

Bartlett Police Pension Fund

Minutes of the meeting on January 19, 2016

Call to Order:

- Jon Neidlinger called the meeting to order at 1:15 pm

Roll Call:

- Present: Jon Neidlinger, Michael Rummell, Art Saucedo, Marty Heneghan, Dan Palmer, Jeff Martynowicz, Cary Collins, Mary Tomanek
- Absent: None

Minutes:

- Minutes from the October 20, 2015 Pension Fund meeting were reviewed. Jon Neidlinger motioned to accept the minutes as is. Marty Heneghan seconded the motion.

All in favor: All

Opposed: None

Public Comment:

- Dan Maloney was in attendance and wished to thank us for our commitment to the board.

Investment Performance Reports:

- **Quarter in Review**
 - Despite currency volatility, all sectors within the S&P 500 generated positive returns for the quarter. Large capitalization equities outperformed small and mid cap; bonds across the board were down for the quarter.

- **Looking Ahead**

- Global growth overall to remain slow; Europe is getting the support from the ECB with QE, potentially paving the way for the end of the fiscal austerity. Expect European earnings to finally rebound and equities to outperform again in 2016. The U.S. economy remains solid and will be self-sustaining which is why the Fed has been tightening monetary policy starting with the exit from QE in 2014 and continuing with the December 2015 rate hike. Interest rates expected to remain low, the yield curve is still positively sloped which is also good for growth.

- **Recommendations**

- With \$900,000 available cash equivalents, add \$500,000 to Madison fixed income, \$200,000 to Columbia divided income, and \$200,000 to Vanguard S&P 500. Jon Neidlinger motioned to accept this recommendation, Mike Rummell seconded the motion.

Jon Neidlinger: Yes

Mike Rummell: Yes

Art Saucedo: Yes

Dan Palmer: Yes

Marty Heneghan: Yes

- Consider a replacement for Fayez Sarofin, as well as to update the investment policy. Fayez Sarofin PM and Director of Investments left the firm. Believe the departure is a loss due to his investment expertise.
- Consideration for developing a formal manager “Watch/Fire” criteria.

Treasurer’s Report:

- Jeff Martynowicz presented the Budget Status Report year to date. Total revenue for the fiscal year is \$1,057,651 Actual YTD. Total expenses are \$944,013 Actual YTD. Mike Rummell motioned to accept the Budget Report. Jon Neidlinger seconded the motion.

All in favor: All

Opposed: None

- Jeff Martynowicz presented the Bills List (October-December 2015) Total bills to be paid \$358,638.56. Dan Palmer motioned to accept the Bills List as is. Jon Neidlinger seconded the motion.

All in Favor: All
Opposed: None

- Jeff Martynowicz presented the Actuarial Valuation as of May 1, 2015. Our Total Actuarial Liability was \$42,901,689 and our Unfunded Actuarial Liability was \$8,486,149 which gives us an 80.2% Funded Ratio. The annual required contribution for GASB No. 25 was \$1,252,049. The Actuarial Value of Assets as of April 30, 2015 was \$34,415,540.

Communications Report:

- Annual beneficiary forms were mailed to the pensioners. We are still waiting for all of them to be returned.

New Employee Applicants, Withdrawals, Retirement or Disability

- Application for Membership for Officer Nicholas A. Gray (DOB 11/12/90) who was hired on 1/8/16. Jon Neidlinger motioned to accept, Mike Rummell seconded the motion.

All in Favor: All
Opposed: None

- Jon Neidlinger, Michael Rummell, and Dan Palmer signed the application.
- A refund was issued to Laura Swan who resigned as a Police Officer on 9/29/15. Total refund was \$14,894.48. Mike Rummell motioned to accept the refund, Art Saucedo seconded the motion.

All in Favor: All
Opposed: None

- We are still waiting for the third doctor to send his report on Officer Jennifer Brown. Once we receive the third report, a disability hearing will be set with a date and time. Mike Gorniak is set up with his next doctor's examination and Dave Woollard is going to his doctor in South Carolina and will get an updated letter.

Old Business

- None

New Business

- Dan Palmer completed one of the four Trustee Trainings. The next three trainings are set.
- Jon Neidlinger and Mike Rummell are coming off the board after the April 19th meeting. Mike Rummell will send out an email to all union employees seeking interest and will hold an election before the April meeting.

Attorney's Report

- We need to be sure if someone contacts us and wants to know if the Pension Board is having a meeting that we communicate by email. This responsibility will fall to the Open Meetings Administrator.

Adjournment

- Jon Neidlinger motioned to adjourn at 2:25 PM. Mike Rummell second the motion.
- **The next regular scheduled meeting will be April 19, 2016 at 1:00 pm.**

Sincerely,

Michael Rummell
Secretary