

FIRE PENSION FUND

Minutes

August 21, 2015

Mayor Vaughn Spencer, David Cituk, Kaylene Huggins, Quentin Englehart, Lilliana Castillo, Merlin Planer, Steve Richman (solicitor), Chief William Stoudt Jr, Donald Pottiger

Call to Order 10:15am

- **PRESENTER/GUEST/ABSENT**

- Present- Margaret Belmondo from The PFM Group presenting the 2nd QTR report.
 - Terminate TCW and investing roughly 90% of its proceeds into American Beacon (high yield debt manager) with a future trade form to invest the remaining 10%, \$800K in cash for Sept and Oct pension disbursements and the remainder of the MMO into domestic and international equity. AEW is a full liquidation, 95% moving end of September and 5% moving end of October.
 - SELLING
 - TCW Emerging Market Income
 - BUYING-
 - BMO Fund Inc Pyrford International stock- R6- \$475,000
 - Lazard International Strategic Equity Portfolio- \$475,000
 - Vanguard Total Stock Market Index Admiral- \$475,000
 - Vanguard Developed Markets Index Fund- \$475,000
 - American Beacon Crescent ShrtDurHilnc- \$1,090,000
 - Motion to approve made by Quentin Englehart, 2nd by Merlin Planer (4y/0n)
- Present- Nationwide DROP representative Hugh McGinley. Nationwide has a fixed rate of 2.05%, has no fees, and also provides quarterly statements. Hugh will continue to visit upon request to provide any updates for board members.
- Absent- William Stoudt
- Absent- Vaughn Spencer
- Guest- Jon Gowombeck
- Guest- Mark George

- **MINUTES**

- Approve minutes from July 2015
 - Motion to approve and ratify actions taken at July 17, 2015 meeting made by Quentin Englehart, 2nd by Donald Pottiger. (4y/0N)

- **FINANCIAL REPORTS**

- Wells Fargo Commercial 7/1/15-7/31/15
- Emerald account review 5/31/15
- Emerald account review 6/30/15
- AEW Value fund 7/1/15-7/31/15
- Financial report 7/31/15
- Comerica Statement Mutual Fund 7/1/2015-7/31/2015
- Comerica Statement Emerald 7/1/2015-7/31/2015
- PFM review ending 6/30/15
 - Motion to approve made by Quentin Englehart, 2nd by Merlin Planer (4y/0N)

- **BILLS**

- ADP processing charges 6/30/2015- \$10.00
- ADP processing charges 7/31/15- \$10.00
- ADP processing charges 4/30/15- \$10.00
- ADP processing charges 8/31/15- \$247.45
- Postal Reimbursement for 8/10/2015-\$3.92
- Markowitz & Richman Professional services for July 2015- \$2,368.00
- Emerald Advisors 4/1/15-6/30/15- \$3,736.70
- Comerica mutual fund 4/1/15-6/30/15- \$2,250.00
- Comerica Emerald 4/1/15-6/30/15- \$148.13
 - Motion to approve made by Merlin Planer, 2nd by Quentin Englehart (4y/0n)

- **CORRESPONDENCE**

- **REFUNDS**

- **APPLICATIONS**

- **BUYBACKS**

- **D.R.O.P. APPLICATIONS**

- Kerry Miller exiting DROP effective 7/18/15
Annually- \$25,429.92 Monthly- \$2,119.10

Judith Miller QDRO Kerry Miller exiting DROP effective 7/18/15
Annually- \$15,337.68 Monthly-\$1,278.14

- Gary Mogel entering DROP 08/06/2015 Exit date 8/05/2020
Annually = \$ 44,927.96 Monthly = \$3,744.00
- Mark George entering DROP 08/18/2015 Exit date 8/17/2020
Annually- \$43,176.60 Monthly- \$3,598.05
 - Motion to approve made by Merlin Planer, 2nd by Donald Pottiger. (4y/0N)

- **OLD BUSINESS**

- Pension booklets for review- TABLED
- In 2016 the general fund is requesting reimbursement for fees based on retirees and actives. Chart provided by Chris Zale. TABLED
 - Motion to remove the general fund off TABLED made by Quentin Englehart, 2nd by Merlin Planer. (4y/0N)
 - Motion to not reimburse the general fund made by David Cituk, 2nd by Quentin Englehart. (4y/0N)
- If an employee is set to go on military leave can the city pay their 5% while on leave?
 - Employee must pay retro into the pension fund within 5 years or 3 times the length of deployment.
- Rick Davidson refund of unused military time
 - Motion to approve Rick Davidson refund of unused military time made by Quentin Englehart, 2nd by Merlin Planer. (4y/0N)

- **NEW BUSINESS**

- Ronald Madeira requests name and address labels for breakfast of retirees
 - Motion to deny Ronald Madeira request made by Quentin Englehart, 2nd by Merlin Planer. (4y/0N) (confidential information)

- **INFORMATION**

- Kenneth Licwinko paid in full as of 6/26/2015, purchased 5 years of military time = \$32,897.70
- MMO payment was received from the City of Reading and a \$ 3,000,000.00 check sent to Comerica on August 11, 2015 received by Sarah J Grant of Comerica.
- Emerald advisers 2015 2nd QTR economic & portfolio commentary
- Special ad hoc postretirement adjustment Act 147 received on 8/18/15 for \$30,675.00

- Donald Hirsch letter of intent to vest. Resigning as of 9/17/15.
 - Per solicitor vested fraction would be 14/24
- David Ciabattoni letter of intent to vest. Resigning as of 9/17/15
 - Per solicitor vested fraction would be 14/20

- **ADJOURNMENT**

- 12:00pm Motion to adjourn made by Merlin Planer, 2nd by Donald Pottiger. (4y/0N)