

CITY OF WINTER SPRINGS, FLORIDA
MINUTES
BOARD OF TRUSTEES
REGULAR MEETING
NOVEMBER 14, 2019

CALL TO ORDER

The Regular Meeting of Thursday, November 14, 2019 of the Board of Trustees was called to Order at 5:43 p.m. by Chairperson David Withee in the Commission Chambers (City Hall, 1126 East State Road 434, Winter Springs, Florida 32708).

Roll Call:

Chairperson David Withee present
Vice-Chairperson Barbara Watkins, present
Board Member Michael Blake, present
Board Member Steven Krohn, present
Board Member Robin Paris, absent
Assistant to the City Clerk, Christian Gowan, present

A moment of silence was followed by the Pledge of Allegiance.

Chairperson Withee asked if there were any changes to the agenda.

Assistant to the City Clerk Christian Gowan mentioned that staff had requested Item 501 be pulled.

Discussion followed and Board Members agreed to keep Item 501 on the agenda to discuss further.

AWARDS AND PRESENTATIONS

100. Not Used

INFORMATIONAL AGENDA

200. Not Used

PUBLIC INPUT

Chairperson Withee opened "Public Input".

No one spoke.

Chairperson Withee closed "Public Input".

CONSENT AGENDA

300. Minutes from the Thursday, August 8, 2019 Board of Trustees Regular Meeting

Chairperson Withee asked for a motion to approve the August 8, 2019 Meeting Minutes.

"I MAKE A MOTION TO APPROVE THEM."

MOTION BY VICE-CHAIRPERSON WATKINS. SECONDED BY BOARD MEMBER KROHN. DISCUSSION.

VOTE:

BOARD MEMBER BLAKE: AYE

VICE CHAIRPERSON WATKINS: AYE

BOARD MEMBER KROHN: AYE

CHAIRPERSON WITHEE: AYE

MOTION CARRIED.

PUBLIC HEARINGS AGENDA

400. Not Used

REGULAR AGENDA

500. Quarterly Investment Return Report from AndCo Consulting

Mr. Dave West, Senior Consultant, AndCo Consulting, 4901 Vineland Road, Suite 600, Orlando, Florida: discussed the investment environment over the last quarter and expanded on numbers for various funds, cash flow, and asset allocation.

Continuing, Mr. West said, "Plan results were actually pretty solid given what transpired in the marketplace for the year. We did have one manager issue – a little underperformance there that caused us a little pain on the year but really had no impact on us for longer term."

Discussion followed on a manager issue with RBC and performance trends.

Mr. West responded to Board Member's concerns saying, "The plan is stay the course, by all means, with this manager." Mr. West then referenced charts on pages thirty (30) and thirty-one (31) to show shorter- and longer-term impacts. Continuing, Mr. West said, "This manager, given reasonable time periods, the performance is amazing. They have outperformed – the benchmark consistently, and even with this one bad year - their peer group ranking is just off the charts, they are consistently top quartile."

Further discussion followed on emerging markets, percentage of holdings in stock, and liability driven investments.

Mr. West recommended no changes.

Chairperson Withee asked for a motion to accept the report

"WE WILL ACCEPT THE REPORT WITH THE RECOMMENDATION TO NOT MAKE ANY CHANGES. I'LL MAKE THE MOTION." MOTION BY BOARD MEMBER BLAKE. SECONDED BY VICE-CHAIRPERSON WATKINS. DISCUSSION.

VOTE:

BOARD MEMBER KROHN: AYE

CHAIRPERSON WITHEE: AYE

VICE CHAIRPERSON WATKINS: AYE

BOARD MEMBER BLAKE: AYE

MOTION CARRIED.

501. Investment Advisor Cost Analysis

Chairperson Withee asked staff to clarify what direction they were seeking.

Discussion followed on the current contract, two (2) estimates that had been provided, the scope of services provided for in AndCo's proposal.

Ms. Holly Queen, Controller, Finance Department stated, "I reached out to PFM. We currently use PFM for our operational funds, just trying to test the water and see what other quotes, or what it was going to be, to determine if I needed to go out for an actual RFQ (Request for Qualifications) and when it came back I was a little shocked at what the price difference was. It is completely up to you on the direction..."

Further discussion followed on the price difference and the desire for a third estimate.

Ms. Queen said, "The reason I didn't reach out to another one was because they were so vastly different and I didn't know which direction I needed to go because of our Purchasing Policy. So if you would like me to informally reach out to another one, I am happy to do that."

Chairperson Withee referenced the minutes from the August 8, 2019 Regular Meeting in which Mr. Shawn Boyle, City Manager, stated that three (3) quotes were required.

Ms. Queen said, "Three are required but due to the price difference it is a different set of operations as to how we proceed. If it is over fifty-thousand dollars (50,000 I would have to do a formal RFQ. I didn't do that in either of these cases."

Discussion followed on requirements for specialized consulting services, the cost of a formal RFQ process, and the merits and drawbacks of putting a formal process in place.

Board Member Blake, in reference to AndCo and their proposal said, "It's a known entity, we know exactly what we're getting, quite frankly we have excellent performance..."

Continuing, Board Member Blake advised, "Mr. Chairman, I feel very strongly that it is in the best interests of the City, the pension plan, and the citizens to enter into – a new contract extending the one that is already there, but at the new rate of thirty-

one thousand dollars (\$31,000), which is well below market rates and we know what we're getting."

Board Members agreed about the value of AndCo's services and discussion followed on the next steps the Board could take.

Ms. Queen advised, "I will have to do one more quote but I can do it informally. With your guidance of wanting to accept Dave's [AndCo's]...that will suffice for the three (3) quotes and then we would bring it to Commission to finalize."

Chairperson Withee then suggested, "How about a motion, something like, the Board of Trustees recommends to the City Council [Commission] to renew the contract for AndCo based on the submitted proposal subject to – city compliance?"

IN REFERENCE TO CHAIRPERSON WITHEE'S SUGGESTED MOTION, "I WILL MAKE THAT MOTION." MOTION BY BOARD MEMBER BLAKE. SECONDED BY BOARD MEMBER KROHN. DISCUSSION.

VOTE:

CHAIRPERSON WITHEE: AYE

VICE CHAIRPERSON WATKINS: AYE

BOARD MEMBER KROHN: AYE

BOARD MEMBER BLAKE: AYE

MOTION CARRIED.

Brief discussion followed on previous actions regarding the contract and the duration and terms of the contract.

600. REPORTS

No reports were given.

PUBLIC INPUT

Chairperson Withee opened "Public Input".

No one spoke.

Chairperson Withee closed "Public Input".

ADJOURNMENT

Chairperson Withee adjourned the Regular Meeting at 7:01 p.m.

RESPECTFULLY SUBMITTED:



CHRISTIAN GOWAN
ASSISTANT TO THE CITY CLERK