

WINTER PARK POLICE OFFICERS' RETIREMENT SYSTEM
Quarterly Meeting
12 February 2009
6:00 P.M.

MEMBERS: Detective Murray Daniel, Chairman
Randy Durkee, Secretary
Zelle Washburn, Trustee
Don Jung, Trustee
Larry Katz, Trustee

ATTENDEES: Scott Christiansen, Attorney
Jeff Templeton, Administrator
Grant McMurry, ICC
Robert Dombrower, ICC
Burgess Chambers, BCA
Kathy Reed, WPPD-Administrative Assistant
Capt. Rex Straw

The meeting was called to order by Chairman Murray Daniel at 6:01 P.M.

A motion was made by Murray Daniel and seconded by Randy Durkee to accept the minutes of the meeting dated, 13 November 2008 and the Quarterly Report for Oct-Nov-Dec 2008. All were in favor.

Burgess Chambers, BCA, gave his report. He gave all members copies of the Investment Policy Statement for their review. Scott Christiansen, attorney, noted that Fl State Statute 215 dealing with municipal pensions was not correct. The correct Fl State Statute is 185.

The following are changes:

Page 2 - #9 - changed to (Barclay)

Page 2 - #3 % based on long-term analysis

Page 3 - # 5 small cap change to (passive)

Page 9 - #14 Fl State Statute Chapters 185 - and applicable City of Winter Park Ordinance.

Burgess asked Scott (attorney) what "International" means. His response was any corporation under the laws of a foreign country (off shore of U.S.) Chairman Daniel asked Scott (attorney) if the current Investment Policy Statement was completely correct to now be able to vote on with the changes from the discussion.

A motion was made by Larry Katz and seconded by Randy Durkee to accept the Investment Policy Statement as corrected and that it be signed and distributed

within 30 days of approval and that it would be reviewed annually at the February meeting. All were in favor.

Burgess explained his total fund investment fund summary as of 31 December 2008. For the last quarter, the Plan experienced an investment loss of -11.9%, versus (-12.4%) for the strategic benchmark. For the 12-month period the total fund was (-21.8%) net. Among the large-cap domestic managers, Westwood was at (-19.9%) for the quarter. The passive BNYMellon stocks index, which mirrors the S&P 500, declined (-22.0%). The Euro-Pacific international portfolio lost (-19.1%), which was in line with the EAFE index. No additions to the international equity are needed, as the current 10.9% allocation (at cost) is above the 10% limitation.

Burgess Chambers spoke to the Board about the "Sweep Fund" that Fiduciary was offering after Sun Bank closed their "Sweep Funds". Burgess advised that after drilling down into the Fund he found that there were more than 50 Basis Points in cost. He recommended to the Board that he did not feel that the Board should sign the contract with fiduciary concerning the "Sweep Fund." He advised to leave the money where it is at this time. There were no recommendations to make at this time.

Jeff Templeton discussed Fiduciary holding money has worked well. Since they deal with employee contributions, state contributions, city contributions, and the retiree's payments.

A motion was made by Larry Katz and seconded by Randy Durkee that based upon a recommendation from the consultant, BCA, the Board will direct BNY-Mellon to move two of the passive platforms from the non-securities lending platform, the BNY-Mellon Stock Index Fund and the BNY-Mellon Aggregate bond index. All were in favor.

Robert Dombrower, ICC, gave his report. The fund is down -26.60% for the quarter, down -35.80% for the year and down - 6.64% for the five-year period. He discussed the Products Yearly Performance Returns VS. Benchmarks for 2008. He provided information about Country-by-Country Equity returns for 2008.

Scott Christiansen, attorney, gave his report.

Scott gave an update about Florida House Bill #5 - This bill has been waiting several years to be completed and passed in the House. Several of the items that it covers are: (1) allow board members to serve 4-year terms, (2) allow 25% in

International markets. (3) The Ordinance update concerning the new IRS Codes will hopefully be ready for the next scheduled meeting.

Chairman Murray Daniel discussed with the board that if the board should change the yearly assumption rate. Larry Katz mentioned that the assumption rate was approximately 10% higher than other agencies. Jeff said that the Police Board had already reduced it to 8-¼%. The Actuarial Report that will be completed by the next Scheduled meeting would provide that information. Larry Wilson, GRS, will be there to discuss assumption rate information. Jeff Templeton reported that he had spoken with Larry Wilson concerning the completion of the Valuation. It was not completed as of this date. Jeff will be in communication with Larry and the City concerning the Valuation. Scott Christiansen reminded the board that the Valuation is "long term assumption" and that 8 1/4% is on the average side.

Zelle Washburn asked Scott if the Westwood contact had been completed. Scott told the Board that all contracts were in place and appropriately signed.

Jeff reminded the Board that Murray Daniel would be up for re-election in May and Zelle Washburn would be up for re-appointment by the Board as the 5th member.

Jeff Templeton reported that (1) the Annual Report should be completed in several weeks, (2) the letters concerning the use of Social Security numbers had been sent to the State officials, (3) Actuarial Report will be at the next scheduled meeting, (4) Form -1 will be distributed for the next meeting on 14 May 2009.

A motion was made to adjourn by Randy Durkee and seconded by Larry Katz. All were in favor.

Meeting adjourned at 5:35 P.M.

Randall K Durkee
5-14-09