I. PUBLIC SPEAKING PERIOD
None.

II. SAWGRASS ASSET MANAGEMENT – MANAGER UPDATE
Chris Greco & Marty LaPrade

Chris Greco and Marty LaPrade of Sawgrass Asset Management discussed their handout, as attached, with the Trustees present.

Chris Greco and Marty LaPrade made the following points:
- Sawgrass believes risk is often times mispriced.
- A small amount of stocks make up most of the growth in the market; if you don’t invest in them, you lag behind, as Sawgrass has.
- These cycles come and go – instead of chasing this small handful of stocks, Sawgrass aims to find stocks with consistent growth.
- Eventually, the market will favor the stocks with consistent growth.
- This recipe has worked over time. We must be patient, disciplined and consistent.

Chris Greco and Marty LaPrade highlighted performance on pages 17-19.

Richard Patsy asked which metrics have kept Sawgrass from investing heavily in the “Amazons of the world”. 
Marty LaPrade said Sawgrass looks at consistency of earnings. Amazon has just recently become profitable. There has not been evidence of consistency that Sawgrass would like to see.

Chris Brown asked if Sawgrass expects Amazon to experience a landslide.

Marty LaPrade said no, however Sawgrass believes Amazon cannot continue at the same pace from a momentum standpoint. There is a high likelihood that Amazon could fall between 10 and 20%.

Michael Lynch asked if Sawgrass would reevaluate whether it should invest in Amazon should it experience this decline.

Marty LaPrade said yes, Sawgrass continuously evaluates these companies.

Marty LaPrade and Chris Greco continued to discuss Sawgrass' performance on pages 16 and 31 and made the following points:

- Sawgrass' style is nuanced – it values low volatility in a growth universe.
- The last 5 years have been unique. Sawgrass has outperformed the 'positive markets (0-15% returns)' in 6 out of 8 years during the past 20 year period.
- It is easy to lose track of how strong downside protection can be; it's just that we haven't had many downsides recently.
- Over a normal market cycle, Sawgrass is confident it will be 'in the game' and regather relative returns.

Richard Patsy asked Dan Holmes to explain the rationale of the Board of Trustees hiring Sawgrass in 2013.

Dan Holmes said Sawgrass was hired when the Board was replacing other managers. The Board's view at the time was that they wanted active management with a widely diversified portfolio. The Board hired two managers, one with a deeper growth strategy, and one with growth at a reasonable price – Sawgrass. This strategy has not changed since they were hired. They were hired purposefully to not be a momentum manager. That leads to periods of under and over performance. The last two years have experienced very narrow growth dominated by FANG stocks. Sawgrass' investment process has not bought in to that. They remain consistent.

Dan Holmes asked Chris Greco to discuss Sawgrass' performance-based fee structure with the PFPF.

Chris Greco said the fee structure is by design. When Sawgrass was hired, the market was in a normal market cycle. Looking back, the market has been in a long run since the PFPF hired Sawgrass. Sawgrass' fee is performance based – instead of a 50 basis points fee, Sawgrass is paid a flat 18 basis points fee, plus a percentage of outperformance to a cap. Right now, Sawgrass is being paid an 18 basis point fee.
Chris Brown said this is important.

Dan Holmes discussed corporate debt and interest rate levels with Sawgrass.

Timothy Johnson asked Dan Holmes to look at Sawgrass’ risk-adjusted rate of return relative to fees. When compared to its peers, Sawgrass may look different when its low fee is taken into account. We may be getting a far greater return than what the index indicates. This should be presented to the FIAC in time for its September meeting.

Chris Greco closed by saying that we are in a rare era – it has been a long time since the markets have been in a normal cycle. Sawgrass will continue to work hard for the PFPF. He invited the Board and staff to visit Sawgrass’ office in Jacksonville Beach.

Chris Greco and Marty LaPrade left the meeting at 11:01AM.

Chris Brown asked to discuss some New Business with the Board.

III. NEW BUSINESS

1. Special Board of Trustees and Advisory Committee Meeting
   Bailiff Time Service Connections Update
   September 6, 2018 at 10AM

Chris Brown asked Steve Lundy to notice the Bailiff Time Service Connections Update meeting as a public meeting.

2. 2015 Retirement Reform Agreement & Consent Judgment

The Trustees briefly discussed the issue of the Board’s right to independent counsel as it relates to the 2015 Retirement Reform Agreement and Consent Judgment.

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Steve Lundy, Assistant Plan Administrator
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