

**Winter Park Fire Fighters' Pension Trust Fund**  
**Quarterly Meeting**  
**2 November 2017**  
**4:00 P.M.**

Member:            Engineer Garry Mitchell, Chairman  
                      Engineer Stuart Merrick, Vice Chairman / Secretary  
                      Mike Clifford, Trustee  
                      Mike Hlavek, Trustee

Attendees:        Scott Christiansen, Attorney  
                      Burgess Chambers, BCA  
                      Jeff Templeton, Administrator  
                      Jim White, Fire Chief  
                      Pat McCabe, Deputy Chief  
                      Michael Templeton, Battalion Chief  
                      Richard Rodriguez, Captain  
                      Wes Hamil, City of Winter Park Finance Director

Chairman Garry Mitchell called the meeting to order at 4:06 P.M.

A motion was made by Mike Hlavek and seconded by Stuart Merrick to accept the minutes of the meeting dated 3 August 2017, the minutes of the disability meeting dated 3 August 2017 and the Quarterly Financial Report July-August-September 2017.

All were in favor.

No Public Input

Burgess Chambers, BCA gave Investment Summary Report:

The investment program continues to emphasize the use of passive or index products across the spectrum of domestic equities and fixed-income. This approach to investing among institutional defined benefit plans has attracted record asset flows during the past five years. Your program has been enhanced with improved performance and reduced fees since indexed solutions were applied.

For the quarter, the Plan earned \$1.6 million or +3.2% (+3.1% net) – ahead of the strategic model (+2.7%). The top three performing categories were: passive international (+6.9%), passive large-cap growth (+5.8%) and passive small-cap core (+5.7%).

For the Fiscal-Year, the Plan earned \$5.2 million +10.9% (+10.5% net), ahead of the strategic model (+9.8%) and actuarial assumption rate (+7.75%). The top three performing categories were passive large-cap growth (+21.7%), passive small-cap core (+20.9%), and passive international (+20.6%). This was accomplished by tilting towards equities and having an underweight to bonds.

For the five-year period, the Plan earned \$17.2 million, averaging +8.2% (+7.8% net) per year – ahead of the actuarial assumed rate of return (+7.75%).

The Plan deposited the state contribution in the amount of \$370,044 on August 29<sup>th</sup>. The funds were earmarked to cover upcoming expenses & benefit payments.

### Manager Reviews

Westwood's large-cap value product was ahead of its benchmark for the quarter (+4.1% vs. +3.1%), one-year (+17.9% vs. +15.1%), three-year (+10.1% vs. +8.5%) and five-year periods (+13.8% vs. +13.2%). Rankings for all periods were about average, except for the three-year period which ranked in the top 30<sup>th</sup> percentile.

Advent's convertible bond product achieved the benchmark for the quarter (+3.7%) and ranked in the top 36<sup>th</sup> percentile.

SSI's convertibles product trailed the benchmark for the quarter (+3.3% vs. +3.7%) and one-year period (+12.5% vs. +14.5%) – ranking in the top 42<sup>nd</sup> and 46<sup>th</sup> percentiles, respectively.

American Funds EuroPacific beat its benchmark for all periods and rankings were above average.

Westwood's MLP product beat the Alerian MLP index for all periods.

Barings Core Property exceeded the benchmark for the quarter (+2.5% vs. +1.9%) and one-year period (+8.3% vs. +7.7%), while American Core Realty's results were in line with the benchmark for the quarter (+1.9% vs. +1.9%) and one-year period (+7.5% vs. +7.7%). As a bond substitute, private real estate's combined return of +2.2% for the quarter was well ahead of bond's +0.8% return.

No rebalancing recommendations at this time.

Scott Christiansen, Attorney, gave report:

The administrator has already submitted the Annual report to the City Commission, this is a legislative requirement that was imposed on us years back, we have it in our operating rules that we will send them a letter along with a report on the assets we own as of the end of the fiscal

year. The board has been provided a copy of the letter and Wes Hamil (City Finance Director) has already signed off on it.

Talked with the Fire Chief and sounds like the City of Winter Park Firefighters Pension Plan – Revised Proposed Ordinance (regarding share plan) is going before the City Commission for its first reading this month.

It was discussed with Actuarial about making everything effective in 2018 and the actuarial provided a revised projection actuarial valuation report for the board.

A motion was made by Garry Mitchell and seconded by Mike Hlavek to approve the revised October 1, 2016 evaluation report. All were in favor.

Proposed meeting dates for 2018, all meetings will be at 6:00 P.M.

February 1, 2018

May 3, 2018

August 2, 2018

November 1, 2018

A motion was made by Garry Mitchell and seconded by Stuart Merrick to approve the meeting dates for 2018. All were in favor.

Attorney requesting authorization to update the summary plan, we are required to update it every two years and distribute it to all the members. With the new ordinance going before the City Commission, this is also a good time to incorporate the new changes. Last one was updated in 2016.

A motion was made by Mike Hlavek and seconded by Stuart Merrick to have the attorney update the summary plan. All were in favor.

No old business

No new business

A motion was made by Stuart Merrick and seconded by Mike Hlavek to adjourn. All were in favor.

Meeting adjourned at 4:42 P.M.

Respectfully submitted,

A handwritten signature in cursive script that reads "Stuart Merrick". The signature is written in black ink and is positioned below the text "Respectfully submitted,".

Engineer Stuart Merrick, Secretary