WINTER PARK POLICE OFFICERS' RETIREMENT SYSTEM
Quarterly Meeting
9 February 2012
6:00 P.M.

MEMBERS: Detective Murray Daniel, Chairman
Detective Tom Cronin, Secretary
Sandy Modell, Trustee
Mike Broschart, Trustee

ATTENDEES: Burgess Chambers, BCA
Kathy Reed, Chief's Assistant
Jeff Templeton, Pension Administrator
Scott Christiansen, Plan Attorney

The meeting was called to order at 6:05 P.M.

A motion was made by Tom Cronin and seconded by Sandy Modell to accept the minutes of
the meeting dated 10 November 2011 and the financial report after a change was made to
the minutes. The change was a date for the 2012 meetings. The change was for the meeting
dated 9 August 2012. All were in favor.

Burgess Chambers, BCA, reported the following:

Following a tough third quarter, the Plan earned $2.0 million (+6.6% net) for the
fourth quarter, achieving the benchmark. The top five performing asset categories were:
small-cap passive (+15.5%), Westwood large-cap value (+13.3%), mid-cap passive
(+13.0%), ICC large-cap value (+12.3%), and S & P 500 passive (+11.8%). As expected,
equities outperformed bonds by a wide margin. The convertible bond program, by Advent
earned 5.0%, well ahead of fixed-income (+1.1%).

For the 12-month period, the Plan lost $165,133.00 (-0.5% net), trailing the
benchmark (+1.3%). The difference was mainly due to under – performance from ICC large-
cap (-7.0% vs. +0.4%) and to a lesser extent international (-12.8% vs. -11.7%). The top
three performing asset categories were: TIPS (+13.5%, fixed income (+7.7%), and S&P 500
passive (+2.0%).

For the three-year period, the investment program ranked in the bottom 73rd
percentile due to the underperformance of the Westwood large-cap product. For the five-
year period, the Plan ranked in the top 21st percentile.

ICC's large-cap product, which trails its benchmark for the two and three-year
periods, ranks well below average for all periods. Poor performance during the first three
quarters of 2011 dragged down the three and five-year averages and rankings. Problems
with stock selection have plagued this program recently. This product represented 9.0% of
the Plan assets on 12/31. Looking back to the 12/31/10 monitoring report reveals a
different story. ICC's one, three, and five-year performance was ahead of its benchmark and
most ranking s were within the policy objectives. Given the firm’s strong showing over the
long run, BCA recommends no action at this time. However, the magnitude of underperformance in 2011 is of concern.

Westwood's large-cap product trails the benchmark for three years and remains below the 40th percentile, but relative performance has improved during the past 12 months, as the ranking has risen and performance was similar to the benchmark. BCA recommends no action at this time.

Sandy Modell discussed the future with the convertibles with Burgess.

Chairman Murray Daniel asked Burgess to provide ideas dealing with the new Investment Policy Statement. Burgess suggested that he would like to introduce about 5% real estate into the program instead of bonds.

The current Investment Policy Statement allows for real-estate investments. Therefore, a new Investment Policy Statement would not have to be done. Burgess agreed to report further on the numbers dealing with adding real estate at the next meeting. He explained that he was preparing the information for the Fire Department also. He explained that there was no target in the Investment Policy Statement and that could be examined after the report from him at the next scheduled meeting. He did mention that historically the return report targets help to support real estate up to 8%.

ICC report for the current quarter was 12.31%, for the one-year -7.29% and the three-year 10.28%. Robert Dombrower sent a written update since he could not attend the meeting. He gave the year to date performance (12/31/11 - 02/08/12) as of the close of 8 Feb 2012 as 10.42% (equity only) vs. Russell Value 7.18% S & P 500 7.56%.

He further explained in his update that since the last meeting of the board there were many negative issues discussed, such as mass dequityization, flight to safety and overall psychological fear, which penalized diversified equity portfolios with an extremely high correlation (all assets correlated to 1 during the market decline) have reversed over the fourth quarter and into the new year, as real market internals (valuations, earning streams, economic improvement of bottoming, etc.) have, once again, come to the fore. He said that their strategies have not changed through this extreme volatility and, as expected, are being duly rewarded thus far in 2012. While they expect continued volatility in markets moving forward given the global uncertainty in the Euro Zone, their models continue to flash those areas that offer the greatest value proposition including select Finance, Discretionary, select Technology and industrial names.

Scott Christiansen, attorney, gave his report:

Scott reported that Tom Cronin's term is up in April 2012 and election at the Police Department would need to be completed for his place on the board and Sandy Modell term is up in April as the 5th member and would need to be re-appointed. The elections of officers would also need to take place at the next meeting.

Scott updated the board what was happening in legislature. Senate Bill 2088 is still in committee. He explained that the bills had 2 main features: (1) If a local government and union agreed to retirement benefits or the use of premium tax revenues, or if there is no union and a majority of the plan members agree, the provisions of the agreement shall be
"deemed to comply" with Chapters 175 & 185 for all purposes. The provision would be retroactively applied to any agreement entered into or effective on or after 1 October 2010.

Scott said that for police officers, up to 300 hours of overtime pay might be included in compensation for pension purposes (i.e. the amount of overtime pay included could be less than 300 hours). Scott reiterated that this is in committee and apt to change.

Scott discussed generally about the Task Force on Public Employees Disability meeting. Garry Mitchell from the WPFD serves on the committee. There is a report but it carries no course of law.

A motion was made by Sandy Modell and seconded by Tom Cronin to approve the revision of the Ordinance, date October 2011, dealing with the definition of salary. All were in favor.

Jeff Templeton requested the board to raise his salary by $150.00 beginning 1 March 2012 due to the increase of responsibilities to the retirees and the WPPD members dealing with retirement and the increase of custodians and money managers.

A motion was made by Murray Daniel and seconded by Tom Cronin to increase Jeff Templeton's salary by $150.00 per month. All were in favor.

The meeting was adjourned at 6:50 P.M.

Respectfully submitted,

[Signature]

Detective Tom Cronin, Secretary
05/10/12