

# Winter Park Firefighters' Pension Board



**6 February 2014 at 4 p.m.**

Public Safety Facility • Second Floor  
343 West Canton Avenue • Winter Park, Florida

## **Call to order**

## **Approval**

- a. Quarterly billing
- b. Minutes from 7 November 2013, meeting.

## **Quarterly Report**

- a. Performance monitor – Burgess Chambers (BCA)

## **Attorney Report – Scott Christiansen**

## **Old business**

## **New business**

Public Comments

## **Adjournment**

## **Transcripts & assistance**

Anyone who has business in front of this board and needs a transcript will be responsible to provide said transcript (F.S. 286.0105).

In accordance with the Americans with Disabilities Act and Florida Statutes 286.26, persons with disabilities needing special assistance to participate in this proceeding should contact Jeffrey C. Templeton at 407-657-2872 no later than seven days prior to the proceeding. If hearing impaired, for assistance please contact the Florida Relay Service Numbers at 800-955-8771 (TTD) or 800-955-9700 (VOICE).

**WINTER PARK FIRE FIGHTERS' PENSION TRUST FUND**  
**Quarterly Meeting**  
**7 November 2013**  
**4:00 P.M.**

MEMBER                    Eng. Garry Mitchell, Chairman  
                              Eng. Stuart Merrick, Secretary  
                              Mike Clifford, Trustee  
                              Tony Gray, Trustee

ATTENDEES                Scott Christiansen, Attorney  
                              Lt. Michael Templeton  
                              Mitchell Brennan, BCA  
                              Burgess Chambers, BCA  
                              Chief James Walsh

Chairman Garry Mitchell called the meeting to order at 4:05 P.M.

A motion was made by Tony Gray and seconded by Eng. Stuart Merrick to accept the minutes of the meeting dated 8 August 2013 & Quarterly Financial Report for July-August-September 2013. All were in favor.

Burgess Chambers reviewed a Program Analysis that was compiled for the Winter Park Fire Fighters' Pension Trust Fund. The analysis provided a target performance history for the past 15 years and gave the distribution of returns history for the past 30 years.

There was a general discussion between Board members and Burgess Chambers concerning interest rates and impact of bonds. Burgess Chambers also discussed rate of return, possible change of assumption rate and the impact it would have on the city.

Scott Christiansen, attorney, discussed the Actuarial notes concerning studies showing impact of raising and lowering assumption rates. Eng. Garry Mitchell tabled further discussion concerning changing the assumption rate until the next scheduled meeting of the Board when the whole board would be present. Scott Christiansen requested that they revisit the Experience Study and Assumption rate.

Burgess Chambers – BCA gave his Investment Summary Report:

For the quarter, the Plan earned \$1.9 million or (+4.76%) (+4.70% net). The three best performing asset categories were: BNY Mellon small-cap passive (+10.2%), EuroPacific International (+9.7%), and BNY Mellon mid-cap passive (+7.5%).

For the fiscal year, the Plan earned \$4.5 million or +12.8% (or +12.6% net) and ranked in the top 42nd percentile. The three best performing asset categories were: BNY Mellon small-cap passive (+30.0%), BNY Mellon mid-cap passive (+27.7%, and Westwood large-cap (+22.3%).

For the three-year period, the Plan earned \$9.1 million, averaging +9.0%. For the five-year period, the investment program averaged +7.5%.

On September 19, 2013, the Westwood MLP fund was purchased for \$2 million with funding sources from BNY Mellon equities (\$800,000 large-cap; \$400,000 mid-cap, and \$800,000 small-cap).

Westwood's large-cap product trailed the benchmark for the three and five-year periods, but continues to improve beating the benchmark for the quarter (+4.2% vs. +3.9%) and one-year (+22.34% vs. 22.30 %) periods. The firm's peer rankings continues to improve one-year superior to three-year (59<sup>th</sup> vs. 61<sup>th</sup>), and three-year superior to five-year (61<sup>st</sup> vs. 94<sup>th</sup>).

EuroPacific's international product was ahead of the benchmark (+8.0% vs. +6.9%) for the five-year period and ranked in the top 48<sup>th</sup> percentile. The risk (beta) was lower than the index for this period (.94x). This product missed the benchmark for the three-year period, due to the 12-months results. The primary detractor has been emerging market stocks, which are absent from MSCI EAFE benchmark. This diversified portfolio of +300 stocks can face headwinds during broad market sell-offs. However, the 10 portfolio counselors managing the product have demonstrated value-added over longer periods. BCA recommends changing the benchmark to the MSCI All Country World index excluding U.S. (MSCI ACWI ex US), which includes emerging markets.

For the quarter, Advent and SSI results were well ahead of the Plan's core bond and TIPS products (+6.1% vs. +0.6%).

Burgess Chambers discussed Total Fund Gross Fees. There will be general discussion at the next meeting concerning projections for the next year.

Scott Christiansen, attorney, gave his report:

Scott Christiansen asked the Board for verification that the Declaration of Expected investment return was sent to Tallahassee.

Scott asked what the status was of an Ordinance for pension changes in Local 1598's contract with the city. Eng. Garry Mitchell stated that he would talk to the Fire Chief to find out if the city would provide the document or if Scott needed to provide this Ordinance.

Scott asked for verification that the Internal Revenue Ordinance was sent to Tallahassee.

Scott gave an update from dealings with the State Division of Retirement. He discussed some misinterpretations on the States behalf that are being corrected. He discussed 175/185 plans, if change, over to FSR and having defined benefit plans turned into a defined contribution plan. He will present further information when he has it.

Scott discussed the contract for social security checks and the changes that were made.

A motion was made by Eng. Garry Mitchell and seconded by Eng. Stuart Merrick to accept the most recent Ryder Version of the Custodial Services Agreement. All were in favor. The document was signed and sent to Tallahassee.

There was a discussion concerning the proposed meeting dates for 2014. The dates were agreed upon.

There was no new business and no public input.

A motion was made by Tony Gray and seconded by Eng. Garry Mitchell to adjourn the meeting. All were in favor,

Respectfully submitted,

Eng. Stuart Merrick, Secretary

A handwritten signature in cursive script that reads "Stuart Merrick". The signature is written in black ink and is positioned below the typed name of the secretary.