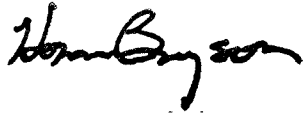
The next meeting of the Board will be held on Wednesday, July 11, 2021, at the Fund Office at 10:30 AM.

There being no further business to come before the Board, Tyrone Oliver made a

motion, seconded by Dan Kilgore, to adjourn the meeting. The vote of approval was unanimous.

The meeting was adjourned at 12:55 P.M.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "P. Homer Bryson". The signature is written in a cursive style with a large initial "P" and "B".

P. Homer Bryson
Secretary/Treasurer