

Winter Park Police Officers' Retirement System
Quarterly Meeting
3 November 2016
6:00 P.M.

Member: Lt. Kevin Roesner, Chairman
Sgt. Scott Williams, Vice Chairman / Secretary
Mike Broschart, Trustee
Sandy Modell, Trustee

Attendees: Scott Christiansen, Attorney
Burgess Chambers, BCA
Jeff Templeton, Administrator
Bryan Templeton
Wes Hamil – Finance Director
William Deuchler
Javer Rodnquiz
Jamie Watson
Pam Marcum
Jeff Marcum
Gavin McComie
Paul Foster

Chairman Kevin Roesner called the meeting to order at 6:05 P.M.

A motion was made by Sandy Modell and seconded by Scott Williams to accept the minutes of the meeting dated 4 August 2016, , and Quarterly Financial Report July-August-September 2106. All were in favor.

Sandy Modell resigned from the Board. The Board thanked him for his service.

A motion was made by Mike Broschart and seconded by Lt. Kevin Roesner to vote to have William Deuchler become the 5th member of the Board replacing Sandy Modell. All were in favor.

Burgess Chambers gave Investment Summary Report:

· For the quarter, the Fund earned \$1.5 million or +3.5% (+3.4% net), ahead of the strategic model (+3.2%). Results ranked in the top 46th percentile in the national peer group of defined benefit pension plans. The top three performing categories were: passive smallcap core (+9.0%), EuroPacific growth (+8.2%), and Advent convertibles (+5.7%).

- For the one-year period, the Fund earned \$4.1 million or +10.1% (+9.8% net) and ranked in the top 31st percentile. The top four performing categories were: passive large-cap core (+15.5%), passive mid-cap core (+15.4%), passive small-cap core (+15.4%), and Westwood large-cap value (+13.1%).
- For the five-year period, the Plan earned \$16.9 million, averaging +9.5% (+9.2% net).
- The Fund has pledged an additional commitment of \$350K to American Core Realty, which will be funded during the next capital call tentatively scheduled for January 2017. American Core Realty did not issue a capital call for October 2016.
- September 30, 2016, an additional commitment of \$350K was funded to Cornerstone Patriot Private Real Estate.
- October 2016: \$1.1 million of Advent convertibles were liquidated and the proceeds were used to purchase shares of the SPDR Barclays Convertible Securities ETF (ticker: CWB).
- August 2016: \$530K was raised from passive large-cap core for cash reserves.
- The Fund was rebalanced in October 2016 after receipt of the \$294K state contribution. Passive fixed income received \$86K from passive mid-cap, \$144K from passive small-cap and \$183K from R&D cash.

Manager Reviews

1. Westwood's large-cap product was ahead of its benchmark for the three-year period and ranked in the top 34th percentile.
2. Advent's convertible bond product trailed the benchmark for the three and five-year periods and ranked below average. Strong results were experienced during 3Q2016.
3. American Funds Euro-Pacific beat its benchmark for the three and five-year periods, and ranked in the 19th and 22nd percentile, respectively
For the quarter, the fund earned \$1.1 million or +2.5% (+2.5% net), similar to the strategic model (+2.9%). Results ranked in the top 12th percentile in the national peer group of defined benefit pension plans. The top three performing categories were: Westwood MLP (+15.8%), passive mid-cap core (+4.0%), and passive small-cap (+3.8%). The gross and net returns appear the same, due to rounding.

Old/New Business:

A discussion has been moving forward regarding the drop program to change it from 5 years to 7 years and how to implement it. A few officers gave their thoughts.

A final decision was made to poll the officers to find out what the majority what as there benefit dealing with the DROP.

A motion by Kevin Roesner and second by Mike Broschart to do a survey to find out what the officers want as their DROP program. They will report the finding at the February meeting. All were in favor.

Scott Christiansen, attorney, gave his report:

The fiscal year Budget for the Fiscal Year ending 30 September 2016 needs to be completed and sent to the City and the State.

The Annual Report of Investment Activity needs to be completed and sent to the City Commission.

Meetings and Times for next year,

February 2, 2017

May 4, 2017


August 2, 2017

November 2, 2017

All meetings start at 6:00 pm

A motion was made by Kevin Roesner and seconded Mike Broschart to adjourn at 7:40 P.M.
All were in favor

Respectfully submitted,

Handwritten signature of Lt. R. Williams #122

Sgt. Scott Williams, Secretary