Winter Park Police Officer's Retirement System
Quarterly Meeting
13 August 2015
4:00 P.M.

Member:  L.T. Kevin Roesner, Chairman
         William Manuel, Trustee
         Mike Broschart, Trustee
         Det. Sam Easterbrook, Vice-Chairman

Attendees:  Scott Christiansen, Attorney
            Jeff Templeton, Administrator
            Larry Cole, BCA
            Bryan Templeton
            Kathy Reed

Chairman Kevin Roesner called the meeting to order at 4:05 P.M.

A motion was made by Kevin Roesner and seconded by Mike Broschart to accept the minutes of
the meetings dated, 6 November 2014, Special Disability Hearing for Kevin Condu, 16 July
2015, Special Disability Hearing for Kevin Condu, and Quarterly Meeting dated 7 May 2015 and
Quarterly Financial Report April-May-June 2015. All were in favor.

No public input.

Larry Cole, BCA gave the quarterly report.
· For the quarter, the Plan had an investment based loss of $194K or -0.3% (-0.4% net), ahead of
  the strategic model (-0.7%).
  The difference was due to Westwood's large-cap value and MLP products. The top three
  categories were international (+1.2%), Westwood large-cap (+1.0%), and passive small-cap
  (+0.5%).

· Fiscal year to date, the Plan earned $1.8 million or +4.5% (+4.2% net), ahead of the strategic
  model (+3.6%). The top three categories were passive small-cap (+15.2%), passive mid-cap
  (+11.0%), and Westwood large-cap (+8.5%).

· For the one year period, the Plan earned $1.1 million or +3.0% (+2.7% net), ahead of the
  strategic model (+2.2%). The top three categories were passive Westwood large-cap (+8.4%),
  passive large-cap (7.4%), and passive small-cap (+6.7%).

· For the three-year period, the Plan earned $11.7 million, averaging +10.9% (+10.5% net), per
  year. For the five-year period, the Plan earned $17.4 million averaging +10.5% (+10.2% net),
  per year – ahead of the actuarial assumed rate of return (7.75%).
On May 7, 2015, the Board approved BCA recommendation to transfer $500K from BNY Mellon equities ($150K LC, $250K MC & $100K SC) to fixed income in accordance with the IPS equity allocation maximum of 70%. This was completed on 6/24/15.

Manager Reviews
1) Westwood’s large-cap product beat its benchmark for the three and five-year periods, and ranked in the top 43rd and 47th percentiles, respectively.

2) Advent trailed the benchmark for the three-year period and ranked in the top 38th percentile. As mentioned previously, the product avoids lower quality and less liquid names found in the benchmark.

3) American Funds EuroPacific International beat its benchmark for the three and five year periods and ranked in the top 25th and 36th percentile respectfully.

Not recommending any reallocations at this time.

Scott Christiansen, Attorney, gave his report:

Financial disclosure forms have been filed and verified except for Sam Easterbrook. Sam Easterbrook has sent his in as of this date.

Rate of Return Application was completed at the last scheduled meeting.

A motion was made by Kevin Roenser and seconded by Sam Easterbrook to allow the proposed ordinance regarding the changes set forth by Senate Bill 172 & 534 be released to the City and the members for review. All were in favor.

The definition of salary has been updated with a Proposed Ordinance and has been submitted to the City Management for approval.

Senate Bill 534 – Requiring a defined benefit plan to report certain information to the Department of Management Services and to make certain information available on certain websites.

Senate Bill 172 – Substantially changes how insurance premium tax revenues must be used in The funding of local pension plans.
**Important State Interest (Section 15)**

The bill provides that the Legislature determines that the bill fulfills an important state interest as related to public pension plans.

In reference to Bill 172 a Proposed Ordinance for amending the plan to address changes to the Internal Revenue Code and to define share accounts.

Section 74-201, Definitions, is being amended for IRC changes and requirements, to amend the definitions of:

a. Accumulated Contributions - to enter the effective date of the changes made to this definition
b. Actuarial Equivalent - to amend the definition to incorporate the Board's current actuarially assumed rate of return on investments
c. Credited Service - to clarify IRC regulations on leave conversions
d. Spouse - To clarify the definition in accordance with a recent US Supreme Court ruling

This Share Plan provides for a share account for each member of the plan. The Share Plan is to be funded solely and entirely by Chapter 185 premium tax monies for each plan year that funding is made available to it in accordance with governing Florida Statutes and/or mutual agreement between the City and the plan members. This supplemental benefit, therefore, may or may not be funded.

If the share plan is funded, at retirement, termination (vested), disability or death, there is an additional lump sum benefit paid to the eligible member. Available share plan funding is allocated to the members’ accounts based on a formula which provides an allocation based on years of credited service. Each share account receives its proportionate share of the income or loss on the assets in the plan.

Disability update – Kevin Condu application was turned down.
Rafael Berrios was approved for disability.
Joseph Ciezynski application is in the process of preparation of information needed for hearing.

Jeff Templeton, pension administrator, gave his report:

Division of State Retirement advises that they are working on releasing the State money, but cannot provide a date at this time.

Senate Bill #172 also requires the pension administrator to develop an administrator operating budget. The Budget was produced, reviewed by the Board and approved.

Cash accounts with Fiduciary Trust are adequate at this time.
Board approved pre-meeting packets can be distributed electronically and have hard copies available at the meetings. Jeff will determine what documents need to be sent prior to the scheduled meeting.

No old business.

New business

A motion was made by Kevin Roosner and seconded by Sam Easterbrook to adjourn at 5:31 pm. All were in favor.

Respectfully submitted,

[Signature]

Sam Easterbrook, Vice-Chairman