



Winter Park Firefighters' Pension Board Regular Meeting

Agenda

September 2, 2021 @ 4:00 pm

Public Safety Facility

Ray Beary Community Room

500 N. Virginia Ave.

welcome

Agendas and all backup material supporting each agenda item are accessible via the city's website at cityofwinterpark.org/bpm and include virtual meeting instructions.

assistance & appeals

Persons with disabilities needing assistance to participate in any of these proceedings should contact the City Clerk's Office ([407-599-3277](tel:407-599-3277)) at least 48 hours in advance of the meeting.

"If a person decides to appeal any decision made by the Board with respect to any matter considered at this hearing, a record of the proceedings is needed to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based." (F.S. 286.0105).

please note

Times are projected and subject to change.

-
1. **Call to Order**
 2. **Consent Agenda**
 - a. [Quarterly Meeting Minutes May 06, 2021 & Quarterly Billing](#) 5 Minutes
 3. **Staff Updates**
 - a. [A. Burgess Chambers Report](#) 5 Minutes
 - b. [B. Attorney Report- Pedro Herrera](#) 5 Minutes
 - c. [Administrator Report- Jeffrey Templeton](#) 15 Minutes
 1. [Westwood Contract](#)
 2. [Budget of Administrative Expenses October 1, 2021 to September 30, 2022](#)
 3. [Declaration of Return](#)
 4. **Citizen Comments (for items not on the agenda): Three minutes allowed for each speaker**
 5. **Action Items**
 6. **Public Hearings**
 7. **Board Comments**
 8. **Adjournment**



Winter Park
Firefighters'
Pension Board

agenda item

item type	Consent Agenda	meeting date	September 2, 2021
prepared by	Amanda Templeton	approved by	
board approval			
strategic objective			

subject

Quarterly Meeting Minutes May 06, 2021 & Quarterly Billing

motion / recommendation

background

alternatives / other considerations

fiscal impact

ATTACHMENTS:

[WPFD Quarterly Meeting Minutes 06 May 2021.pdf](#)

Winter Park Firefighter's Pension Trust Fund

Quarterly Meeting

May 6, 2021 at 6:00 P.M.

Members:

Lt. Stuart Merrick, Chairman

Lt. John Bonnel, Vice Chairman via ZOOM

Wayne Kalish, Trustee via zoom

Mike Clifford, Trustee

Tony Gray, Trustee

Attendees:

Pedro Herrera Attorney via ZOOM

Burgess Chambers, BCA

Wes Hamill, Director of Finance via ZOOM

Shelly Jones, GRS via zoom

Jeffrey Templeton, Administrator

Bryan Templeton, Assistant Administrator

Call to order:

Chairman, Garry Mitchell, called the meeting to order at 4:07 P.M.

Approval:

A motion was made by Stuart Merrick and seconded by Tony Gray to approve the minutes from February 5, 2021 and the quarterly billing for January-February-March 2021. All were in favor.

No Public Input

Quarterly Report:

Burgess Chambers, BCA, gave the Investment Summary Report:

For the quarter, the Plan earned \$1.6 million or +2.5% (+2.4% net) – achieving the strategic model (+2.5%). The top three performing asset categories were: small-cap core (+13.4%), mid-cap growth (+8.7%), and mid-cap core (+8.2%). In spite of several equity mandates missing their respective policy benchmarks, results were in line with the model, since stocks were over-weighted and bonds were below the model target.

For the one-year, the Plan earned \$19.4 million or +36.7% (+36.3% net), beating the strategic model return of +34.2% and ranked in the top 33rd percentile. The top three performing asset categories were: small-cap core (+96.2%), convertible bonds (+78.2%), and mid-cap growth (+77.4%). Exposure to convertible bonds, along with core, mid and small-cap were major factors driving the superior peer ranking.

For the three-year period, the Plan earned \$19.5 million or +11.0% (+10.6% net) per year and ranked in the top 21st percentile.

For the five-year period, the Plan earned \$28.9 million, averaging +10.6% (+10.2% net) per year – ahead of the strategic model (+10.3%), and ranked in the top 32nd percentile.

For the ten-year period, the Plan averaged +7.7% per year, and ranked in the 50th percentile. Closely tracking the actuarial assumed rate of return was accomplished, in spite of an asset allocation of moderate risk during this period.

In August 2020, full redemptions were requested from the American Realty and Barings Core Property Funds. Partial payments totaling \$726,320 have been received from American Realty, a balance of \$988,657 remains. Partial payments from Barings totaling \$67,184 have been received, a balance of \$1,670,614 remains.

In January 2021, the Plan was rebalanced back to targets: \$1.35 million was raised from SPDR Barclays Convertible Fund, \$800K from Fidelity Small Cap, \$1 million from EuroPacific Growth and \$1.35 million from SSI convertibles portfolio. Then \$1.6 million was allocated to Fidelity US Bonds, \$1.6 million to iShares TIPS Bond ETF and \$1.3 million to replenish cash and pay upcoming distributions and benefits.

Westwood's large-cap value product was behind the benchmark for the quarter (+7.4% vs. +11.3%) and for the one-year period (+45.0% vs. +56.1%). Three and five-year results ranked in the 58th and 53rd percentiles, respectively. The firm has produced superior long-term performance for the Plan but trailing relative performance during the past year has shifted downwards the historical relative performance.

SSI's convertible bond product trailed the benchmark for the quarter (+2.2% vs. +2.9%), but ranked in the top 48th percentile.

One-year results were similar to the benchmark (+73.1% vs. +74.7%) and ranked in the top 9th percentile. The product averaged +16.5% per year for the last five years.

American Funds EuroPacific fell short of the benchmark for the quarter (-0.3% vs. +3.6%). One-year results outperformed (+61.6% vs. +45.2%) and ranked in the top 34th percentile.

ARA American Realty and Barings private real estate's combined results tracked the benchmark for the quarter (+1.9% vs. +2.1%). For the three-year period, the combined performance was in line with the benchmark (+5.2% vs. +4.9%).

The TIPS allocation beat the core bond portion for all periods.

A motion was made by Tony Grey and seconded by Mike Clifford to stop withdrawal from both SSI and Cohen Steer Funds. All were in favor

A motion was made by Stuart Merrick and seconded by Tony grey to add 500k to the Fidelity Large cap fund between now and August 1, 2021. All were in favor.

Shelly Jones, GRS

The October 1, 2020 Actuarial Valuation determines the minimum required contribution for fiscal year ending September 30, 2022.

The minimum required contribution for fiscal year ending September 30, 2022 is \$2,915,851 – 58.3% of covered annual payroll (non-DROP) projected for fiscal year ending September 30, 2022 based upon projected covered annual payroll (non-DROP) - \$5,003,661.

Member contributions will be 6.0% of covered payroll (non-DROP) for fiscal year ending September 30, 2022 - anticipated to be \$300,220. Anticipated allowable State contributions will be 8.1% of covered payroll (non-DROP) for fiscal year ending September 30, 2022 (\$406,138) leaving a City requirement of

\$2,209,493 – 44.2% of covered payroll (non-DROP) for fiscal year ending September 30, 2022. If total State contributions are less than \$426,628, the City will be required to make up the shortfall.

There are 59 active members and 67 inactive members (including DROPS) as of October 1, 2020.

The net smoothed value of assets as of October 1, 2020 is \$64,768,844. The net market value of assets as of October 1, 2020 is \$64,642,776. Smoothed value net investment return was 7.43% (less than the assumed rate of 7.50%) - market value net investment return was 9.58% for fiscal year ended September 30, 2020.

Total System expenses (investment and administrative) were 45 basis points of the mean invested market value of assets during fiscal year ended September 30, 2020.

The System experienced an actuarial loss of \$788,907 during fiscal year ended September 30, 2020. Sources of the actuarial loss include salary increase experience, investment return (smoothed value) and turnover experience.

The actuarial assumptions relating to future investment return, salary increases, rates of retirement and turnover are based upon an Experience Study for the five-years ended September 30, 2017. The mortality assumptions are the same as the Florida Retirement System (FRS) as required under F.S., Chapter 2015-157 based upon the July 1, 2019 FRS Actuarial Valuation.

The October 1, 2020 Actuarial Valuation Report includes a discussion and metrics related to risks associated with measuring the actuarial accrued liability and actuarially determined contribution.

Government Accounting Standards Board (GASB) Statements No. 67 and No. 68 actuarial information is included. GASB Statements No. 67 and No. 68 actuarial information must be *trued-up* as of September 30, 2021.

Required valuation information will be uploaded to the State portal as required by the Department of Management Services.

A motion was made by Tony Gray and seconded by Mike Clifford to approve the GRS report given by Shelly Jones for the WPF. All were in favor.

A motion to pass the assumption rate for the Fund was tabled til August 2021 meeting.

Pedro Herrera, Attorney, Report:

All Trustees need to have filled their Form 1 with the state by July 1, 2021.

Jeffrey Templeton, Pension Administrator

All retirees have sent in there information forms.

Old Business:

None

New Business:

None

Adjournment:

Chairman, Garry Mitchell, adjourned the meeting at 7:21 P.M.

Respectfully Submitted,

Lt. John Bonnel, Vice- Chairman



Winter Park
Firefighters'
Pension Board

agenda item

item type	Staff Updates	meeting date	September 2, 2021
prepared by	Amanda Templeton	approved by	
board approval			
strategic objective			

subject

A. Burgess Chambers Report

motion / recommendation

background

alternatives / other considerations

fiscal impact



Winter Park
Firefighters'
Pension Board

agenda item

item type	Staff Updates	meeting date	September 2, 2021
prepared by	Amanda Templeton	approved by	
board approval			
strategic objective			

subject

B. Attorney Report- Pedro Herrera

motion / recommendation

background

alternatives / other considerations

fiscal impact



Winter Park
Firefighters'
Pension Board

agenda item

item type Staff Updates	meeting date September 2, 2021
prepared by Amanda Templeton	approved by
board approval	
strategic objective	

subject

Administrator Report- Jeffrey Templeton

1. Westwood Contract
2. Budget of Administrative Expenses October 1, 2021 to September 30, 2022
3. Declaration of Return

motion / recommendation

background

alternatives / other considerations

fiscal impact