

Winter Park Police Officer's Pension Trust Fund

Quarterly Meeting

AUGUST 1, 2024, at 6:00 P.M.

Members:

Lt. Kevin Roesner, Chairman
Sgt. Pam Woehr, Vice Chairman/Secretary
Linda Linsey, Trustee
William Deuchler, Trustee

Attendees:

Pedro Herrera, Attorney
Via ZOOM
Burgess Chambers, BCA
Wes Hamil, Director of Finance
Bryan Templeton, Administrative Assistant

Call to order:

Chairman, Lt. Kevin Roesner called the meeting to order at 6:04P.M.

Approval:

A motion was made by William Deuchler and seconded by Lt. Kevin Roesner to approve the minutes from May 2, 2024, and the quarterly billing for April-May-June 2024. All were in favor.

Public comment-None.

Quarterly Report:

Burgess Chambers, BCA, gave the Investment Summary Report:

- For the quarter, the Plan earned \$379K or +0.6% (+0.6% net), behind the strategic model (+1.1%). The top three performing asset categories were: Large Cap Core (+4.3%, **top 41st**) and Infrastructure (+1.3%, **top 15th**). Since private real estate is well below the 8% target, BCA will be recommending an IPS with a lower target.
- • For the Fiscal year-to-date period, the Plan earned \$8.1 million or +13.4% (+13.2% net), behind the strategic model (+16.0%). The difference was due to Barings and Terra-Cap asset mark-downs. The best three performing asset categories were: Large Cap Core (+28.7%), International (+18.7%, **top 28th**), and Mid Cap Core (+18.4%, **top 33rd**).
- • For the one-year period, the Plan earned \$5.5 million or +9.0% (+8.6% net), behind the strategic model (+12.4%). The difference was due in large part to the Terra-Cap asset mark downs in the fourth quarter of 2023. The best three performing asset categories were: Large Cap Core (+24.5%), Mid Cap Core (+12.9%, **top 32nd**), and Large Cap Value (+12.4%).

- • For the five-year period, the Plan earned \$20.4 million, averaging +7.2% (+6.8% net) per year.
- • For the ten-year period, the Plan averaged +6.5% (+6.1% net) per year. It should be noted the Florida Retirement System's expected

rate of return was reduced to +6.7% in 2023.

- • Beginning in January 2023, capital calls were issued to fund the Ironsides Opportunities Fund II (private credit). Payments totaling

\$1.3 million have made through June 2024, while **\$1.7 million** of the original **\$3 million commitment remains to be called.**

- • In November 2022, an **\$800K redemption** was requested from the American Core Reality Fund. Payments totaling \$250K have been received through July 2024, and a balance of \$550K remains. Since July 2023, American Core has distributed \$67,400 in dividends after the DRIP was halted.
- • In November 2022, an **\$800K redemption** was requested from the Barings Reality Fund. Payments totaling \$185K have been received through July 2024, and a balance of \$615K remains. Since October 2023, Barings has distributed \$50,973 in dividends after the DRIP was halted.
- • In June 2024, as part of asset rebalancing: \$286K was raised from Fidelity 500, \$350K from Fidelity Mid Cap, \$150K from Fidelity Small Cap and \$143K from Westwood Large Cap Value. A total of \$429K was wired to fund a capital call for Ironside and the remaining proceeds were used to replenish cash.
- • Westwood's large-cap value product has outperformed its benchmark during the five and 10-year periods.
- • Advent's convertible bond product fell short of the benchmark for the quarter (-1.2% vs. +0.0%) and the five-year period (+7.2% vs. +10.4%), but ranked in the **top 43rd percentile**.
- • Cohen & Steers Global Infrastructure earned +1.3% during the quarter vs. the benchmark return of +1.0% and ranked in the **top 15th percentile**. Results were ahead of the benchmark for the 12-month period (+6.4% vs. +5.3%, **top 20th**). Three-year performance averaged +2.9% net per year and ranked in the **top 24th percentile**.
- • Euro-Pacific beat the benchmark for the quarter (-0.1% vs. -0.2%). Ten-year results beat the benchmark and ranked in the **top 17th percentile**.
- • ARA American Realty's private real estate's results were ahead of the benchmark for the quarter (-0.2% vs. -0.5%) and behind for the 12-month period (-10.3% vs. -9.3%). This is due to commercial property write-downs caused by rising interest rates and falling commercial office occupancy.
- • Barings Core Property real estate results were ahead of the benchmark for the quarter (+0.3% vs. -0.5%), and behind for the 12-month period (-14.8% vs. -9.3%) – due to an aggressive mark-downs of property valuations, caused by rising interest rates and falling commercial office occupancy.
- • TerraCap V experienced a -29.1% markdown in December 2023. The original investment was \$3.5 million. With property sales redemptions/payouts back to the Plan, the capital balance has been reduced to \$3,160,500. Four of the original properties acquired have been sold (two apartments a

A motion was made by Bill Deuchler and Seconded by Lt. Kevin Roesner to give Burgess Chamber the ability to recommend moving the assets in the Advent Convertibles fund and/ or the SPDR Convertible ETF into the appropriate convertible index. All were in favor

Attorney Report:

Pedro Herrera, Sugarman, Susskind, Braswell & Herrera, P.A., gave the Attorney Report:

All Form 1 for Board Members are complete.

The City has had the first reading of the new Ordinance for the State Share Plan, it past. Second reading is scheduled for 8-14-2024.

The State Educational Conference is 11-13-15, 2024 in Daytona. If there are anyone that plans to attend, advice Jeff Templeton.

Administrative Report:

Bryan Templeton, Pension Administrator, gave the Administrative Report:

Have already advised Capt. Scott Williams need to close out the Form1.

A motion was made by Lt. Kevin Roesner and second by Bill Deuchler approve the WPPD retirement system Budget of Administrative Expenses for 10-1-2024 thru 9-30-2025.

All were in favor.

New Business:

None

Old Business:

None

Adjournment:

Chairman, Lt. Kevin Roesner adjourned the meeting at 7:22P.M.

Respectfully Submitted,



Sgt. Pam Woehr Vice Chairman/Secretary