

Minutes

Police Pension Fund Board Meeting

October 8, 2015

David M. Cituk, Bruce Monteiro, William Heim, Joe Rudolf (Solicitor), Mayor Vaughn Spencer, Kaylene Huggins, Lilliana Castillo, Donald Pottiger

Call to Order 9:40a.m.

○ PRESENTER/GUEST/ABSENT

- Guest- Carole Snyder- City of Reading Managing Director
- Presenter- Mockenhaupt (via phone Dave Stimpson)

Level 2 would require all 3 funds aggregate

- 1 investment firm, 1 solicitor, 1 rep from each plan, and 1 citizen. (not including mayor, auditor, finance director)
- Investments would be aggregated but each fund would control the same amount invested and earned.
I.E. if 50 % of the investment funds are the police, 25 % is fire and 25 % is O & E.
Should \$ 10.00 be invested and the return is another \$ 10.00 police would then have \$15.00, \$ 2.50 to fire and \$2.50 to O & E
- Once the plan is aggregated should the administration change can it be de aggregated?
- Does it increase the “powers” of the city to tax when the pension reaches level 2? Property and EIT taxes for commuters can be increased to add funding into the pension accounts
Currently Easton is already implementing this
- Carol has spoken with PFM in regards to reevaluating our current Act 47 taxes and recreating an Act 47 that includes the ability to tax with the level 2 distress code
- Does fire or Police control the distress level based on their vote?
Either can for Market Value and it will cause the City to go into level 2

 Follow up

- What ifs and steps that are going to occur once this process begins.
Decisions should be made by 11/15/15 or before. The 2016 MMO can be revised up until 12/31/2015 based on the 2015 actuarial valuation.

- Presenter- SEI (Glen Harris and Jon Waite)
Police Plan returned -3.7 % compared to the Blended Index -4.4 % for the YTD totals but since 10/31/2013 the return was 2.3 % compared to 1.6 % for the Blended Index.
SEI recommends no adjustments to the current portfolio at this time.

- **MINUTES**

- Approve minutes from September 2015
 - Motion to approve made by Bruce Monteiro, 2nd by Donald Pottiger. (4y/0n)

- **FINANCIAL REPORTS**

- Financial Reports for August 31,2015
- Wells Fargo snapshot as of August 31, 2015
- Wells Fargo Commercial checking Account- 9/1/15-9/30/15
- SEI Police Pension Plan Historical as of 8/31/15
- SEI- 8/1/15-8/31/15 Acct# 17194
- SEI-8/1/15-8/31/15 Acct# 17194-C
 - Motion to approve made by Donald Pottiger, 2nd by Vaughn Spencer. (4y/0n)

- **BILLS**

- ADP Auto pay processing charges 8/31/15- \$10.00
- ADP Auto pay processing charges 10/31/15- \$590.76
- 3rd QTR Pension Coordinator and PT Pension Assistant salary- \$6,220.80
- Postal Reimbursement for September 2015- \$8.33
- Clark Hill professional services from September 2015- \$6,650.00
- Medical Deductions from 7/1/15-9/30/15- \$15,186.00
 - Motion to approve made by Bruce Monteiro, 2nd by Donald Pottiger. (4y/0n)

- **CORRESPONDENCE**

○ **REFUNDS**

- Jose Gonzalez refund for unused civilian buyback \$1,216.77
 - Motion to approve made by Bruce Monteiro, 2nd by Donald Pottiger. (4y/0n)

○ **APPLICATIONS**

- Jose A. Gonzalez applying for DROP as of 10/8/2015
Monthly- \$3,473.13 Annually- \$41,677.51
 - Motion to approve made by Bruce Monteiro, 2nd by Donald Pottiger. (4y/0n)

○ **BUYBACK**

- Brett Sneeringer has changed his payroll deduction from \$200.00 per pay to \$5.00 per pay for his 5 years towards Civilian Buyback
 - Motion to approve made by Bruce Monteiro, 2nd by Vaughn Spencer. (4y/0n)

○ **OLD BUSINESS**

- Solicitor RFI- Tabled
- Solicitor's recommendation concerning award of Jodi Royer's DROP and pension benefits.- Tabled

○ **NEW BUSINESS**

- Pensioner Stratton Marmarou requested a list of retired officers and their address
 - Stratton Marmarou must file a Right to know request through the City solicitor's office and have it forwarded to the Police Pension Board's solicitor Joe Rudolf. Stratton may also forward the letters the Pension office for disbursement or request updated addresses from the FOP they meet the second Thursday of every month at 12:30

- Fiduciary Liability Renewal Quote
 - Motion to approve renewal insurance quote made by Bruce Monteiro, 2nd by David Cituk. (4y/0n)

- Pension report from Mockenhaupt and pension valuation methods available for Police.- Tabled

- Michael Fizz has given in his resignation letter as a board member effective October 8, 2015.
 - All active members of the FOP are able to vote on the new retiree representative
 - Formal letter to the FOP issued by Mayor Vaughn Spencer notifying the FOP of the vacant seat
 - Requesting the FOP have the spot filled by November 12, 2015 meeting
 - Motion to approve Michael Fizz resignation letter made by Bruce Monteiro, 2nd by Vaughn Spencer. (4y/0n)

- **INFORMATION**
 - Act 44 Disclosure form from Wells Fargo, Clark Hill and Dilworth Paxson LLP contributors for the years of 2010, 2012, 2013, 2014.
 - Documents for Act 44 discloser needs to be sent out for all boards
 - Wells Fargo retirement plan regulatory notice.
 - Solicitor will review regulatory notice

- **ADJOURNMENT**
 - 12:05p.m Motion to adjourn made by Bruce Monteiro, 2nd by Vaughn Spencer(4y/0n)